

The following is an explanation of changes to the by-law being presented at the upcoming AGM. The Amended and Restated By-Law No. 1 being provided as part of the official notice of meeting. The motion to accept this will be a special resolution requiring two-thirds approval of voting members at the meeting.

- The current By-Law is available online at: www.scotscanada.ca/bylaws
- The proposed By-Law is available online at: www.scotscanada.ca/amended

The following is an explanation of the changes which can be classified as follows:

1. Changes to correct minor defects such as using ‘member’ instead ‘shareholder’ incorrectly.
2. Changes for significant defects such as not having reasonable safeguards for signing authorities.
3. Significant changes such as name of the organization, classes of membership and other changes needed for the new membership class.
4. Significant changes including increases and decreases in capabilities for the actions of the board of directors in management of the corporation.

Your feedback, in advance of the AGM, on the changes are most welcome. Please send your remarks and questions to bylaws@scotscanada.ca

1: DEFINITIONS :

k. “Proposal” means a proposal submitted by a *member* that meets the requirements of Section 163 (Right to submit and discuss) of the Act;

The correct term of ‘member’ replaces the incorrect term ‘shareholder’.

3.1 AIMS AND OBJECTIVES:

b. To foster, in support of 3.1(a), the organization of and co-operation and communication *amongst individuals and groups* through the initiation and co-ordination of projects and undertakings. Such projects and undertakings may:...

Replaces ‘between groups’ as being more inclusive particularly for the new class of membership

3.2 NAME:

The name of the Corporation has been renamed from Clans and Scottish Societies of Canada in English and Clans et Sociétés Écossaises du Canada in French, to “*Scots Canada*”.

Use of a more modern name that covers the broader base of types of members for both classes while also minimizing translation challenges.

3.8 MEMBERSHIP YEAR:

The membership year shall be an *annual period with anniversary date* as determined by the board of directors for a single member or a class of membership.

Replaces ‘same as fiscal year’ to provide flexibility for the existing organizational class of members while allowing a more manageable renewal cycle for the larger volume of the new class of members.

Also provides the board with flexibility on implementation of the change for both classes of membership.

4.1 MEMBERSHIP:

Subject to the approval of the Corporation's Board of Directors, membership in the Corporation is open to all *those who are aligned with furthering the aims and objectives of the Corporation as stated in Article 3.1 Aims and Objectives, and*

a. there shall be *two (2) classes of full membership*, namely,

(i) Class "A" voting members, also known as organizational members, being the group whom the Board of Directors may admit as Class "A" members. Each Class "A" member shall be entitled to receive notice of, attend and, *when active*, vote at all meetings of the members of the Corporation. Groups accepted as Class "A" members shall appoint a Delegate and may appoint Alternate and *Youth Delegates. Delegates must be of the age of majority as defined by the jurisdiction of Canada.*

(ii) Class "B" non-voting members, also known as household members, being the persons whom the Board of Directors may admit as Class "B" members. Each Class "B" member shall be entitled to receive notice of, attend *but not vote* at all meetings of the members of the Corporation. Households accepted as Class "B" members shall appoint a Household Representative and may appoint Alternate and Youth Representatives. Representatives must be of the *age of majority* as defined by the jurisdiction of Canada.

b. No person, group, or association shall face discrimination as outlined in the Canadian Human Rights Act on the grounds of any protected characteristic;

Replaces a list of 'Scottish' group types which was not inclusive of all current members while also adding reference back to a previous section of bylaw in order to avoid ambiguity.

New class of membership added with the existing class renamed from regular to Class 'A' and the new class of members called Class 'B'

The 'regular' class of membership is renamed to Class 'A' and will have voting rights unless membership status is not active per articles 4.1.e and 4.2 Suspension of Membership

Youth 'Delegates' are added for both classes of membership

There is nothing in the existing bylaws regarding requirements such as age for a delegate. This is corrected by reference to a federal definition of the age of majority.

This new class of membership is to provide community and representation to those of Scottish heritage in Canada who are not able or unwilling to join a clan, family or other heritage society.

These are non-voting members who will have representation through regional directors as designated by the board.

The term Household as opposed to Individual and Family is being used in order to:

- Remove ambiguity with the existing 'Family' members in Class 'A'.
- Promote inclusive, multigenerational involvement by this new class in Scottish culture.
- Facilitate a pipeline for these members through early to late in life ease of participation.

This replaces a list of characteristics that is not up to date. By referencing the federal law in this manner, we avoid having to revisit this in the future as well there being other potential consequences.

The original clauses, 4.1.c through 4.1.g, regarding Delegates, Alternates, annual fee, standing, suspension, admissibility and business are either dealt with through the revised 4.1.c through 4.1.f or were redundant and thus removed.

The original 4.1.h through 4.1.j are renumbered to 4.1.g to 4.1.i respectively

4.1 MEMBERSHIP: (continued)

c. The annual fee, as set by the board for each membership class, shall be due upon the *anniversary date* for a member;

Anniversary date is now specified for when dues are to be paid. The original bylaw did not explicitly specify when fees were due.

d. Dues are deemed to be in a state of non-payment *if not received when due* or at a date as set by the Board of Directors for all members, for a class of members, or for a specific member as the Board of Directors may from time to time determine;

Originally the state of non-payment was at 90 days overdue which would be incompatible with fee management of the new class of membership. Setting it at the anniversary date with board flexibility is a compromise solution.

e. Members whose dues are in a state of non-payment shall be deemed to have a *status of inactive* as opposed to a *status of active* for members whose dues are not in a state of non-payment;

Using status types of active and inactive provides flexibility in how we can still provide benefits to members in either state while doing what is best for the objectives of promoting Scottish Culture and Heritage.

For Class 'A' members, this provides us with an easier mechanism to aid those groups having challenges.

For Class 'B' members, this keeps open a channel of communication, aids in having a membership pipeline strategy and reduces barriers to once again becoming 'active' when the time comes.

f. For members having a status of inactive, the reduction in member *benefits and rights*, including any voting rights, shall be determined by the Board for any or all such members;

It is not clear at this point for how to adjust benefits and rights to members based upon their status.

This provides the board the capability to work through this in an evolutionary manner.

4.3 TERMINATION OF MEMBERSHIP:

The rights of a Member lapse and cease to exist when the membership terminates for any of the following reasons:

a. resignation in writing, in which case such resignation shall be effective from the date specified in the resignation;

~~b. non-payment of dues;~~

b. expulsion by a vote of the majority of the member groups present at a duly constituted business meeting, provided that in the case of the proposed expulsion, the person(s) or group being considered for the expulsion has been previously suspended by the board or otherwise has been given *at least 20 days' notice* of this action. In either case the person(s) or group shall be entitled to be heard at the meeting in person and with counsel if so desired;

c. For *Class 'A'*, when the member group is dissolved

d. For *Class 'B'*, when there is no individual in the household available to act as representative

5.1 THE BOARD OF DIRECTORS:

~~b. A quorum shall be three Directors;~~

5.3 MEETINGS OF THE BOARD:

c. Each Director is authorized to exercise one (1) vote. *With the exception of changes described in Article 10 : Amendments and subject to the Act*, all questions and resolutions arising at any meeting of Directors shall be decided by a majority of votes or ordinary resolution. In case of an equality of votes, the chairperson of the meeting, in addition to their original vote, shall have a second or casting vote.

f. *A resolution transmitted electronically*, when provided to all Directors entitled to vote on that resolution at a meeting of Directors or committee of Directors, is as valid as if it had been passed at a meeting of Directors or committee of Directors.

g. *Quorum for the Board of Directors is five.*

The original clause 4.2 Suspension and Termination of Membership has been split into 4.2 Suspension of Membership and 4.3 Termination of Membership. The original had redundant numbering while also dealing with two different aspects of membership.

With the implementation of Active and Inactive status, termination for non payment of dues (originally 4.2.b) has been removed

The term for notice in article 4.2 was 20 days. This term, for expulsion, has been changed from 15 to 20 to provide consistency and lessen opportunities for confusion.

A separate definition for this is required for each class of membership.

This provides a greater opportunity for succession and pipeline with Class 'B' members,

The definition for directors quorum has been moved to 5.3 Meetings of the Board where it belongs.

This clarifies that the board will normally use ordinary resolutions unless the change involves the bylaws of the corporation.

Such changes to the bylaws of the corporation require a special resolution by the board with some changes only be allowed through a special resolution at a general meeting.

This explicitly allows board resolutions to be handled by electronic voting when required.

This previously required checking and interpreting different parts of the by-law.

Quorum has been increased to five from three for Directors.

6.2 OFFICERS:

a: The officers of the Corporation *may* be a Chair, Past-Chair, 1st Vice-Chair, 2nd Vice-Chair, Youth Vice-Chair, Treasurer, Secretary or any such officers as the Board of Directors may determine;

e: The signing officers of the Corporation shall be at least *three individuals*, a combination of either directors or officers, or such other individuals as the Board may authorize. In addition, all individuals designated with signing authority *must be at arm's length with one another*.

6.3 DUTIES OF OFFICERS:

a. The Chair of the Board, *or any title designated by the board*, shall serve as the Chief Executive Officer (CEO) of the Corporation. ...

b. The Past-Chair, *if appointed by the board*, shall act in an advisory role to the board and may, upon request, be asked to chair the Nominating Committee.

8.1 MEETINGS OF MEMBERS:

c. The General Assembly is comprised of the members of the Board of Directors together with the official *voting delegate from each Class "A" member group and Observers as specified in 8.1.e.*

e. Any individual belonging to either Class 'A' or Class 'B' members are encouraged to attend all Assembly Meetings *as an Observer*.

8.4 VOTING AT ASSEMBLY MEETINGS:

b. Each Class "A" member group, with *status of active*, shall have one (1) vote at the General Assembly, usually the official Delegate of that group. A member group not having status of active may attend and be heard at the General Assembly but may not have a vote nor may participate in the election of officers in any manner whatsoever.

e. One of a *standard meeting procedures* such as Bourinot's Rules of Order, Lochrie's 'Meeting Procedures', or Robert's Rules of Order shall apply at all proceedings as determined by the Board;

ARTICLE 10: AMENDMENTS:

a. By-Law: Subject to the Articles, the Board may, *by special resolution*, make, amend or repeal any By-Law that regulates the activities or affairs of the Corporation. Any such By-Law, amendment or repeal shall be effective from the date of the resolution of the Board until the next meeting of Members where it may be confirmed, rejected or amended by the members by ordinary resolution of the voting members of the assembly at a meeting duly called for the purpose of considering the said By-Law.

A mandatory 'shall' has been replaced with 'may' to allow flexibility with titles. This will aid the board in providing titles that translate reasonably between English and French. Youth Vice-Chair is formally listed as well.

The existing bylaw does not have good safeguards in place for the number and relationships for signing officers.

At arm's length means personal interests and relationships don't affect judgment or decision-making. IE. No spouse, relatives or those one has a significant business/contractual relationship with.

This provides flexibility in what the title may be per the wording of 6.2a. The phrase is included in the definitions of duties for 1st Vice Chair, 2nd Vice Chair, Treasurer and Secretary. There is no change otherwise to the definitions of their duties.

This recognizes that there may be times when it is not possible nor acceptable for the Past-Chair position to be occupied by the most recent Chairperson.

Revised to have only Class 'A' member delegates as voting at General Assemblies. Other attendees are as 'Observers'.

This revises the requirement for a Class 'A' member in order to vote. They must have a status of 'Active'. A Class 'A' member who is 'Inactive' or 'Suspended' will not have a vote but may attend and be heard.

This expands what meeting procedures may be used beyond the previously mandated Robert's Rules. Note that Bourinot's Rules are more standard in Canadian organizations.

Currently only a regular resolution by the board is needed to amend a by-law.

This has been strengthened to require a special resolution by the board in order to change the by-law.

As noted in 5.3.c above, resolutions by the board will normally just be ordinary by a majority vote.