



BY-LAW NO. 1

A by-law relating generally to the conduct of the affairs of
CANADIAN URBAN TRANSIT ASSOCIATION
(the “Association”)

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SECTION 1 - GENERAL

1.1 Definitions

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

“Act” means the *Canada Not-for-profit Corporations Act*, S.C. 2009, c.23, including the Regulations where the context requires, as the same may be amended or substituted from time to time;

“Affiliate Member” means a Member which is a corporation, agency, entity or individual interested in or affiliated with the public transit industry;

“Annual Meeting” means an Annual Meeting of the nature described in Section 4.3;

“Articles” means the original or restated articles of incorporation or articles of amendment, amalgamation, continuance, reorganization, arrangement or revival of the Association;

“Audit Committee” means the standing committee appointed by the Board responsible for the monitoring, managing and reporting of the financial viability, financial reporting process, financial and accounting compliance of the Association;

“Board” means the board of directors of the Association;

“Board Appointed Officers” means the officers appointed by the Board pursuant to Section 6.1;

“Business Member” means a Member which is an individual, body corporate, partnership, or unincorporated organization engaged in the manufacture or sale of public transit equipment, supplies or services;

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

“Chair” means the Chair of the Board;

“Director” means a member of the Board;

“Executive Committee” means the standing committee referred to in Section 5.13.3;

“First Vice-Chair” means the First Vice-Chair of the Board;

“Foreign Transit System Member” means a Member which is an individual, body corporate, partnership, or unincorporated organization which operates a public transit system in a jurisdiction outside of Canada;

“Governance Committee” means the standing committee referred to in Section 5.13.1;

“Government Agency Member” means a Member which is any department or ministry of the federal government of Canada or a Canadian provincial government, any department of a Canadian regional government or municipal government, or any agency thereof having an interest in urban public transit;

“Honorary Counsel” means the Honorary Counsel to the Association appointed pursuant to Section 6.1.1(b);

“Immediate Past Chair” means the person who was the immediate former Chair of the Board;

“Large Transit System” means a transit system operating ninety-five (95) or more active transit vehicles, including conventional and specialized transit vehicles, as set out in the Association’s Canadian Transit Fact Book;

“meeting of Members” means a meeting of Members and includes an Annual Meeting or Special Meeting;

“Member” means a member of the Association;

“Member Elected Officers” means the officers elected by the Members pursuant to Sections 5.1.2(a) to (d) and includes any individual appointed by the Board to fill a vacancy caused by the resignation or other removal of such an officer pursuant to Section 5.4.2;

“National Committees” means the standing committees formed by the Association in accordance with Section 7.2 to address the concerns of the transit industry having Canadian national implication;

“Nominating Committee” means the standing committee referred to in Section 5.13.1;

“Nomination and Election Policy” means the policy defined in Section 5.3.1;

“Officer” means Board Elected Officer and/or Member Elected Officer where the context requires or permits;

“President” means the President and the Chief Executive Officer and the Treasurer of the Association and as described in Section 6.2(e);

“Regulations” means the *Canada Not-for-profit Corporations Regulations*, SOR/2011-223, as the same may be amended or substituted from time to time;

“Secretary” means the Secretary of the Association or, if there is no Secretary of the Association, means the President;

“Senior Manager” in respect of a Member means its chief executive officer, a person who reports directly to such chief executive officer, a person of management designated by such chief executive officer, or, where the Member is a sole proprietor, means the sole proprietor;

“Small Transit System” means a transit system which operates with fewer than ninety-five (95) active transit vehicles, including conventional and specialized transit vehicles, as set out in the Association’s Canadian Transit Fact Book;

“Special Meeting” means a meeting of Members other than an Annual Meeting;

“Specialized Transit” means an individual, body corporate, partnership, or unincorporated organization which operates a public transit system in Canada for the citizens of a jurisdiction who have a disability which prevents them, on a regular basis, from being able to use the regular, fixed route public transit system in the jurisdiction;

“Transit System Member” means an individual, body corporate, partnership, or unincorporated organization which operates a public transit system in Canada, a Small Transit System, a Specialized Transit, or a Large Transit System;

“Vice-Chair” means a Vice-Chair of the Board and includes the First Vice-Chair unless otherwise specified.

1.2 Interpretation

1.2.1 In the interpretation of this by-law, words importing the singular include the plural and vice-versa, and words in one gender include all genders.

1.2.2 Other than as specified in Section 1.1 above, words and expressions defined in the Act have the same meanings when used in this by-law.

1.2.3 In the event of a discrepancy between the English and French versions of this by-law, the English version shall take precedence.

1.2.4 The division of this by-law into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation hereof. Unless otherwise provided, each reference to an Article or a Section is to the corresponding article or section hereof. Whenever the words “include”, “includes” or “including” are used in this by-law and in all other by-laws hereafter passed, unless the context otherwise requires, such words shall be deemed in each instance to be followed by the words “without limitation.”

1.2.5 The Chair, in deciding a matter, may consult with, among others, the President and/or the Honorary Counsel and/or use the most current edition of “Robert’s Rules of Order, Newly Revised”.

1.3 Rules of Order

The Board shall be entitled to adopt, from time to time, such rules of order as it deems appropriate to govern the conduct of each Board meeting; provided that, in the event of a conflict between such rules of order and one or more provisions of the Act, the Articles or the by-laws, the provisions of the Act, the Articles or the by-laws shall prevail. The rules of order adopted by the Board shall initially be “Robert’s Rules of Order, Newly Revised”.

1.4 Corporate Seal

The Association may have a corporate seal in the form approved from time to time by the Board. If a corporate seal is approved by the Board, the President shall be the custodian of the corporate seal.

1.5 Execution of Documents

Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by the Association shall be signed by the President. In addition, the Board may from time to time by resolution direct the manner in which, and the person or persons by whom, a particular document or type of document shall be executed. Any person authorized to sign any document may affix the corporate seal (if any) to the document. Any person authorized to sign any document may have certified a copy of any instrument, resolution, by-law or other document of the Association to be a true copy thereof.

1.6 Fiscal Year

The financial year end of the Association shall be the 31st of December in each year.

1.7 Banking Arrangements

The banking business of the Association shall be transacted at such bank, trust company or other firm or corporation carrying on 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 and/or other persons as the Board may by resolution from time to time designate, direct or authorize.

1.8 Borrowing Powers

1.8.1 The Association may, from time to time, having a value or in an amount up to and equal to one hundred thousand Canadian dollars (CDN\$100,000.00),

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

1.8.2 Should the value or amount of the indebtedness exceed one hundred thousand Canadian dollars (CDN\$100,000.00), the approval of the Board is required.

1.9 Annual Financial Statements and Report of the Public Accountant

- 1.9.1 The Association may, instead of sending copies of the annual financial statements and other documents referred to in section 172(1) (Annual Financial Statements) of the Act and the report of the public accountant referred to in section 191 (Report on Financial Statements) of the Act to the Members, publish a notice to the Members stating that the financial statements and documents, and the report are available at the registered office of the Association.
- 1.9.2 Notwithstanding Section 1.9.1, any Member may, on request, obtain a copy of the annual financial statements and other documents referred to in section 172(1) (Annual Financial Statements) of the Act and the report of the public accountant referred to in section 191 (Report on Financial Statements) of the Act free of charge at the registered office of the Association, by prepaid mail, or by electronic transmission.

SECTION 2 - MEMBERS

2.1 Membership Conditions

- 2.1.1 Subject to the Articles, there shall be two (2) classes of members in the Association, namely Class A Members and Class B Members. The Board may, by resolution, approve the admission of the members of the Association. Members may also be admitted in such other manner as may be prescribed by the Board by ordinary resolution. The following conditions of membership shall apply:
- (a) Class A voting membership shall be available only to persons who have applied and been accepted in the category of Transit System Members and as set out in the Articles, each Member in this category is entitled to receive notice of and attend and speak and vote at all meetings of Members and each such Member shall be entitled to one (1) vote at such meetings.
 - (b) Class B non-voting membership shall be available only to persons who have applied and been accepted in the following categories and, subject to the Articles, each Member of the following categories is entitled to receive notice of and attend and speak at all meetings of the Members but is not entitled to vote at such meetings:
 - (i) Business Members.
 - (ii) Government Agency Members.
 - (iii) Affiliate Members.
 - (iv) Foreign Transit System Members.

- 2.1.2 The term of membership of a Member of any category shall expire on December 31 of each year unless renewed prior thereto in accordance with the policies of the Association.
- 2.1.3 The provisions of the Act, and in particular sections 197 and 199, apply to any fundamental change to the Association, and require a special resolution of Members, including to do any of the following:
- (a) Change a condition required for being a Member.
 - (b) Add, change or remove a provision respecting the transfer of membership.
 - (c) Change the manner of giving notice to Members entitled to vote at a meeting of Members.
 - (d) Change the method of voting by Members not in attendance at a meeting of Members.
- 2.1.4 Certain fundamental changes may require a class vote of the Class B Members, despite the Class B Members not otherwise having the right to vote.

2.2 Authorized Representative

- 2.2.1 Each Member who is not an individual shall designate on the application of the Member, or any renewal thereof, one (1) authorized representative who is a Senior Manager to represent the Member in its dealings with the Association including, subject to Section 2.2.3, at any meeting of Members.
- 2.2.2 A Member may change its authorized representative at any time by providing to the President written notice of the change of authorized representative and the effective date and time of the change shall be the date and time specified in the notice.
- 2.2.3 A Member may designate a different authorized representative for any meeting by providing to the President or the Chair, (a) written notice of the change of authorized representative for the purpose of the meeting on no less than forty-eight (48) hours in advance of any meeting; or (b) a proxy duly completed in the manner contemplated in Section 4.10.

2.3 Membership Transferability

- 2.3.1 Membership in the Association is not transferrable.
- 2.3.2 Pursuant to section 197(1) (Fundamental Changes) of the Act, a special resolution of the Members is required to make any amendment to add, change or delete this Section of this by-law.

SECTION 3 - MEMBERSHIP DUES, TERMINATION AND DISCIPLINE

3.1 Membership Dues

Each Member shall be notified in writing of the membership dues at any time payable by the Member and, if the membership dues are not paid within sixty (60) days of the membership renewal date, the Member's membership shall be suspended. If the Member does not pay the membership dues within one hundred and twenty (120) days of the membership renewal date, the Member's membership shall be terminated upon ratification by the Board and the Member shall automatically cease to be a Member of the Association.

3.2 Termination of Membership

3.2.1 A membership in the Association is terminated when,

- (a) the Member dies, or, in the case of a Member that is not an individual, the Member is dissolved or its existence is otherwise terminated;
- (b) the Member fails to maintain any qualification required for the membership, including membership dues as set out in Section 3.1;
- (c) the Member resigns by delivering a written resignation to the Chair in which case such resignation shall be effective on the date specified in the resignation;
- (d) the Member is expelled in accordance with Section 3.4 or is otherwise terminated in accordance with the Articles or by-laws;
- (e) the Member's term of membership expires and is not renewed; or
- (f) the Association is liquidated or dissolved under the Act.

3.3 Effect of Termination of Membership

Subject to the Articles, upon any termination of membership, the rights of the Member, including any rights in property of the Association, if any, automatically cease to exist.

3.4 Discipline of Members

3.4.1 The Board shall have the authority to suspend or expel any Member from the Association for any one or more of the following grounds:

- (a) Violating any provision of the Articles, by-laws, or written policies of the Association; or
- (b) Carrying out any conduct which may be detrimental to the Association as determined by the Board in its sole discretion.

- 3.4.2 In the event that the Board determines that a Member should be expelled from membership in the Association, the President, or such other Officer as may be designated by the Board, shall provide twenty (20) days' notice of expulsion to the Member and shall provide reasons for the proposed expulsion. The Member may make written submissions to the President, or such other Officer, in response to the notice received within such twenty (20) day period. In the event that no written submissions are received, the President, or such Officer, may proceed to notify the Member that the Member is expelled from membership in the Association. If written submissions are received in accordance with this section, the Board will consider such submissions in arriving at a final decision and shall notify the Member concerning such final decision within a further twenty (20) days from the date of receipt of the submissions. The Board's decision shall be final and binding on the Member, without any further right of appeal.

SECTION 4 - MEETINGS OF MEMBERS

4.1 Place of Members' Meeting

Meetings of Members shall be held at any place and time within Canada determined by the Board.

4.2 Notice of Members' Meeting

4.2.1 Notice of the time and place of a meeting of Members shall be given to each Member by any of the following means:

- (a) By mail, courier or personal delivery to each Member during a period of twenty-one (21) to sixty (60) days before the day on which the meeting is to be held.
- (b) By telephonic, electronic or other communication facility to each Member during a period twenty-one (21) to thirty-five (35) days before the day on which the meeting is to be held.

4.2.2 Any person who is entitled to notice of a meeting of Members may waive notice either before or after the meeting, and attendance of the person at the meeting is a waiver of notice of the meeting, unless the person attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

4.2.3 Pursuant to section 197(1) (Fundamental Changes) of the Act, a special resolution of the Members is required to make any amendment to this by-law to change the manner of giving notice to Members entitled to vote at a meeting of Members.

4.3 Annual Members' Meeting

An Annual Meeting shall be held not later than fifteen (15) months after the holding of the preceding Annual Meeting but no later than six (6) months after the end of the

Association's preceding financial year, on such day and at such time as the Board may determine. At every Annual Meeting, in addition to any other business that may be transacted:

- (a) the Annual Financial Statements for the preceding financial year shall be presented;
- (b) vacancies on the Board shall be filled;
- (c) the public accountant for the ensuing year shall be appointed; and
- (d) the remuneration of the public accountant shall be fixed or provision shall be made for such remuneration to be fixed by the Board, as contemplated by Section 5.18.

4.4 Special Meetings

A Special Meeting may be held from time to time as required to address matters that are appropriate to come before the Members, as determined by the Board or by the application of the Act, the Articles or the by-laws. Such meetings shall be held on such day and at such time as the Board may determine.

4.5 Members Calling a Members' Meeting

The Board shall call a Special Meeting of Members in accordance with section 167 of the Act, on written requisition of Members carrying not less than five percent (5%) of the voting rights. If the Board does not call a meeting within twenty-one (21) days of receiving the requisition, any Member who signed the requisition may call the meeting.

4.6 Chair of Members' Meeting

In the event that the Chair and the First Vice-Chair are absent, the Members who are present and entitled to vote at the meeting shall choose one of their numbers to chair the meeting.

4.7 Quorum at Members' Meetings

4.7.1 A quorum at any meeting of Members (unless a greater number of Members are required to be present by the Act) shall be at least ten (10) Members having voting rights.

4.7.2 If a quorum is present at the opening of a meeting, the Members present may proceed with the business of the meeting even if a quorum is not present throughout the meeting.

4.8 Motions at Members' Meetings

Any Member may move or second a motion on a matter on the agenda of that meeting of Members.

4.9 Manner of Voting at Members' Meeting

Subject to Section 4.10, voting at a meeting of Members shall be in accordance with section 165 of the Act, by a show of hands unless the chair of the meeting determines that a ballot is required or a ballot is demanded by a Member entitled to vote at the meeting, and a Member may demand a ballot before or after any vote by show of hands.

4.10 Absentee Voting at Members' Meeting

4.10.1 Pursuant to section 171(1) (Absentee Voting) of the Act and section 74 of the Regulations, a Member entitled to vote at a meeting of Members may vote by proxy by appointing in writing a proxy holder, and one or more alternate proxy holders, who are not required to be Members, to attend and act at the meeting in the manner and to the extent authorized by the proxy and with the authority conferred by it subject to the following requirements:

- (a) A proxy may be in such form as the Board from time to time prescribes or in such other form as the chair of the meeting may accept as sufficient and is valid if executed by the Member and deposited by the Member at the registered office of the Association no later than the last business day preceding the day of the meeting, or the day of the continuation of that meeting after an adjournment of that meeting, at which the proxy is to be used; or with the chair of the meeting prior to the commencement of the meeting or the continuation of that meeting after an adjournment of that meeting.
- (b) 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.
- (c) A Member may revoke a proxy by written notice executed by the Member and deposited at the registered office of the Association no later than the last business day preceding the day of the meeting, or the day of the continuation of that meeting after an adjournment of that meeting, at which the proxy is to be used; or 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.
- (d) A proxy holder or an alternate proxy holder has the same rights as the Member by whom they were appointed.

4.10.2 Pursuant to section 197(1) (Fundamental Changes) of the Act, a special resolution of the Members is required to make any amendment to this by-law to change the method of voting by Members not in attendance at a meeting of Members.

4.11 Votes to Govern at Members' Meetings

4.11.1 At any meeting of Members every question shall, unless otherwise provided by the Articles, by-laws or the Act, be determined by a majority of the votes cast on the questions.

4.11.2 In the case of an equality of votes on any question presented to the Members, the question shall be deemed to be decided in the negative. For greater certainty, neither the Chair nor the chair of the meeting shall have a second or casting vote.

4.12 Participation by Electronic Means at Members' Meetings

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

4.13 Members' Meeting Held Entirely by Electronic Means

Meetings of the Members may be held entirely by telephonic, electronic or other communication facility as long as all participants can communicate adequately with each other during the meeting if so determined by the person who called the meeting and if the Association has a system that:

- (a) enables the votes to be gathered in a manner that permits their subsequent verification; and
- (b) permits the tallied votes to be presented to the Association without it being possible for the Association to identify how each Member voted.

SECTION 5 - DIRECTORS

5.1 Number of Directors

5.1.1 The number of Directors shall be a minimum of three (3) and a maximum of forty-five (45) as provided for in the Articles.

5.1.2 The Board shall consist of the following:

- (a) one (1) individual who shall be a Director and the Chair.
- (b) one (1) individual who shall be a Director and the First Vice-Chair.

- (c) seven (7) individuals each of whom shall be a Director and one of the following:
 - (i) the Vice-Chair, Finance,
 - (ii) the Vice-Chair, Communications & Public Affairs,
 - (iii) the Vice-Chair, Integrated Mobility,
 - (iv) the Vice-Chair, Municipal Councils,
 - (v) the Vice-Chair, Small Transit Systems,
 - (vi) the Vice-Chair, Technical Services, or
 - (vii) the Vice-Chair, Workforce Development;
- (d) two (2) individuals each of whom shall be a Director and a Vice-Chair, Business Members;
- (e) one (1) individual who shall be a Director and who shall be a Senior Manager of a Member who operates in Atlantic Region;
- (f) one (1) individual who shall be a Director and who shall be a Senior Manager of a Member who operates in British Columbia Region;
- (g) one (1) individual who shall be a Director and who shall be a Senior Manager of a Member who operates in Ontario Region;
- (h) one (1) individual who shall be a Director and who shall be a Senior Manager of a Member who operates in Prairie Provinces & Territorial Region;
- (i) one (1) individual who shall be a Director and who shall be a Senior Manager of a Member who operates in Quebec Region;
- (j) fourteen (14) individuals who shall be Large Transit System Directors, and who are Senior Managers of Large Transit System Members, or such other number as is determined by the Board provided that at no time shall the number be more than twenty (20) or when combined with the number elected pursuant to Sections 5.1.2(k) and 5.1.2(l) no more than thirty (30);
- (k) fourteen (14) individuals who shall be Small Transit System Directors, and who are Senior Managers of Small Transit System Members, or such other number as is determined by the Board provided that at no time shall the number be more than twenty (20) or when combined with the number elected pursuant to Sections 5.1.2(j) and 5.1.2(l) no more than thirty (30);

- (l) one (1) individual who shall be a Specialized Transit Director, and who is Senior Manager of a Specialized Transit;
- (m) ten (10) individuals who shall be Business Members Directors, and who are Senior Managers of Business Members, or such other number as is determined by the Board provided that the number shall be a minimum of eight (8) and a maximum of twelve (12); and
- (n) five (5) individuals who shall be Government Agency Members Directors, Affiliate Members Directors, and Foreign Transit System Members Directors, and who are Senior Managers of Government Agency Members, Affiliate Members, and Foreign Transit System Members, respectively, or such other number as is determined by the Board provided that the number shall not exceed seven (7).

5.2 Qualifications

In order to serve as a Director, an individual must:

- (a) be a natural person of eighteen (18) years of age or older;
- (b) not be declared incapable;
- (c) not be an undischarged bankrupt;
- (d) unless specifically required to be a Senior Manager, be an owner, employee, director or officer of a Member; and
- (e) meet any geographic, employment or other requirements set out in Section 5.1.2.

5.3 Nominations

5.3.1 The Board shall adopt a policy (“Nomination and Election Policy”) from time to time, and available to the Members upon request, relating to the nomination and election of Directors at each Annual Meeting which policy shall:

- (a) include a process by which Members may submit to the Nominating Committee one or more names of individuals to be considered for election as Directors;
- (b) provide that the Nominating Committee shall develop a slate of candidates to fill all vacancies required to be filled at the Annual Meeting;
- (c) provide for the inclusion on the ballot to be presented to the Annual Meeting the names of all individuals submitted pursuant to Section 5.3.1(a) whether or not they are included on the slate of the Nominating Committee so long as they meet all nomination requirements and agree to stand for election; and

- (d) provide, in the event of a contested election, for all candidates whose names are on the ballot and whose position is contested, to be given an opportunity to address the Annual Meeting.
- 5.3.2 As provided in the Act, for the purposes of Sections 5.3.1(a) and in addition to any nomination requirements set out in the Nomination and Election Policy, any names of individuals submitted pursuant to Section 5.3.1(a) is to be signed by a minimum of three (3) Transit System Members.
- 5.3.3 For greater certainty, the Nominating Committee shall not be limited in composing its slate to those who have been nominated pursuant to Section 5.3.1(a). Furthermore, nothing herein or in the Nomination and Election Policy shall prevent the Nominating Committee from nominating individuals not listed on the slate referred to in Section 5.3.1(b) if at any time up to forty-five (45) days, before the Annual Meeting, a further vacancy in a position arises.

5.4 Election and Term of Directors and Vacancies

- 5.4.1 With the exception of the individuals elected as a Director and Chair or a Director and Vice-Chair, each Director elected at an Annual Meeting, shall be elected for a term expiring at the close of the second Annual Meeting following his or her election or until his or her successor is elected or appointed unless:
- (a) any such individual was elected to complete the unexpired term of a former Director, in which case such individual shall be elected for the remainder of such term; or
 - (b) prior to the Annual Meeting at which such individual is elected as a Director, the Board determines that in the interests of providing for a staggered Board, the vacancy which he or she has been elected to fill shall be for a term expiring at the end of the first Annual Meeting following his or her election.
- 5.4.2 If an individual ceases to be a Director prior to an Annual Meeting, leaving a vacancy on the Board, the Board may appoint any Senior Manager, owner, employee, director or officer of a Member to serve on the Board to fill such vacancy until the next Annual Meeting. For greater certainty, if such Director was a Member Elected Officer, any individual appointed to fill such Board vacancy shall also fill the related Officer position.

5.5 Election and Term of the Chair and Vice-Chairs

- 5.5.1 The Chair and Vice-Chairs shall be elected for a term expiring at the close of the Annual Meeting following his or her election or until his or her successor is elected or appointed.

- 5.5.2 The individual serving as Chair and the individual serving as First Vice-Chair may serve for any number of terms, but shall not serve as Chair or First Vice-Chair, respectively, for more than two (2) consecutive terms.
- 5.5.3 An individual serving as a Vice-Chair, but not the First Vice-Chair, may serve for any number of terms.
- 5.5.4 If an individual serving as Vice-Chair, but not the First Vice-Chair, wishes to serve for a second consecutive term of one (1) year, he or she must provide notice to the Nominating Committee prior to the deadline for nominations for the coming Annual Meeting. In this event, the Nominating Committee shall consider, but not be obligated to endorse, the nomination of the incumbent Vice-Chair but any such individual shall be entitled to the rights of other nominated candidates pursuant to Section 5.3(c).
- 5.5.5 For the purpose of this Section 5.5, service of a partial term, including service of more than half a term in office, shall not be considered or deemed to be a term.

5.6 Rights at Directors' Meetings

- 5.6.1 Unless otherwise stated in this by-law, each Director shall have one (1) vote on any matter at any meeting of the Board.
- 5.6.2 Any former Chair who is not a Director shall be entitled to receive notice of, attend and speak at all meetings of the Board but is not entitled to vote at such meetings.

5.7 Calling of Directors' Meetings

- 5.7.1 The Board may meet at any place from time to time as the Board determines but shall meet at least two (2) times a year.
- 5.7.2 Meetings of the Board may be called by the Chair at any time upon the provision of at least forty-eight (48) hours written notice to the Directors.
- 5.7.3 The Chair shall call a special meeting of the Board on written requisition of at least five (5) Directors. If the Chair does not call a meeting within seven (7) days of receiving the requisition, any Director who signed the requisition may call the meeting.

5.8 Notice of Directors' Meeting

- 5.8.1 Unless otherwise provided in this by-law, notice of the time and place of a meeting of the Board shall be given to each Director by mail or telephonic or electronic delivery to each Director at least fifteen (15) days before the day on which the meeting is to be held.
- 5.8.2 Notice of an adjourned meeting of the Board is not required if the time and place of the adjourned meeting is announced at the original meeting.

5.8.3 A Director may waive notice of a meeting of Directors, and attendance of a Director at a meeting of Directors is a waiver of notice of the meeting, except if the Director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

5.9 Quorum at Directors' Meetings

A quorum at any of the Board shall be a majority of the Specified Number of Directors.

5.10 Votes to Govern at Directors' Meetings

5.10.1 Unless otherwise provided by this by-law or the Act, at all meetings of the Board, every question shall be decided by a majority of the votes cast on the question.

5.10.2 The Chair shall not be entitled to vote at any meetings of the Board, except in the case of a tie.

5.11 Participation by Electronic Means at Directors' Meetings

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

5.12 Directors' Meetings Held Entirely by Electronic Means

Meetings of the Board may be held entirely by a telephonic, electronic or other communication facility as long as all participants can communicate adequately with each other.

5.13 Committees of Board

5.13.1 Subject to Section 5.13.2 and Section 5.13.3, the Board shall appoint an Audit Committee, an Executive Committee, a Governance Committee, and a Nominating Committee and may from time to time appoint any other committee or 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. Subject to Section 5.13.2, Section 5.13.3 and the Act, membership in each committee need not be restricted to persons who are Directors. Any committee member may be removed by resolution of the Board.

5.13.2 The Audit Committee must be composed of not less than three Directors, a majority of whom are not Officers or employees of the Association or any of its affiliates and shall comply with all other requirements of the Act, including section 194 of the Act.

5.13.3 The Board shall create an Executive Committee composed of such number of Directors as determined by the Board from time to time to be responsible for the general management and organizational direction of the Association between Board meetings. In addition, the Committee shall execute actions delegated to it by the Board, and undertake such other matters and review such other issues as may be directed to it from time to time by the Board. Pursuant to section 138(2) (Limits on Authority) of the Act, the Committee shall not have the power to:

- (a) submit to the Members any question or matter requiring the approval of Members;
- (b) fill a vacancy among the Directors or in the office of public accountant or appoint additional Directors;
- (c) issue debt obligations except as authorized by the Directors and in accordance with these by-laws;
- (d) approve the Association's annual financial statements;
- (e) adopt, amend or repeal by-laws; or
- (f) establish annual contributions to be made, or dues to be paid, by the Members.

5.13.4 The Board shall create a Governance Committee composed of such numbers of Directors and Officers as determined by the Board from time to time to be responsible for the oversight of governance issues affecting the Association and to undertake governance initiatives as directed by the Board.

5.13.5 The Board shall create a Nominating Committee responsible for preparing the list of candidates to hold the offices of Directors and Member Elected Officers of the Association.

5.14 Termination of Directorship

5.14.1 A Director ceases to hold office when the Director,

- (a) dies;
- (b) resigns;
- (c) is removed by ordinary resolution at a Special Meeting of Members in accordance with section 130 of the Act; or

(d) ceases to meet the qualifications for being a Director set out in Section 5.2.

5.14.2 In the event that a Director ceases to be an owner, employee, director, Senior Manager or officer of a Member, as required for the Director's position, he or she shall cease to be a Director unless:

(a) the Board authorizes the continuation of the Director's term until the completion of the term and:

(b) a vacancy exists on the Board for which the Director is otherwise qualified.

5.14.3 For greater certainty, if a Director ceases to be a Director, the Director will also cease to hold his or her elected office.

5.15 Remuneration of Officers and Directors

The Directors and Officers shall not be paid remuneration for their services. The remuneration of any employees or agents shall be in accordance with the terms of their engagement or as the Board may specify.

5.16 Appointment of Public Accountant

The Members shall, by ordinary resolution, at each Annual Meeting appoint a public accountant to hold office until the next Annual Meeting, and if an appointment is not so made, the public accountant in office will continue in office until a successor is appointed. The Directors may, if a quorum of the Directors is then in office, fill any vacancy in the office of public accountant arising between Annual Meetings. The public accountant shall be entitled to attend each meeting of the Audit Committee and to call a meeting of that committee.

5.17 Qualification

The person or firm appointed as a public accountant shall not be a Director, an Officer or an employee of the Association, or a business partner or employee of any such person, but shall: (a) be a member in good standing of an institute or association of accountants incorporated by or under an act of the legislature of a province of Canada; (b) meet any qualifications under an enactment of a province for performing any duty that the person is required to perform under the relevant sections of the Act; and (c) be independent, within the meaning of the Act, of the Association, its affiliates, the Directors and Officers, and the directors and officers of the affiliates.

5.18 Remuneration of Public Accountant

The remuneration of the public accountant shall be fixed by ordinary resolution of the Members or, by the Board if it is authorized to do so by the Members. The remuneration of a public accountant appointed by the Board shall be fixed by the Board.

SECTION 6 - OFFICERS

6.1 Appointment of Officers

6.1.1 In addition to the Member Elected Officers, the Board shall appoint from time to time the following Board Appointed Officers:

- (a) a President and Secretary, and Treasurer who shall not be a Director(s);
- (b) an Honorary Counsel, who shall not be a Director; and
- (c) the Immediate Past Chair.

6.1.2 In addition, the Board may appoint from time to time, such other Board Appointed Officers as the Directors may determine, including one or more assistants to any of the Officers so appointed. Except as otherwise provided herein, a Board Appointed Officer may but need not be a Director and one person may hold more than one office.

6.2 Description of Offices

Unless otherwise specified by the Board which may, subject to the Act, modify, restrict or supplement such duties and powers, the Officers shall have the following duties and powers associated with their positions:

- (a) Chair - The Chair shall, if present, preside at all meetings of the Members, Directors and Executive Committee. The Chair shall oversee the management of the business and the affairs of the Association on behalf of the Members and Directors and shall see that all orders and resolutions of the Members, Directors and Executive Committee are carried into effect. The Chair shall be an ex-officio member of all committees formed by the Association. The Chair shall have such other duties and powers as the Board may specify.
- (b) First Vice-Chair - The First Vice-Chair shall act in the absence of the Chair and, upon the incumbent Chair ceasing to hold such office prior to the conclusion of his or her term, the First Vice-Chair shall immediately become Chair for the remainder of the term for which the Chair was elected.
- (c) Vice-Chairs - All Vice-Chairs shall assist the Chair in the discharge of the Chair's duties pertaining to their area of responsibility.
- (d) Immediate Past Chair - The Immediate Past Chair assists the Nominating Committee. The Immediate Past Chair is not a Director and has no vote in any meeting of any committee or the Board.
- (e) President - The President shall be the Chief Executive Officer of the Association and shall be responsible for implementing the strategic plans and policies of the Association. The President shall, subject to the authority of the Board, have general

supervision of the affairs of the Association. The President shall act as the Treasurer of the Association and shall be responsible for the care, custody, and investment of all of the funds and securities of the Association, supervise the preparation of the budget, review salary proposals, and generally work with the staff in all matters relating to the financial administration of the Association. The President shall act as the Secretary of the Association and attend and be the secretary of all meetings of the Association, the Board, the Executive Committee, and the Annual Meeting, and have charge of the documents and records of the Association and ensure that all notices are given as required. The President shall assist the Chair. The President shall be an ex-officio member of all committees of the Association but with no voting rights. The President shall have such other duties and powers as the Board may specify.

- (f) Vice-Chair, Finance - The Vice-Chair, Finance shall make a financial report to the Association at its Annual Meeting, and at any other time the Vice-Chair, Finance deems appropriate. The Vice-Chair, Finance may provide assistance and advice to the President on the investment of funds and securities of the Association, the preparation of the budget, salary proposals, and the financial administration of the Association.
- (g) Honorary Counsel - The Honorary Counsel shall provide advice on legal issues relating to the Association. The Honorary Counsel shall be a member in good standing of a law society of any province in Canada. The Honorary Counsel is not a Director and has no vote in any meeting of the Executive Committee or the Board.

6.3 Term of Office

6.3.1 The Member Elected Officers shall hold office for the terms set out in Section 5.4.

6.3.2 Without prejudice to such Officer's rights under any employment contract or at law, the Board Appointed Officers shall hold office until the earlier of:

- (a) the Officer's successor being appointed;
- (b) the Officer is removed by the Board;
- (c) the Officer's resignation, delivered in writing to the Chair or the President and effective at the time received by the Chair or the President, or at a time specified in the resignation, whichever is later; or
- (d) such Officer's death.

6.4 Agents and Attorneys

The Association, by or under the authority of the Board, shall have power from time to time, subject to the Act, to appoint agents or attorneys for the Association in or outside Canada with such powers (including the power to sub-delegate) of management, administration or otherwise as may be thought fit.

SECTION 7 - REGIONAL AND NATIONAL COMMITTEES

7.1 Regional Committees

The Board may establish or recognize regions of the Association (“**Regions**”) comprised of specified areas of Canada as determined by the Board. Each Region, when established, shall be represented by a committee known as “(Region) Regional Committee”. Each Regional Committee shall be responsible for advancing the purposes of the Association within its boundaries and within the guidelines as established by the Board from time to time.

7.2 National Committees

7.2.1 The Association shall recognize and support, to the extent authorized by the Board, the following committees for the advancement of matters within their subject area:

- (a) Communications & Public Affairs.
- (b) Business Members.
- (c) Technical Services.
- (d) Transit Board Members.
- (e) Workforce Development.

7.2.2 Regional Committees and National Committees may enact procedures for the operation of their affairs not inconsistent with the by-laws, Articles, or policies of the Association as established by the Board from time to time, provided that such procedures shall be of force and effect only after the same have been ratified by the Board. Such procedures may be modified or rescinded in accordance with the policies of the Board in effect from time to time. For greater certainty Regional Committees and National Committees are not the Board committees referred to in Section 5.13.

7.2.3 The Board may from time to time make rules and regulations not inconsistent with this by-law governing the formation, recognition, constitution, management and operation of Regional Committees and National Committees and may establish forms of general regulations to apply to the operation of any or all Regional Committees or National Committees.

SECTION 8 - NOTICES

8.1 Method of Giving Notice

8.1.1 Any notice (which term includes any communication or document) to be given (which term includes, sent, delivered or served), other than notice of a meeting of Members or a meeting of the Board, pursuant to the Act, the Articles, the by-laws

or otherwise to a Member, Director, Officer or member of a committee of the Board or to the public accountant shall be sufficiently given,

- (a) if delivered personally to the person to whom it is to be given or if delivered to such person's address as shown in the records of the Association or in the case of notice to a Director to the latest address as shown in the last notice that was sent by the Association in accordance with section 128 or section 134 of the Act;
- (b) if mailed to such person at such person's recorded address by prepaid ordinary or air mail;
- (c) if sent to such person by telephonic, electronic or other communication facility at such person's recorded address for that purpose; or
- (d) if provided in the form of an electronic document in accordance with Part 17 (Documents in Electronic or Other Form) of the Act.

8.1.2 A notice shall be deemed to have been given when,

- (a) if delivered in accordance with Section 8.1.1(a), it is delivered personally or to the recorded address;
- (b) if delivered in accordance with Section 8.1.1(b), it is deposited in a post office or public letter box;
- (c) if delivered in accordance with Section 8.1.1(c), it is dispatched or delivered to the appropriate communications company or agency or its representative for dispatch.

8.1.3 The Secretary may change or cause to be changed the recorded address of any Member, Director, Officer, public accountant or member of a committee in accordance with any information believed by the Secretary to be reliable. The declaration by the Secretary 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 to any notice or other document to be given by the Association, may be written, stamped, type-written or printed or partly written, stamped, type-written or printed.

8.2 Waiver of Notice

Any Member, Director, member of a committee or the public accountant may waive any notice required to be given to such person under any provision of the Act, the by-laws or otherwise, and such waiver, whether given before or after the meeting or other event of which notice is required to be given, shall cure any default in giving such notice.

8.3 Omissions and Errors

The accidental omission to give or send any notice to any Member, Director, Officer, member of a committee or public accountant, or the non-receipt of any notice by any such person where the Association has provided notice in accordance with the by-laws or any error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice pertained or otherwise founded on such notice.

SECTION 9 - PROTECTION OF DIRECTORS AND OFFICERS

9.1 Limitation of Liability

Every Director and Officer in exercising his powers and discharging his duties shall act honestly and in good faith with a view to the best interests of the Association and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Subject thereto, no Director or Officer shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer or other individual acting in a similar capacity, or for joining in any receipt or other act for conformity, or for any loss, damage or expense to the Association arising from the insufficiency or deficiency of title to any property acquired by or on behalf of the Association, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Association are invested, or for any loss, damage or expense arising from the bankruptcy, insolvency, act or omission of any person, firm or corporation with whom or which any monies, securities or other property of the Association are lodged or deposited, or for any loss, damage or expense occasioned by any error of judgment or oversight on such Director's, Officer's or other individual's part, or for any other loss, damage or expense related to the performance or non-performance of the duties of his or her respective office or in relation thereto unless the same shall happen by or through his or her own wrongful and wilful act or through his or her own wrongful or wilful neglect or default.

9.2 Indemnity

Subject to the limitations contained in the Act, the Association shall, from time to time and at all times, indemnify each Director or Officer or former Director or Officer (and each such Director's, Officer's or other individual's respective heirs, executors, administrators, or other legal personal representatives and his or her estate and effects), or another individual who acts or acted at the Association's request as a Director or an Officer or in a similar capacity of another entity), against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative or other proceeding in which the individual is involved because of that association with the Association or other entity provided that the individual to be indemnified:

- (a) acted honestly and in good faith with a view to the best interests of the Association 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 Association's request; and

- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, had reasonable grounds for believing that the individual's conduct was lawful.

9.3 Advance of Costs

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

9.4 Insurance

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

9.5 Indemnities Not Limiting

The provisions of this Section 9 shall be in addition to and not in substitution for or limitation of any rights, immunities and protections to which an individual is otherwise entitled.

SECTION 10 - DISCLOSURE OF INTEREST

10.1 Disclosure of Interest

A Director or an Officer shall disclose to the Association, in writing or by requesting to have it entered into the minutes of meetings of the Directors or of committees, the nature and extent of any interest that the Director or Officer has in a material contract or material transaction, whether made or proposed, with the Association, if the Director or Officer:

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

10.2 Time of Disclosure for Director

The disclosure required by Section 10.1 shall be made, in the case of a Director:

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

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

10.3 Time of Disclosure for Officer

The disclosure required by Section 10.1 shall be made, in the case of an Officer who is not a Director:

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

10.4 Time of Disclosure for Director or Officer

If the material contract or material transaction, whether entered into or proposed, is one that, in the ordinary course of the Association's activities, would not require approval by the Directors or Members, a Director or an Officer shall, immediately after he or she becomes aware of the contract or transaction, disclose in writing to the Association, or request to have entered in the minutes of the meetings of Directors or of Committees, the nature and extent of his or her interest.

10.5 Voting

A Director who is required to make a disclosure under Section 10.1 shall not vote on any resolution to approve the contract or transaction unless the contract or transaction:

- (a) is for indemnity or insurance pursuant to Section 9; or
- (b) is with an affiliate, as such term is understood for the purposes of the Act; or
- (c) relates primarily to the director's remuneration as a director, an officer, an employee, an agent or a mandatary of the Association or an affiliate.

10.6 Continuing Disclosure

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

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

10.7 Access to Disclosures

The Members may examine the portions of any minutes of meetings of Directors or any minutes of meetings of Committees that contain disclosures contemplated by Section 10.1, and of any other documents that contain those disclosures, during the Association's usual business hours.

10.8 Avoidance Standards

A contract or transaction for which disclosure is required under Section 10.1 is not invalid, and a Director or Officer is not accountable to the Association or 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 Committee that considered the contract or transaction, if:

- (a) disclosure of the interest was made in accordance with Section 10.1;
- (b) the Directors approved the contract or transaction; and
- (c) the contract or transaction was reasonable and fair to the Association when it was approved.

SECTION 11 - INVALIDITY OF ANY PROVISION OF 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.

SECTION 12 - EFFECTIVE DATE

12.1 Make, Amend and Repeal

Subject to the Articles and Section 12.2, the Board may, by resolution, make, amend, or repeal any by-laws that regulate the activities or affairs of the Association. Any such by-law, amendment or repeal shall be effective from the date of the resolution of Directors until the next meeting of Members where it may be confirmed, rejected or amended by the Members by ordinary resolution. If the by-law, amendment or repeal is confirmed or confirmed as amended by the Members it remains effective in the form in which it was confirmed. The by-law, amendment or repeal ceases to have effect if it is not submitted to the Members at the next meeting of Members or if it is rejected by the Members at the meeting.

12.2 Not Applicable

Section 12.1 does not apply to a by-law that requires a special resolution of the Members according to section 197(1) (Fundamental Changes) of the Act because such by-law amendments or repeals are only effective when confirmed by the Members.

SECTION 13 - APPLICATION OF ACT

This by-law is subordinate to, and should be read in conjunction with the Act.

Updates Approved by the Board of Directors on 27 February 2014/June 2016/June 2018/May 2020