

**CANADIAN EMPLOYEE RELOCATION COUNCIL (CERC) INC./  
LE CONSEIL CANADIEN DE MUTATION D'EMPLOYES (CERC) INC.**

**BY-LAW NUMBER 3**

BE IT ENACTED as a by-law of CANADIAN EMPLOYEE RELOCATION COUNCIL (CERC) INC./LE CONSEIL CANADIEN DE MUTATION D'EMPLOYES (CERC) INC. (the "Corporation"), which was incorporated under the *Canada Corporations Act* (the "Act") as follows:

**PART 1 - CORPORATE SEAL**

1.1 **Seal.** The seal, an impression whereof is stamped in the margin hereof, shall be the seal of the Corporation.

**PART 2 - CONDITIONS OF MEMBERSHIP**

2.1 **Membership.** Membership in the Corporation shall be limited to persons interested in furthering the objects of the Corporation and who meet the criteria set out below and whose application for admission as a member has been forwarded to the president and has received the approval of the board of directors of the Corporation. There shall be six classes of members: Corporate, Corporate-Associate, Service, Service-Associate, Personal and Student. An organization can hold more than one Corporate membership or Service membership.

- (a) **Corporate.** Organizations which are regularly engaged in the relocation of their employees.
- (b) **Corporate-Associate.** Individuals nominated by a Corporate member.
- (c) **Service.** Organizations engaged in the business of offering employee relocation services to other members.
- (d) **Service-Associate.** Individuals nominated by a Service member.
- (e) **Personal.** Individuals who have an interest in workforce mobility and employee relocation issues. Individuals applying for Personal membership who are employed by an organization that is regularly engaged in the relocation of its employees or an organization that offers employee relocation services to other members, may join if their employer is a Corporate member or a Service member.
- (f) **Student.** Individuals who have an interest in workforce mobility and employee relocation issues who are enrolled in a full-time program at a

Canadian college or university who are registered in a course taught at the college or university which is offered or approved by the Corporation.

2.2 **Dues.** There shall be no membership fees or dues unless otherwise directed by the board of directors.

2.3 **Admission for Membership.** Applications for membership shall be made in writing and forwarded to the president. All applicants shall be referred by the president to the next meeting of the board of directors, for approval or for rejection based on the applicant's ability to meet the qualifications prescribed by these by-laws.

2.4 **Resignation of Membership.** Any member may withdraw from the Corporation by delivering to the Corporation a written resignation and lodging a copy of the same with the president of the Corporation.

2.5 **Termination of Membership.** Any member may be required to resign by a vote of three-quarters (3/4) of the members voting at an annual or special general meeting, provided that any such member shall be granted an opportunity to be heard at such meeting.

2.6 **Reinstatement of Membership.** Upon written request signed by a former member and filed with the secretary, the board of directors by the affirmative vote of two-thirds (2/3) of all members of the board of directors may reinstate such former member to membership upon such terms as the board of directors may deem appropriate.

2.7 **Voting.** Corporate members and Service members shall have the right to receive notice of, attend and vote at all meeting of members. Corporate-Associate, Service-Associate, Personal and Student members shall have the right to receive notice of and attend all meetings of members, but shall have no right to vote thereat.

### **PART 3 - HEAD OFFICE**

3.1 **Head Office.** Until changed in accordance with the Act, the head office of the Corporation shall be in the City of Toronto in the Province of Ontario.

### **PART 4 - BOARD OF DIRECTORS**

4.1 **Number of Directors and Qualifications.** The property and business of the Corporation shall be managed by a board of not less than nine (9) and not more than twenty-one (21) directors elected annually by the members. A majority of the number of directors in office at any time shall constitute a quorum. The number of directors shall be determined from time to time by a resolution passed at a meeting of the members of the Corporation. Directors must be individuals who are at least eighteen (18) years of age with power under law to contract. Directors must be members.

4.2 **Nominations.** The executive committee shall nominate at least one candidate for each vacancy on the board of directors. The name of the prospective nominees shall be

mailed by the president to the members prior to the date of the annual meeting of members. Additional nominations for the office of director may be made from the floor. In the event there are more nominees than vacancies on the board of directors, election shall be by written ballot. A person may not be elected to the board of directors while another nominee of the same Corporate member or Service member is serving as a director.

**4.3 Election and Term.** Directors shall be elected for a term of three (3) years by the members at an annual meeting of members. A director may not be elected for more than three (3) consecutive terms.

**4.4 Vacancies.** The office of director shall be automatically vacated:

- (a) if a director shall resign such office by delivering a written resignation to the secretary of the Corporation;
- (b) if the director is found by a court to be of unsound mind;
- (c) if the director becomes bankrupt;
- (d) if at a special general meeting of members a resolution is passed by two-thirds (2/3) of the votes cast by the members present at the meeting that the director be removed from office;
- (e) on death;
- (f) if a director ceases to be a member;

provided that if any vacancy shall occur for any reason contained in this paragraph, and if a quorum of directors remains in office, the board of directors by majority vote, may, by appointment, fill the vacancy with a qualified person for the remaining part of the term of the director who is no longer in office. Such remaining part of the term shall be considered the first term of the newly appointed director.

**4.5 Retiring Director.** A retiring director shall remain in office until the dissolution or adjournment of the meeting at which such retirement is accepted and a successor is elected.

**4.6 Place of Meeting and Notice.** Meetings of the board of directors may be held at any time and place to be determined by the directors provided that forty-eight (48) hours written notice of such meeting shall be given by personal delivery, fax or e-mail, to each director. Notice by mail shall be sent at least fourteen (14) days prior to the meeting. There shall be at least one (1) meeting per year of the board of directors. No error or omission in giving notice of any meeting of the board of directors or any adjourned meeting of the board of directors of the Corporation 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. Each director is authorized to exercise one (1) vote.

4.7 **Meetings by Teleconference.** Directors may hold meetings by teleconference or by other electronic means that permit all persons participating in the meeting to hear each other.

4.7.1 If all the directors of the Corporation consent thereto generally or in respect of a particular meeting, a director may participate in a meeting of the board or of a committee of the board by means of such conference telephone or other electronic communications facilities to which all directors have equal access and as permit all persons participating in the meeting to hear and communicate with each other, and a director participating in such a meeting by such means is deemed to be present at the meeting.

4.7.2 At the commencement of each such meeting the secretary of the meeting will record the names of those persons in attendance in person or by electronic communications facilities and the chair will determine whether quorum is present. The chair of each such meeting shall determine the method of recording votes thereat, provided that any director present may require all persons present to declare their votes individually. The directors shall take such reasonable precautions as may be necessary to ensure that such communications facilities are secure from unauthorized interception or monitoring.

4.8 **Resolutions.** Resolutions will be passed by a majority of the participating directors by a verbal vote recorded by the secretary, unless the Act or these by-laws otherwise provide.

4.9 **Remuneration of Directors.** The directors shall serve as such without remuneration from the Corporation and no director shall directly or indirectly receive any profit from his or her position as such; provided that a director may be paid reasonable expenses incurred by the director in the performance of his or her duties.

4.10 **Agents and Employees.** The board of directors may appoint such agents and engage such employees as it shall deem necessary from time to time and such persons shall have such authority and shall perform such duties as shall be prescribed by the board of directors at the time of such appointment.

4.11 **Mail Ballots.** Where a notice of meeting states that the members may vote by mail ballot for the election of directors, the form of mail ballot shall be attached to the notice of meeting and the notice shall specify that the mail ballot must be completed, signed by the member and received by the secretary of the Corporation (at the address specified) at least seventy-two (72) hours before the meeting at which the member wishes to record his or her vote. Any votes received by mail ballot after that time shall not be counted for the purposes of the meeting. The mail ballot shall only be counted provided that the motion on the floor at the meeting is identical to that contained in the mail ballot and all background material available to members at the meeting has been made available in advance to members exercising their vote by mail ballot. A mail ballot cannot replace a director for the purposes of establishing quorum.

4.12 **Voting.** All directors shall have the right to receive notice of, attend and vote at, all meetings of the board of directors.

## **PART 5 - INTEREST OF DIRECTORS IN CONTRACTS**

### **5.1 Conflict of Interest.**

- (a) Any director of the Corporation who:
  - (i) is a party to a material contract or proposed material contract with the Corporation, or
  - (ii) is a director or officer of or has a material interest in any body corporate or business firm who is a party to a material contract or proposed material contract with the Corporation,shall disclose in writing or have entered in the minutes, the nature and extent of such director's interest in such material contract or proposed material contract with the Corporation.
- (b) The disclosure required by (a) above, shall be made:
  - (i) at the meeting at which a proposed contract is first considered;
  - (ii) if the director was not then interested in a proposed contract, at the first meeting after such director becomes so interested; or
  - (iii) if the director becomes interested after a contract is made, at the first meeting held after the director becomes so interested.
- (c) If a contract or a proposed contract is one that, in the ordinary course of carrying on the Corporation's non-pecuniary purpose or purposes, would not require approval by the directors or members, a director shall disclose in writing the nature and extent of the director's interest at the first meeting held after the director becomes aware of the contract or proposed contract.
- (d) A director referred to in sub-paragraph (a) above is liable to account for any profit made on the contract by the director or by a corporate entity or business firm in which the director has a material interest, unless
  - (i) the director disclosed the director's interest in accordance with sub-paragraphs (b) or (c) above or (f) below;
  - (ii) after such disclosure the contract was approved by the directors or members; and
  - (iii) the contract was reasonable and fair to the Corporation at the time it was approved.

Provided that a director who has made a declaration of the director's interest in a contract or a proposed contract and has not voted in respect of such contract contrary to the prohibition contained in sub-paragraph (e) below, if such prohibition applies, is not accountable to the Corporation or any of its members or creditors by reason only of such director holding that office or of the fiduciary relationship thereby established, for any profit realized by such contract.

- (e) A director referred to in sub-paragraph (a) above shall not vote on any resolution to approve the contract, unless the contract is an arrangement by way of security for money lent to or obligations undertaken by the director for the benefit of the Corporation.
- (f) For the purposes of this paragraph 5.1, a general notice to the directors by a director declaring that the person is a director or officer of or has a material interest in a body corporate or business firm and is to be regarded as interested in any contract made therewith, is a sufficient declaration of interest in relation to any contract so made.
- (g) A contract is not void by reason only of the failure of a director to comply with the provisions of this paragraph 5.1 but the court may upon the application of the Corporation or a member, set aside a contract in respect of which a director has failed to comply with the provisions of this paragraph 5.1, and the court may make any further order it thinks fit.

## **PART 6 - PROTECTION OF OFFICERS AND DIRECTORS**

6.1 **For the Protection of Directors and Officers.** Any director or officer of the Corporation shall not be liable for any act, receipt, neglect or default of any other director, officer or employee or for any loss, damage or expense happening to the Corporation through any deficiency of title to any property acquired by the Corporation or for any deficiency of any security upon which any moneys of the Corporation shall be invested or for any loss or damage arising from bankruptcy, insolvency or tortious act of any person including any person with whom any moneys, securities or effects shall be deposited or for any loss, conversion, or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets belonging to the Corporation or for any other loss, damage or misfortune which may happen in the execution of the duties of such director's or officer's respective office unless such occurrence is as a result of such director's or officer's own wilful neglect or default.

6.2 **Insurance.** If the directors so authorize, the Corporation may purchase and maintain insurance for a director or officer of the Corporation against any liability incurred by the director or officer, in the capacity as a director or officer of the Corporation, except where the liability relates to the person's failure to act honestly and in good faith with a view to the best interests of the Corporation.

## **PART 7 - INDEMNITIES TO DIRECTORS AND OTHERS**

7.1 **Indemnities to Directors and others.** Every director or officer of the Corporation or other person who has undertaken or is about to undertake any liability on behalf of the Corporation or any company controlled by it and their heirs, executors and administrators, and estate and effects, respectively, shall from time to time and at all times, be indemnified and saved harmless out of the funds of the Corporation, from and against;

- (a) all costs, charges and expenses which such director, officer or other person sustains or incurs in or about any action, suit or proceedings which is brought, commenced or prosecuted against him or her, or in respect of any act, deed, matter or thing whatsoever, made, done or permitted by him or her, in or about the execution of the duties of his or her office or in respect of any such liability; and
- (b) all other costs, charges and expenses which he or she sustains or incurs in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by his or her own wilful neglect or default.

## **PART 8 - COMMITTEES**

8.1 **Executive Committee.** There shall be an executive committee composed of five (5) people who shall be appointed by the board of directors who shall hold the offices of chair, past chair, vice-chair, president and secretary/treasurer. The executive committee shall exercise such powers as are authorized by the board of directors. Any executive committee member may be removed by a majority vote of the board of directors. Executive committee members shall receive no remuneration from the Corporation for serving as such, but are entitled to reasonable expenses incurred in the exercise of their duty.

8.2 **Meetings of Executive Committee.** Meetings of the executive committee shall be held at any time and place to be determined by the members of such committee provided that forty-eight (48) hours written notice of such meeting shall be given, other than by mail, to each member of such committee. Notice by mail shall be sent at least fourteen (14) days prior to the meeting. Three (3) of the members of such committee shall constitute a quorum. No error or omission in giving notice of any meeting of the executive committee or any adjourned meeting of the executive committee of the Corporation shall invalidate such meeting or make void any proceedings taken thereat and any member of such committee may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat.

8.3 **Committees.** The board of directors may appoint committees whose members will hold their offices at the will of the board of directors. The members of any committee need not be directors of the Corporation. The board of directors shall determine the duties of such committees.

## **PART 9 - POWERS OF DIRECTORS**

9.1 **Powers.** The directors of the Corporation may administer the affairs of the Corporation in all things and make or cause to be made for the Corporation, in its name, any kind of contract which the Corporation may lawfully enter into and, save as hereinafter provided, generally, may exercise all such other powers and do all such other acts and things as the Corporation is by its charter or otherwise authorized to exercise and do.

9.2 **Expenditures.** The directors shall have power to authorize expenditures on behalf of the Corporation from time to time and may delegate by resolution to an officer or officers of the Corporation the right to employ and pay salaries to employees on behalf of the Corporation.

## **PART 10 - OFFICERS**

10.1 **Appointment.** The officers of the Corporation, which may include the offices of chair, vice-chair, past-chair, president, secretary/treasurer and any such other officers as the board of directors may by by-law determine, shall be appointed by resolution of the board of directors at the first meeting of the board of directors following the annual meeting of members at which the directors are elected. A person may hold more than one office, but only until the date of the first director's meeting held after the next annual meeting of members. Officers must be directors except for the president. A director may be elected to an office, if his/her term as an elected director would expire prior to the expiration of the term of such office.

10.2 **Term and Removal of Officers.** The officers of the Corporation shall hold office for one (1) year from the date of appointment or election or until their successors are elected or appointed in their stead. Officers shall be subject to removal by resolution passed by two-thirds (2/3) of the board of directors at any time.

## **PART 11 - DUTIES OF OFFICERS**

11.1 **Chair of the Board.** The chair of the board shall preside at all meetings of the board of directors and the members. The chair of the board shall be entitled to a second or casting vote in the event of a tie vote of the directors or members.

11.2 **Vice-Chair of the Board.** In the absence of the chair of the board, the vice-chair shall preside at all meetings of the board of directors and the members. When acting as chair of such meetings, the vice-chair shall be entitled to a second or casting vote in the event of a tie vote of the directors or members.

11.3 **Past Chair .** The past chair shall be a person who was the chair in the past. The past chair shall assume such duties as prescribed by the board of directors from time to time.

11.4 **President.** The president shall be the chief executive officer of the Corporation and shall in general supervise and control all the business and affairs of the Corporation. The

president may sign, with the secretary or any other proper officer of the Corporation, any contracts, leases or other instruments which the board of directors have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by statute to some other officer or agent of the Corporation, and in general shall perform all duties incident to the office of president and such other duties as may be prescribed by the board of directors from time to time.

11.5 **Secretary/Treasurer.** The secretary/treasurer shall have oversight responsibility for the Corporation's funds and records. He or she shall report on the financial condition of the Corporation at all meetings of the board of directors and at other times when called upon by the president. As secretary of the Corporation, he or she shall be responsible for the proper and legal mailing of notices to members; shall be custodian of the seal of the Corporation; shall see that accurate records are kept on all members; and shall in general perform all duties incident to the office of secretary.

11.6 **Compensation.** The compensation of the president shall be determined annually by the executive committee.

11.7 **Duties of Officers.** The duties of all other officers of the Corporation shall be such as the terms of their engagement call for or the board of directors requires of them.

## **PART 12 - EXECUTION OF DOCUMENTS**

12.1 **Execution of Documents.** Contracts, documents or any instruments in writing requiring the signature of the Corporation, shall be signed by any two (2) officers or directors or a combination thereof and all contracts, documents and instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. The directors shall have power from time to time by resolution to appoint persons on behalf of the Corporation to sign specific contracts, documents and instruments in writing and to establish a policy for execution of documents. The directors may give the Corporation's power of attorney to any registered dealer in securities for the purposes of the transferring of and dealing with any stocks, bonds, and other securities of the Corporation. The seal of the Corporation when required may be affixed to contracts, documents and instruments in writing signed as aforesaid or by persons appointed by resolution of the board of directors.

## **PART 13 - MEMBERS' MEETINGS**

13.1 **Time and Place of Meetings.** Meetings of the members shall be held at least once a year or more often if necessary at the head office of the Corporation or at any place in Canada as the board of directors may determine and on such day as the said directors shall appoint. The members may resolve that a particular meeting of members be held outside Canada.

13.2 **Annual Meetings.** At every annual meeting, in addition to any other business that may be transacted, the report of the directors, the financial statement and the report of the auditors shall be presented and auditors appointed for the ensuing year. The members may

consider and transact any business either special or general at any meeting of the members. The board of directors or the president or vice president shall have power to call, at any time, a general meeting of the members of the Corporation. The board of directors shall call a special general meeting of members on written requisition of members carrying not less than forty percent (40%) of the voting rights.

13.3 **Quorum.** Twenty-five (25) percent of the members entitled to vote thereat will constitute a quorum at any meeting of members. Such majority shall be either present in person or represented by proxy at such meeting.

13.4 **Written Resolutions.** In matters not required by the Act to be dealt with at a meeting, a resolution in writing, signed by all the members entitled to vote on that resolution at a meeting of members, is as valid as if it had been passed at a meeting of members and such written resolution will satisfy all requirements relating to meetings of members.

13.5 **Means of Meetings.** Members may hold meetings by teleconference or by other electronic means that permit all persons participating in the meeting to hear each other and communicate adequately.

13.5.1 If all the members of the Corporation consent thereto generally or in respect of a particular meeting, a member may participate in a meeting of the members by means of such conference telephone or other electronic communications to which all members have equal access and as permit all persons participating in the meeting to hear and communicate with each other, and a member participating in such a meeting by such means is deemed to be present at the meeting.

13.5.2 At the commencement of each such meeting the secretary of the meeting will record the names of those persons in attendance in person or by electronic communications facilities and the chair will determine whether quorum is present. The chair of each such meeting shall determine the method of recording votes thereat, provided that any member present may require all persons present to declare their votes individually. The chair of such meetings shall be satisfied that members have taken such reasonable precautions as may be necessary to ensure that such communications facilities are secure from unauthorized interception or monitoring.

13.6 **Resolutions.** Resolutions will be passed by a majority of the participating members by a verbal vote recorded by the secretary, unless the Act or these by-laws otherwise provide.

13.7 **Notice.** At least forty-eight (48) hours written notice of meetings of members shall be given by personal delivery, fax or email to each member entitled thereto. Notice by mail shall be sent at least fourteen (14) days prior to the meeting. Notice of any meeting where special business will be transacted should contain sufficient information to permit the member to form a reasoned judgement on the decision to be taken. Notice of each meeting of members must state that the member has the right to vote by proxy.

13.8 **Voting of Members and Proxies.** Each voting member present at a meeting shall have the right to exercise one vote. A member may, by means of a written proxy, appoint a proxyholder to attend and act at a specific meeting of members, in the manner and to the extent authorized by the proxy. A proxyholder must be a member of the Corporation. Subject to the requirements of the Act, a proxy may be in the form attached as Schedule "A".

13.9 **Errors or Omissions in Giving Notice.** No error or omission in giving notice of any meeting or any adjourned meeting, whether annual or general, of the members of the Corporation shall invalidate such meeting or make void any proceedings taken thereat and any member may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat. For purpose of sending notice to any member, director or officer for any meeting or otherwise, the address of the member, director or officer shall be that person's last address recorded on the books of the Corporation.

#### **PART 14 - MINUTES OF BOARD OF DIRECTORS AND COMMITTEE MEETINGS**

14.1 **Minutes of Meetings.** The minutes of the board of directors or committee meetings shall be available to the board of directors and to the members.

#### **PART 15 - VOTING OF MEMBERS**

15.1 **Voting of Members.** At all meetings of members of the Corporation, every question shall be determined by a majority of votes unless otherwise specifically provided by statute or by these by-laws.

#### **PART 16 - FINANCIAL YEAR**

16.1 **Financial Year.** Unless otherwise ordered by the board of directors, the fiscal year-end of the Corporation shall be the last day of December in each year.

#### **PART 17 - AMENDMENT OF BY-LAWS**

17.1 **Amendment of By-laws.** The provisions of the by-laws of the Corporation not embodied in the letters patent may be repealed or amended by by-law enacted by a majority of the directors at a meeting of the board of directors and sanctioned by at least two-thirds (2/3) of the members voting at a meeting duly called for the purpose of considering the said by-law, provided that the repeal or amendment of such by-laws shall not be enforced or acted upon until the approval of the Minister of Industry Canada has been obtained.

#### **PART 18 - AUDITOR**

18.1 **Auditor.** The members shall at each annual meeting appoint an auditor to audit the accounts of the Corporation for report to the members at the next annual meeting. The

auditor shall hold office until the next annual meeting, provided that the directors may fill any casual vacancy in the office of auditor. The remuneration of the auditor shall be fixed by the board of directors.

### **PART 19 - BOOKS AND RECORDS**

19.1 **Books and Records.** The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, board of directors and committees having any of the authority of the board of directors, and shall keep at the registered or principal office a record giving the names and addresses of all its members and their representatives. All books and records of the Corporation may be inspected by any member, or its representative or attorney, for any proper purpose at any reasonable time.

### **PART 20 - RULES AND REGULATIONS**

20.1 **Rules and Regulations.** The board of directors may prescribe such rules and regulations not inconsistent with these by-laws relating to the management and operation of the Corporation as they deem expedient.

### **PART 21 - INTERPRETATION**

21.1 **Interpretation.** In these by-laws and in all other by-laws of the Corporation hereafter passed, unless the context otherwise requires, words importing the singular number shall include the plural number and vice versa, and references to persons shall include firms and corporations.

**ENACTED** by the Board of Directors this 19th day of September, 2008.



\_\_\_\_\_  
President



\_\_\_\_\_  
Vice President

**CONFIRMED** by the members this 23rd day of September, 2008.



\_\_\_\_\_  
Chair