

HOSTELLING INTERNATIONAL - CANADA
PACIFIC MOUNTAIN REGION

True North Hostelling Association

General Operating Bylaw #1

Article 1 - Definitions and Interpretation

Section 1.1 Definitions

- 1.1.1 “Act” means the *Canada Corporations Act*, or any statute that may be substituted therefor, as amended from time to time;
- 1.1.2 “Association” means the True North Hostelling Association;
- 1.1.3 “Board” means the Board of Directors of the Association;
- 1.1.4 “Director” means a member of the Board;
- 1.1.5 “HI-Canada” refers to the Canadian Hostelling Association/Association Canadienne de l’Ajsime or Hostelling International – Canada;
- 1.1.6 "HI Region" means the defined geographic area in Canada represented by the Association, as recognized through a special resolution of HI-Canada;
- 1.1.7 “Member Meeting” refers to an annual or special general meeting of the membership of the Association; and
- 1.1.8 “Voting Member” means a member eligible to vote at a Member Meeting.

Section 1.2 Interpretation

- 1.2.1 If any doubt shall arise as to the construction or interpretation of any provision of the Bylaws, the decision of the Board shall be binding on all members of the Association.
- 1.2.2 In these Bylaws and in all other Bylaws of the Association hereafter passed unless the context otherwise requires, words importing the singular number or the masculine gender shall include the plural number or the feminine gender, as the case may be, and vice versa, and references to persons shall include firms and corporations.

Article 2 - Corporate Seal and Offices

Section 2.1 Corporate Seal

- 2.1.1 The seal of the Association shall be in such form as shall be prescribed by the Board and shall have the words "True North Hostelling Association" inscribed thereon. The custody of the seal shall be entrusted to the CEO or another officer whom the Board may designate.

Section 2.2 Offices

- 2.2.1 Until changed in accordance with the Act, the Head Office of the Association shall be in the city of Vancouver, in the Province of British Columbia.
- 2.2.2 The Association may establish other offices elsewhere within the HI Region as the Board may by resolution deem expedient.

Article 3 - Membership

Section 3.1 Membership

- 3.1.1 The Membership of the Association shall comprise:
- a) Those members of HI-Canada who reside within the geographic boundaries of the HI Region, and
 - b) Those members of HI-Canada, who being eligible to select a region of their choice in accordance with the Bylaws of HI-Canada, select the HI Region.
- 3.1.2 The categories, fees, and conditions of membership will be as prescribed by HI-Canada for consistent application across Canada.

Section 3.2 Rights, Privileges and Obligations

- 3.2.1 All members of the Association, who are at least 18 years of age and who were members sixty days prior to the Member Meeting, are entitled to vote at Member Meetings except that:

- a) employees of the Association and operators of affiliate hostels are not entitled to vote or hold elective office.
- b) the holders of group or corporate memberships will have one vote only.

Section 3.3 Termination

- 3.3.1 A person shall cease to be a member of the Association;
- a) by mailing or delivering notice of resignation in writing to the CEO at the address of the Association;
 - b) on his or her death, or in the case of groups or organizations, on dissolution; or
 - c) on the expiry date printed on the membership card, except in the case of life members.

Section 3.4 Suspension or Cancellation

- 3.4.1 The Board may recommend to a Member Meeting, the suspension or cancellation of membership of any member who has in a deliberate or grossly negligent fashion, authorized, committed, or acquiesced in any willful contravention of these Bylaws, the Bylaws of HI-Canada, or of any resolution of a National General Meeting, or any other wilful act, which, in the opinion of the Board, is substantially prejudicial to the credit, reputation, or good government of the Association or HI-Canada.
- 3.4.2 No recommendations by the Board for the suspension or cancellation of membership shall be acted upon:
- a) unless the affected member has been sent notice, at his or her last known address, of a Member Meeting at which the member shall be given an opportunity to be heard; and
 - b) except by special resolution of a Member Meeting.
- 3.4.3 HI-Canada will adjudicate an appeal against refusal, suspension or cancellation of membership ordered by the Association in accordance with HI-Canada's Bylaws.

Article 4 - Board of Directors

Section 4.1 Powers, Duties and Responsibilities

- 4.1.1 The affairs of the Association shall be governed by a Board of Directors, which shall supervise, control and direct all its activities.
- 4.1.2 The Board shall actively pursue the mission and goals of the Association and may adopt such policies for the conduct of its business as may be deemed advisable.
- 4.1.3 The Board of Directors may exercise all the powers and do all the acts and things that the Association may exercise and do and which are not by these Bylaws or by statute or otherwise lawfully directed or required to be exercised or done by the Association in general meeting, subject nevertheless to all laws affecting the Association and these Bylaws.
- 4.1.4 The Board may hire, supervise, guide, assess and dismiss the CEO of the Association, and determine his or her remuneration.
- 4.1.5 Subject to these Bylaws, the Board is hereby authorized, from time to time to:
- a) borrow money upon the credit of the Association, from any bank, corporation, firm or person, upon such terms, covenants and conditions at such times, in such sums, to such an extent and in such manner as the Board in its discretion may deem expedient;
 - b) to limit or increase the amount to be borrowed;
 - c) to issue or cause to be issued bonds, debentures or other securities of the Association and to pledge or sell the same for such sums, upon such terms, covenants and conditions and at such prices as may be deemed expedient by the Board;
 - d) to secure any such bond, debentures or other securities, or any other present or future borrowing or liability of the company, by mortgage, hypothec, charge or pledge of all or any currently owned or subsequently acquired real and personal, movable and immovable, property of the Association, and the undertaking and rights of the Association.
- 4.1.6 The Board may delegate to any committee or officer any or all powers, duties and authority of the Board, which may lawfully be granted.

Section 4.2 Composition

- 4.2.1 The Board shall comprise a minimum of 7 and maximum of 10 directors elected in

accordance with these Bylaws, and the CEO who shall be a non-voting ex officio member of the Board.

- 4.2.2 Only Voting Members who are members in good standing and at least 18 years of age are eligible for election to the Board of the Association.

Section 4.3 Term of Office

- 4.3.1 Directors will take office immediately upon conclusion of the annual general meeting at which they were elected.
- 4.3.2 Directors are elected to two-year terms on a staggered basis, and may serve no more than four consecutive terms.
- 4.3.3 Notwithstanding the provisions of Subsection 4.3.2, one-year terms may be used to ensure at least three directors' terms expire each year.

Section 4.4 Board Vacancies

- 4.4.1 Any vacancy on the Board may be filled by the Board by appointment and the person so appointed will hold office until the next annual general meeting.
- 4.4.2 Partial terms arising from appointment to fill Board vacancies shall not be included when calculating term limitations in Subsection 4.3.2.

Section 4.5 Meetings

- 4.5.1 The Board shall meet following the Association's annual general meeting to elect the officers of the Association. It shall meet at least four times in each year at such times and places and using whatever communication methods as the Chair may designate, providing such methods are acceptable to a majority of Board members.
- 4.5.2 Telephone Participation

The directors of the Corporation may meet by teleconference provided that either a majority of the directors consents to meeting by teleconference or meetings by teleconference have been approved by resolution passed by the board of directors at a meeting of the directors of the Corporation.

4.5.3 Meetings by Other Electronic Means

The directors of the Corporation may meet by other electronic means that permits each director to communicate adequately with each other, provided that:

- a) the board of directors of the Corporation has passed a resolution addressing the mechanics of holding such a meeting and dealing specifically with how security issues should be handled, the procedure for establishing quorum, and recording votes;
 - b) each director has equal access to the specific means of communication to be used;
 - c) each director has consented in advance to meeting by electronic means using the specific means of communication proposed for the meeting.
- 4.5.4 Directors shall be given reasonable notice of meetings of the Board, and such notice may be provided by electronic means.
- 4.5.5 No error or omission in giving notice of any meeting of the Board or any adjourned meeting of the Board of the Association shall invalidate such meeting or make void any proceedings taken thereat and any Director may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat.
- 4.5.6 The Chair of the Board may invite an observer as appropriate to report on any matter of interest to the Board.

Section 4.6 Special Meetings

- 4.6.1 The Chair shall call a special meeting of the Board at any time and place specified in a written demand by a majority of the members of the Board. The business to be transacted at such special meetings shall be stated in the notice thereof, and no other business may be considered at that meeting.

Section 4.7 Quorum

- 4.7.1 At any meeting of the Board, a quorum shall consist of a simple majority (50% plus one) of those entitled to be present and vote, unless otherwise specifically provided.
- 4.7.2 Directors who declare a conflict of interest shall nonetheless be counted in determining a quorum.

4.7.3 If the number of Directors present at a Directors' meeting falls below the number required for a quorum, there can be no further valid transaction of business until a quorum is again present.

Section 4.8 Voting Rights and Procedures

4.8.1 Only Directors present at any meeting of the Board may vote.

4.8.2 In the case of an equality of votes, the motion shall be defeated.

4.8.3 Proxies are not accepted at meetings of the Board.

Section 4.9 Remuneration

4.9.1 The remuneration of Directors for duties performed on behalf of the Association shall be established by the Board.

4.9.2 Directors may be reimbursed for reasonable expenses incurred while performing such duties.

Section 4.10 Indemnification

4.10.1 All Directors of the Association and their heirs, executors and administrators, and their estates and effects respectively, shall at all times be indemnified and saved harmless out of the funds of the Association from and against:

- a) All costs, charges and expenses whatsoever which Directors sustain or incur in or about any action, suit or proceeding which is brought, commenced or prosecuted against them, for or in respect of any act, deed, matter or thing howsoever made, done or permitted by them in or about the execution of the duties of their offices on behalf of the Association or a corporation controlled by the Association; and
- b) All other costs, charges and expenses that they may sustain or incur in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by their own willful neglect or default.

Section 4.11 Removal

4.11.1 A Director may be removed by resolution of the Board before the expiration of their term if they have been absent from two consecutive meetings of the Board without reason deemed by the Board to be adequate. The Board shall pass a motion either to excuse the Director's absences or to remove the Director in which case the vacancy will be filled as outlined in Section 4.4.

4.11.2 A Director may be removed at a Member Meeting if the Voting Members determine by a two thirds (2/3rds) resolution that a Director is to be removed from office provided that the Director is first given an opportunity to be heard.

4.11.3 A Director may be removed by resolution of the Board before the expiration of their term if their membership has expired.

Article 5 - Nominations and Elections

Section 5.1 Appointment and Composition of Nominating Committee

5.1.1 The Board shall annually appoint a Nominating Committee which shall include 3 to 5 Voting Members of the Association who shall be ineligible for nomination.

Section 5.2 Duties of the Nominating Committee

5.2.1 The duties of the Nominating Committee shall be set forth in terms of reference which shall be established from time to time by the Board, such duties to include nomination of a full slate of candidates for election to the Board in accordance with Section 5.3.

Section 5.3 Nominating Procedure

5.3.1 No fewer than 120 days prior to the Association's annual general meeting, the Nominating Committee shall submit a slate of candidates to the Board.

5.3.2 No fewer than 120 days prior to the Association's annual general meeting, a call for nominations shall be distributed to Voting Members. The notice may be distributed by mail, by notice published in a regular publication sent to all members individually, or by electronic means such as e-mail or facsimile. The notice shall include a nomination form in a format approved by the Board.

5.3.3 Additional nominations, signed by at least five Voting Members, may be submitted to the Nominating Committee up to 90 days prior to the Association's annual general meeting.

Section 5.4 Election of Directors

5.4.1 If additional nominations are received by the Association, the CEO shall circulate, no less than 45 days prior to the Association's annual general meeting, ballots to Voting Members. The ballot shall clearly identify, in alphabetical order, the names of candidates for the available positions, and the number of Directors to be elected for the available positions. The ballot may be distributed by mail, e-mail, fax, Internet, or other manner as

approved by the Board and not contrary to these Bylaws or the Act.

- 5.4.2 The Chair of the Board shall, no fewer than 45 days prior to the Association's annual general meeting, appoint three scrutineers from amongst the Voting Members of the Association who shall be neither members of the Board nor candidates for election to the Board.
- 5.4.3 Each Voting Member shall have one vote for each of the available Board positions. Directors will be declared elected on the basis of a plurality of votes cast by mail, or other means as approved by the Board, and as verified by the scrutineers. Ballots must be returned to the Association no less than 14 days prior to the Association's annual general meeting.
- 5.4.4 At the Association's annual general meeting, the CEO will announce the results of the election, or acclamation if no additional nominations were received, in accordance with Section 5.3.

Article 6 - Officers

Section 6.1 Number of Officers

- 6.1.1 The officers of the Association shall be the Chair of the Board, two Vice-Chairs, and the CEO.

Section 6.2 Duties of Officers

- 6.2.1 The duties of officers shall be such as their titles by general usage would indicate, as may be required by law, noting:
- a) The Chair of the Board will call and chair the meetings of the Board and will implement policies governing the Board. In the event of the Chair's absence, disability, or refusal to act, a Vice-Chair will be selected by majority vote to assume the duties of the Chair.
 - b) The Chair of the Board shall chair all Member Meetings.
 - c) The CEO shall be responsible for the management and operation of the Association in accordance with Board policies and within the limitations established by the Board.
 - d) The Vice-Chairs will perform those duties, as may be required by law, such as the title would indicate, or as assigned by the Board from time to time.

Section 6.3 Term of Office

6.3.1 The officers shall remain in office for one year or until their successors shall be elected or appointed, with the exception of the CEO whose term, by resolution of the Board, shall be subject to terms and conditions of employment. In no event shall an elected officer remain in the same office for more than two consecutive years.

Section 6.4 Vacancies

6.4.1 Should the office of the Chair become vacant, it shall be filled by a Vice-Chair selected by majority vote of the Board. In the event a Vice-Chair position is vacant, it shall be filled by the Board from amongst its members until the next regular election of officers.

Section 6.5 Removal of Officers

6.5.1 An officer may, by a 2/3 majority of all Directors entitled to vote, be removed before the expiration of term.

Article 7 - Committees

Section 7.1 Board Committees, Subcommittees and Task Forces

7.1.1 The Board may by resolution appoint special committees to carry out any designated duties, and delegate to a committee any of its powers and duties for the purpose of advising or assisting the Board.

7.1.2 The Board shall set the committee's composition, mandate, power and term.

Article 8 - Member Meetings

Section 8.1 Annual and Special General Meetings

8.1.1 The annual general meeting of the Association shall be held each year at such time and place as may be designated by the Board.

- 8.1.2 Special general meetings of the Association may be held upon the call of the Board at such times and places as it may designate. The Chair shall call a special general meeting upon the written request of at least five per cent of the voting members within sixty days after the filing of such a request with the CEO. The business to be transacted at such special general meetings shall be stated in the notice thereof, and no other business may be considered at those meetings.

Section 8.2 Notice

- 8.2.1 At least 45 days' notice of annual or special general meetings shall be given in writing and/or by electronic means.

Section 8.3 Quorum

- 8.3.1 At any Member Meeting, one hundred Voting Members present in person or by proxy, as verified by the CEO, shall constitute a quorum. Should the number of Voting Members present in person or by proxy at a Member Meeting fall below the number required for a quorum, there can be no further valid transaction of business until a quorum is again present.

Section 8.4 Proxies

- 8.4.1 Any Voting Member may be represented by proxy at Member Meetings of the Association by another Voting Member, provided such proxy shall be in writing on the form provided by the CEO, or a facsimile thereof. Voting Members shall be provided with the proxy form 45 days before Member Meetings.
- 8.4.2 A proxy must be signed by the Voting Member and shall be valid only for the meeting for which it was specifically given or for any adjournment thereof.
- 8.4.3 Proxies or notice of proxies held must be filed with the CEO at least seven days before the meeting takes place.

Section 8.5 Order of Business

- 8.5.1 All matters of procedure not specifically provided for by these Bylaws shall be governed by the latest published edition of Robert's Rules of Order.

Section 8.6 Voting

- 8.6.1 Each Voting Member of the Association shall have one vote at Member Meetings.
- 8.6.2 Unless otherwise specifically provided, a majority of Voting Members present shall be competent to do and perform all acts that are or shall be directed to be done at any such meeting. In the event of a tie, a motion shall be lost.

Article 9 - Finance

Section 9.1 Financial Year

- 9.1.1 Unless otherwise ordered by the Board, the fiscal year of the Association shall be April 1 to March 31.

Section 9.2 Signing Authority

- 9.2.1 All transactions on behalf of the Association shall be managed and signed by Officers, Directors, employees, or agents of the Association in such manner as shall be determined by resolution of the Board.

Section 9.3 Banking

- 9.3.1 Any one of such officers, employees or agents so appointed may endorse cheques for deposit with the Association's bankers for the credit of the Association or the same may be endorsed 'for deposit only' with the bankers of the Association.
- 9.3.2 Any one of such officers, employees or agents so appointed may arrange, settle, balance and certify all books and accounts between the Associations's bankers and the Association and may receive all paid cheques and vouchers and sign all the bank's forms of settlement of balances and releases or verification slips.
- 9.3.3 All funds paid to the Association shall be deposited from time to time to the credit of the Association in such manner as the Board may approve.

Article 10 - Auditors

Section 10.1 Appointment

10.1.1 The members shall, at each annual meeting, appoint an auditor to audit the accounts and annual financial statements of the Association for report to the members at the next annual meeting.

Section 10.2 Eligibility

10.2.1 To be eligible for appointment by the members, the auditor must be licensed or authorized to render an opinion on the financial statements in the province where the head office is located.

Section 10.3 Term of Office

10.3.1 The auditor shall hold office until the next annual meeting provided that the directors may fill any casual vacancy in the office of the auditor.

Section 10.4 Remuneration

10.4.1 The remuneration of the auditor shall be fixed by the Board.

Article 11 - Dissolution

Section 11.1 Dissolution of the Association

11.1.1 In the event that the Association is dissolved, and after payment of all indebtedness of the Association, the remaining funds, investments, and other assets shall be distributed to one or more organizations in Canada carrying on similar activities.

11.1.2 No part of the income or capital of the Association shall be payable to or otherwise made available for the personal benefit of any of its members.

Article 12 - Bylaw Amendments

Section 12.1 Amending the Bylaws of the Association

- 12.1.1 The Bylaws of the Association may be repealed or amended by a majority of the directors at a meeting of the Board and sanctioned by an affirmative vote of at least two-thirds of the voting Members present in person or by proxy at an annual or special general meeting duly called for the purpose of considering the repeal or amendment of the Bylaws. The repeal or amendment of Bylaws relating to the requirements of subsection 155(2) of the *Canada Corporations Act* shall not be enforced or acted upon until approval has been obtained from the federal Minister responsible for administering the Act.