

BY-LAW NO. 1

A By-law relating generally to the conduct of the activities and affairs of

SOUTH ARMOUR HEIGHTS RESIDENTS' ASSOCIATION

(hereinafter referred to as the "Corporation")

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

1) General

a) Definitions

In this by-law, unless the context otherwise requires:

- i) "Act" means the Not-for-Profit Corporations Act, 2010 (Ontario) and, where the context requires, includes the regulations made under it, as amended or re-enacted from time to time;
- ii) "Board" means the board of directors of the Corporation;
- iii) "By-laws" means this by-law (including the schedules to this by-law) and all other by-laws of the Corporation as amended and which are, from time to time, in force;
- iv) "Chair" means the chair of the Board;
- v) "Corporation" means the corporation that has passed these by-laws under the Act or that is deemed to have passed these by-laws under the Act;
- vi) "Director" means an individual occupying the position of director of the Corporation by whatever name he or she is called;
- vii) "Member" means a member of the Corporation;
- viii) "Members" means the collective membership of the Corporation;
- ix) "Officer" means an Officer of the Corporation;
- x) "South Armour Heights" means the geographical portion of the City of Toronto within: (i) the south boundary of Highway 401; (ii) the west boundary of Yonge Boulevard; (iii) the rear property lines of properties fronting on the south side of Brooke Avenue and having front doors face Brooke Avenue; and (iv) the east boundary of Avenue Road; and
- xi) "Vice-chair" means the vice-chair of the Board;

b) Interpretation

Other than as specified in Section a), all terms contained in this By-law that are defined in the Act shall have the meanings given to such terms in the Act. Words importing the singular include the plural and vice versa, and words importing one gender include all genders.

c) Severability and Precedence

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. If any of the provisions contained in the by-laws are inconsistent with those contained in the Articles or the Act, the provisions contained in the Articles or the Act, as the case may be, shall prevail.

d) Execution of Contracts

Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by the Corporation may be signed by any two of its Officers. In addition, the Board may from time to time direct the manner in which and the person by whom a particular document or type of document shall be executed. Any Director or Officer may certify a copy of any instrument, resolution, by-law or other document of the Corporation to be a true copy thereof.

2) Directors

a) Number of Directors

The Board of Directors shall consist of a maximum of six Directors. If at the annual meeting these positions cannot be filled, the positions shall be considered vacant.

b) Qualification

No person shall be qualified for election as a director if such person is less than 21 years of age, has been found under the Substitute Decisions Act, 1992 (Ontario) or under the Mental Health Act (Ontario) to be incapable of managing property or who has been found to be incapable by a court in Canada or elsewhere, is not an individual, has the status of a bankrupt or has a criminal background. A director shall be a Member.

c) Limitation:

There shall be a limit of one Director from each household.

d) Nominations

The Board may propose a slate of Members to be elected as Directors at the annual meeting of Members. Nomination of any qualified Member to be elected as a Director at the annual meeting of Members may be proposed during the course of said meeting when nominations are called for by the Chair. Such proposals may be verbal and no prior notice need be given, but assent of the nominee must be obtained. All nominees must be qualified as defined in Section 2)b).

e) Election and Term

The Directors shall be elected by the Members at each annual meeting. The term of office of the Directors (subject to the provisions, if any, of the articles) shall be from the date of the meeting at which they are elected or appointed until the next annual meeting or until their successors are elected or appointed.

f) Vacancies

The office of a Director shall be vacated immediately:

- i) if the Director resigns office by written notice to the Corporation, which resignation shall be effective at the time it is received by the Corporation or at the time specified in the notice, whichever is later;
- ii) if the Director dies or becomes bankrupt;
- iii) if the Director is found to be incapable by a court or incapable of managing property under Ontario law;
- iv) if a director has a criminal background; or
- v) if, at a meeting of the Members, the Members by ordinary resolution remove the Director before the expiration of the Director's term of office.

g) Filling Vacancies

A vacancy on the Board shall be filled as follows, and the Director appointed or elected to fill the vacancy holds office for the remainder of the unexpired term of the Director's predecessor:

- i) if the vacancy occurs as a result of the Members removing a Director, the Members may fill the vacancy by an ordinary resolution;
- ii) if there is not a quorum of Directors or there has been a failure to elect the number or minimum number of Directors set out in the articles, the Directors in office shall, without delay, call a special meeting of Members to fill the vacancy and, if they fail to call such a meeting or if there are no Directors in office, the meeting may be called by any Member; and
- iii) a quorum of Directors may fill a vacancy among the Directors.

h) Committees

Committees may be established by the Board as follows:

- i) The Board may appoint from their number a managing Director or a committee of Directors and may delegate to the managing Director or committee any of the powers of the Directors excepting those powers set out in the Act that are not permitted to be delegated; and
- ii) Subject to the limitations on delegation set out in the Act, the Board may establish any committee it determines necessary for the execution of the Board's responsibilities. The Board shall determine the composition and terms of reference for any such committee. The Board may dissolve any committee by resolution at any time.

i) Remuneration of Directors

The Directors shall serve as such without remuneration and no Director shall directly or indirectly receive any profit from occupying the position of Director; provided that:

- i) Directors may be reimbursed for reasonable expenses they incur in the performance of their Directors' duties;
- ii) Directors may be paid remuneration and reimbursed for expenses incurred in connection with services they provide to the Corporation in their capacity other than as Directors, provided that the amount of any such remuneration or reimbursement is: (i) considered reasonable by the Board; (ii) approved by the Board for payment by resolution passed before such payment is made; and (iii) in compliance with the conflict of interest provisions of the Act.

3) Board Meetings

a) Calling of Meetings

Meetings of the Directors may be called by any Director at any time and any place on notice as required by this by-law.

b) Regular Meetings

Meetings of the Directors shall be called at a minimum of every two months excluding July and August.

c) Notice

Notice of the time and place for the holding of a meeting of the Board shall be given in the manner provided in Section 10) of this by-law to every Director of the Corporation not less than seven days before the date that the meeting is to be held. Notice of a meeting is not necessary if all of the Directors are present, and none objects to the holding of the meeting, or if those absent have waived notice or have otherwise signified their consent to the holding of such meeting. If a quorum of Directors is present, each newly elected or appointed Board may, without notice, hold its first meeting immediately following the annual meeting of the Corporation.

d) Quorum

The quorum for the transaction of business at any meeting of the Board shall consist of a majority of the number of the directors. No person shall act for an absent director at a meeting of the Board.

e) Chair

The Chair shall preside at Board meetings. In the absence of the Chair, the Vice-chair shall preside at Board meetings. In the absence of the Chair and the Vice-chair, the Directors present shall choose one of their number to act as the Chair.

f) Voting

Each Director has one vote. Questions arising at any Board meeting shall be decided by a majority of votes. In case of an equality of votes, the Chair shall have a second vote or casting vote.

g) Participation by Telephone or Other Communications Facilities

If all of the Directors of the Corporation consent, a Director may participate in a meeting of the Board or of a committee of Directors by telephonic or electronic means that permit all participants to communicate adequately with each other during the meeting. A Director participating by such means is deemed to be present at that meeting.

4) Financial

a) Banking

The Board shall by resolution from time to time designate the bank in which the money, bonds or other securities of the Corporation shall be placed for safekeeping.

b) Financial Year

The financial year of the Corporation ends on December 31 in each year or on such other date as the Board may from time to time by motion determine.

c) Disbursements

All disbursements shall be approved by a motion at a meeting of the Board of Directors or the annual meeting of Members.

d) Financial Reports

All financial reports prepared for the Board of Directors meetings shall be subject to approval by the Board through a motion.

e) Investments

Any funds of the Association may be held in a redeemable deposit or financial investment vehicle such as a GIC or similar secure instrument that can be redeemed on short notice without financial penalty of consequence.

5) Officers

a) Officers

At the annual meeting, Members shall elect from the among the Directors the following positions: Chair, Vice-chair, president, vice-president, treasurer, and secretary. The same person may hold two or more offices of the Corporation. The Board may appoint other Officers and agents as it deems necessary, and who shall have such authority and shall perform such duties as the board may prescribe from time to time.

b) Office Held at Board's Discretion

Any Officer shall cease to hold office upon resolution of the Board approved by a simple majority of the Board. Unless so removed, an Officer shall hold office until the earlier of:

- the Officer's successor being appointed,
- the Officer's resignation, or
- such Officer's death.

c) Vacancy

In the event that an Office is or becomes vacant, a successor may be elected from the membership, by the Directors, for the balance of the term. The candidate's assent must be obtained.

d) Duties

Officers shall be responsible for the duties assigned to them and they may delegate to others the performance of any or all of such duties.

e) Duties of the Chair

The Chair shall perform the duties described in sections 3)e) and 9)g) and such other duties as may be required by law or as the Board may determine from time to time.

f) Duties of the President

The president shall perform the duties described in Schedule A and such other duties as may be required by law or as the Board may determine from time to time.

g) Duties of the Vice-president

The Vice-president shall, in the absence of the President, exercise all of the President's duties and such other duties as may be required by law or as the Board may determine from time to time.

h) Duties of the Treasurer

The treasurer shall perform the duties described in Schedule B and such other duties as may be required by law or as the Board may determine from time to time.

i) Duties of the Secretary

The secretary shall perform the duties described in Schedule C and such other duties as may be required by law or as the Board may determine from time to time.

6) Protection of Directors and Others

a) Protection of Directors and Others

No Director, Officer, volunteer or committee member of the Corporation is to be liable for the acts, neglects or defaults of any other Director, Officer, volunteer, or committee member or employee of the Corporation or for joining in any receipt or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by resolution of the Board or 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 or belonging to the Corporation shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or Corporation with whom or which any moneys, securities or effects shall be lodged or deposited or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of his or her respective office or trust provided that they have:

- i) complied with the Act and the Corporation's articles and By-laws; and
- ii) exercised their powers and discharged their duties in accordance with the Act.

7) Conflict of Interest

a) Conflict of Interest

A Director who is a party to a material contract or transaction or proposed material contract or transaction with the Corporation or is a director or officer of, or has a material interest in, any person who is a party to a material contract or transaction or proposed material contract or transaction with the Corporation shall make the disclosure required by the Act. Except as provided by the Act, no such Director shall attend any part of a meeting of Directors during which the contract or transaction is discussed or vote on any resolution to approve any such contract or transaction.

8) Members

a) Members

All residential property owners, residential tenants and residents living within South Armour Heights shall be considered members if they have provided the Corporation with their contact information.

b) Membership

A Membership in the Corporation is not transferable and automatically terminates if the Member resigns, does not provide updated contact information, moves outside of South Armour Heights or such Membership is otherwise terminated in accordance with the Act.

c) Disciplinary Act or Termination of Membership for Cause

- i) Upon 15 days' written notice to a Member, the Board may pass a resolution authorizing disciplinary action or the termination of Membership for violating any provision of the articles or By-laws.
- ii) The notice shall set out the reasons for the disciplinary action or termination of Membership. The Member receiving the notice shall be entitled to give the Board a written submission opposing the disciplinary action or termination not less than 5 days before the end of the 15-day period. The Board shall consider the written submission of the Member before making a final decision regarding disciplinary action or termination of Membership.

9) Members Meetings

a) Annual Meeting

The annual meeting shall be held within one hundred and twenty (120) days of the fiscal year-end and at a place within Ontario fixed by the Board. Any Member, upon request, shall be provided, not less than twenty-one (21) days or other number of days that may be further prescribed in regulations before the annual meeting, with a copy of the approved financial statements, auditor's report or review engagement report and other financial information required by the By-laws or articles. If, at the previous annual meeting, a resolution was passed exempting the Corporation from an audit or a review engagement, no auditor's report or review engagement report will be provided.

The business transacted at the annual meeting shall include:

- i) receipt and approval by resolution of the agenda;

- ii) receipt and approval by resolution of the minutes of the previous annual and subsequent special meetings;
 - iii) consideration and approval by resolution of the financial statements;
 - iv) report of the auditor or person who has been appointed to conduct a review engagement should such person have been appointed;
 - v) reappointment or new appointment of the auditor or a person to conduct a review engagement for the coming year, or a special resolution to dispense with an audit or review engagement for that financial year;
 - vi) election of Directors; and
 - vii) such other or special business as may be set out in the notice of meeting.
- b) **Member's Right to Submit Items**
Members have a right to submit items to be added to the agenda. They must give the item to the Board prior to the giving of notice of the annual meeting in accordance with the Act, so that such item of new business can be included in the notice of annual meeting. No other item of business shall be included on the agenda for the annual meeting.
- c) **Special Meetings**
The Directors may call a special meeting of the Members. The Board shall call a special meeting on written requisition of at least 10 Members to be held within 21 days after receiving the requisition unless the Act provides otherwise.
- d) **Participation by Telephone or Other Communications Facilities**
If the Board provides the facilities, a meeting of Members may be held entirely by one or more telephonic or electronic means or by any combination of in-person attendance and by one or more telephonic or electronic means, provided that all participants can communicate adequately with each other during the meeting. A Member participating by such means is deemed to be present at that meeting.
- e) **Notice**
Subject to the Act, not less than 10 and not more than 50 days written notice of any annual or special Members' meeting shall be given in the manner specified in the Act to each Member, each Director and to the auditor or person appointed to conduct a review engagement should such person have been appointed. Notice of any meeting where special business will be transacted must contain sufficient information to permit the Members to form a reasoned judgment on the decision to be taken, and state the text of any special resolution to be submitted to the meeting.
- f) **Quorum**
A quorum for the transaction of business at a Members' meeting is ten (10) Members. If a quorum is present at the opening of a meeting of the Members, the Members present may proceed with the business of the meeting, even if a quorum is not present throughout the meeting.
- g) **Chair of the Meeting**
The Chair shall be the chair of the Members' meeting; in the Chair's absence, the Vice-chair shall be the chair. In the absence of both the Chair and Vice-chair, the Members present at any Members' meeting shall choose another Director as chair and if no Director is present or if all of the Directors present decline to act as chair, the Members present shall choose one of their number to chair the meeting.
- h) **Voting of Members**
Business arising at any Members' meeting shall be decided by a majority of votes unless otherwise required by the Act or the By-law provided that:
- i) only one Member from each household shall be entitled to vote at any meeting;
 - ii) votes shall be taken by a show of hands among all Members who are entitled to vote and who are present including the chair of the meeting;
 - iii) an abstention shall not be considered a vote cast;
 - iv) before or after a show of hands has been taken on any question, the chair of the meeting may require, or any Member may demand, a written ballot. A written ballot so required or demanded shall be taken in such manner as the chair of the meeting shall direct;

- v) if there is a tie vote, the chair of the meeting shall require a written ballot, and shall not have a second or casting vote. If there is a tie vote upon written ballot, the resolution or motion is lost; and
- vi) whenever a vote by show of hands is taken on a question, unless a written ballot is required or demanded, a declaration by the chair of the meeting that a resolution or motion has been carried or lost and an entry to that effect in the minutes shall be conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the resolution or motion.

i) Adjournments

The Chair may, with the majority consent of any Members' meeting, adjourn the same from time to time and no notice of such adjournment need be given to the Members, unless the meeting is adjourned by one or more adjournments for an aggregate of 30 days or more. 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.

j) Persons Entitled to be Present

The only persons entitled to attend a Members' meeting are the Members, the auditors of the Corporation, if any (or the person who has been appointed to conduct a review engagement, if any) and others who are entitled or required under any provision of the Act or the articles to be present at the meeting. Any other person may be admitted only if invited by the Chair, or their delegate, of the meeting or with the majority consent of the Members present at the meeting.

10) Notices

a) Notices

Any notice required to be sent to any Member or to the auditor, if any, or person who has been appointed to conduct a review engagement of the Corporation, if any, shall be delivered personally, or sent by prepaid mail, facsimile, email or other electronic means to any such Member at the Member's latest address as shown in the records of the Corporation; and to the auditor, if any, or the person who has been appointed to conduct a review engagement, if any, at its business address; provided always that notice may be waived or the time for giving the notice may be abridged at any time with the consent in writing of the person entitled thereto.

b) Error or Omission in Giving Notice

The accidental omission to give any notice to any Member, Officer, member of a committee of the Board or auditor or person conducting a review engagement, if any, or the non-receipt of any notice by any such person where the Corporation has provided notice in accordance with the By-laws or any error in any notice not affecting its substance shall not invalidate any action taken at any meeting to which the notice pertained or otherwise founded on such notice.

11) Amendments to By-laws

The Members may from time to time amend this By-law if at least two thirds (2/3) of the Members present at a meeting of Members approve the amendment. The Board may not amend these By-laws.

12) Repeal

All previous By-laws and Constitutions of the Corporation are repealed as of the coming into force of this By-law. The repeal shall not affect the previous operation of any By-laws or Constitutions so repealed or affect the validity of any act done or right, privilege, obligation or liability acquired or incurred under or the validity of any contract or agreement made, or the validity of any Articles or predecessor charter documents of the Corporation obtained, under any such By-law or Constitution before its repeal. All Officers and persons acting under the provisions of this By-law, and all resolutions or motions of the Board, all resolutions or motions of a committee of the Board, and all resolutions or motions of the Members of the Corporation with continuing effect passed under any repealed By-laws or Constitutions shall continue to be good and valid except to the extent inconsistent with this By-law and until amended or repealed.

13) Effective Date of This By-law

This By-law No. 1 shall become effective when approved by the Board of Directors of the Corporation and confirmed by the Members of the Corporation.

This By law No. 1 was approved by the Directors of the Corporation on April 9, 2025 and was confirmed by the Members of the Corporation on April 30, 2025.

President

Secretary

This By-Law No. 1 came into force on the 30th day of April, 2025, being the date of confirmation by the Members.

SCHEDULE A Position Description of the President

Role Statement

The president provides leadership to the Board, ensures the integrity of the Board's process and represents the Board to outside parties. The president co-ordinates Board activities in fulfilling its governance responsibilities and facilitates co-operative relationships among Directors and between the Board and senior management, if any, of the Corporation. The president ensures the Board discusses all matters relating to the Board's mandate.

Responsibilities

Agendas. Establish agendas aligned with annual Board goals and preside over Board meetings if also holding the office of Chair. Ensure meetings are effective and efficient for the performance of governance work.

Direction. Serve as the Board's central point of communication with the senior management, if any, of the Corporation; provide guidance to senior management, if any, regarding the Board's expectations and concerns. In collaboration with senior management, develop standards for Board decision-support packages that include formats for reporting to the Board and level of detail to be provided to ensure that management strategies and planning and performance information are appropriately presented to the Board.

Representation. Serve as the Board's primary contact with the public.

Reporting. Report regularly to the Board on issues relevant to its governance responsibilities.

Board Conduct. Set a high standard for Board conduct and enforce policies and By-laws concerning Directors' conduct.

Mentorship. Serve as a mentor to other Directors. Ensure that all Directors contribute fully. Address issues associated with underperformance of individual Directors.

Succession Planning. Ensure succession planning occurs for senior management, if any, and Board.

Committee Membership. Serve as Member on all Board committees.

SCHEDULE B Position Description of the Treasurer

Role Statement

The treasurer works collaboratively with the president and senior management, if any, to support the Board in achieving its fiduciary responsibilities.

Responsibilities

Custody of Funds. The treasurer shall have the custody of the funds and securities of the Corporation and shall keep full and accurate accounts of all assets, liabilities, receipts and disbursements of the Corporation in the books belonging to the Corporation and shall deposit all monies, securities and other valuable effects in the name and to the credit of the Corporation in such chartered bank or trust company, or, in the case of securities, in such registered dealer in securities as may be designated by the Board from time to time. The treasurer shall disburse the funds of the Corporation as may be directed by proper authority taking proper vouchers for such disbursements, and shall render to the Chair and Directors at the regular meeting of the Board, or whenever they may require it, an accounting of all the transactions and a statement of the financial position, of the Corporation. The treasurer shall also perform such other duties as may from time to time be directed by the Board.

Board Conduct. Maintain a high standard for Board conduct and uphold policies and By-laws regarding Directors' conduct, with particular emphasis on fiduciary responsibilities.

Mentorship. Serve as a mentor to other Directors.

Financial Statement. Present to the Members at the annual meeting as part of the annual report, the financial statement of the Corporation approved by the Board together with the report of the auditor or of the person who has conducted the review engagement, as the case may be.

SCHEDULE C Position Description of the Secretary

Role Statement

The secretary works collaboratively with the president to support the Board in fulfilling its fiduciary responsibilities.

Responsibilities

Board Conduct. Support the president in maintaining a high standard for Board conduct and uphold policies and the By-laws regarding Directors' conduct, with particular emphasis on fiduciary responsibilities.

Document Management. Keep a roll of the names and addresses of the Members. Ensure the proper recording and maintenance of minutes of all meetings of the Corporation, the Board and Board committees. Attend to correspondence on behalf of the Board. Have custody of all minute books, documents, and registers of the Corporation and ensure that they are maintained as required by law. Ensure that all reports are prepared and filed as required by law or requested by the Board.

Meetings. Give such notice as required by the By-laws of all meetings of the Corporation, the Board and Board committees. Attend all meetings of the Corporation, the Board and Board committees.