

DEEP RIVER GOLF CLUB (1972) INCORPORATED

BY-LAW No 1

Amended 1986, 1997, 2002, 2015

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Section 1 - General

A By-law relating to the transaction of the affairs of Deep River Golf Club (1972) Incorporated.

Be it enacted as a By-law of Deep River Golf Club (1972) Incorporated (hereinafter referred to as the "Corporation") as follows.

1.01 Definitions

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

- a. "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; b. "Board" means the Board of Directors of the Corporation;
- c. "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; d. "Chair" means the chair of the Board;
- e. "Corporation" means the Deep River Golf Club (1972) Incorporated
- f. "Director" means a member of the Board;
- g. "Member" means an adult member of the Corporation with full privileges;
- h. "Members" means the collective membership of the Corporation;
- i. "Officer" means an Officer of the Corporation;
- j. "Government Regulations" means the regulations made under the Act as amended, restated or in effect from time to time;
- k. "Club" means the Deep River Golf Club (1972) Incorporated;
- l. "Special Business" includes all business transacted at a Special Meeting and all business transacted at an Annual Meeting, other than Annual Business and;
- m. "Special meeting" includes any meeting of Members that is not an Annual Meeting;

- n. "Ordinary course of business" means any event or transaction that is not unusual in nature or infrequent in occurrence.
- o. "Section" (such as Ladies Section) means a division that, together with the other sections, forms the collective membership of the Club.

1.02 Interpretation

Other than as specified in Section 1.01, 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.

1.03 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.

1.04 Head Office

The Head Office of the Corporation shall be in the town of Deep River in the Province of Ontario.

1.05 Seal

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

1.06 Execution of Contracts

Deeds, transfers, licenses, contracts and engagements on behalf of the Corporation shall be signed by either the President or Vice-President and by the Secretary, and the Secretary shall affix the seal of the Corporation to such instruments as require the same.

Contracts in the ordinary course of the Corporation's operation may be entered into on behalf of the Corporation by the President, Vice-President, Treasurer or by any person authorized by the Board.

Notwithstanding any provisions to the contrary contained in the By-laws of the Corporation, the Board of Directors may at any time by resolution direct the manner in which, and the person or persons by whom, any particular instrument, contract or obligations of the Corporation may or shall be executed

1.07 Books and Records

The Directors shall see that all necessary books and records of the Corporation required by the By-laws of the Corporation or by any applicable statute or law are regularly and properly kept.

Section 2 - Board of Directors

2.01 Composition of the Board

The affairs of the Corporation shall be managed by a Board of not less than seven Directors, each of whom at the time of his election and throughout his term of office must be a member of the Corporation.

2.02 Responsibilities and Powers of the Board

The Directors shall have the authority to manage the operations of the Club and without limiting the generality of the foregoing, shall,

- (1) set the classifications of playing and social privileges and the qualifications and fees therefore;
- (2) set the playing and Clubhouse rules and generally regulate the operation of the game and the social affairs;
- (3) suspend the playing or Clubhouse privileges of any person, for cause, if the Directors in their considered opinion believe such suspension to be in the best interests of the Club;
- (4) prepare budgets for the projected capital and operational expenses of the Club;
- (5) shall have the authority to manage the operations of the Club and, without limiting the generality of the foregoing, shall seek the approval of the members for any capital project involving the expenditure of more than \$75,000.00.

2.03 Election and Term of Directors

Each Director shall be elected by the members to hold office until the first annual (Fall) meeting after he shall have been elected or until a qualified successor shall have been duly elected within that term.

The whole Board shall be retired at each annual (Fall) meeting, but shall be eligible for re-election if otherwise qualified.

The members of the Corporation may, by resolution passed by at least two-thirds of the votes cast at a general meeting of which notice specifying the intention to pass such resolution has been given, remove any Director before the expiration of his term of office, and may, by a majority of votes cast at that meeting, elect any person in his stead for the remainder of his term.

2.04 Independence of Directors

All Directors have a duty to ensure that the trust and confidence of the members in the integrity of the decision-making processes of the Board are maintained by ensuring that they and other members of the Board are free from conflict or potential conflict in their decision-making. It is important that all Directors understand their obligations when a conflict of interest or potential conflicting interest arises .

Directors and non-board committee members shall avoid situations in which they may be in a position of conflict of interest.

"Conflict of Interest" means any situation in which a Director has a personal or financial interest in a matter which is the subject of an action or decision by the Board that may reasonably be perceived to:

- a) affect the objectivity with which the Director is expected to exercise in carrying out their responsibilities and duties; and/or
- b) represent an advantage or gain to the Director and/or other persons with whom the Director is not dealing at arm's length.

The situations in which potential conflict of interest may arise cannot be exhaustively set out. Conflicts generally arise in the following situations:

1. *Interest of a Director "Wearing Two Hats"*

- When a Director transacts with the Club directly or indirectly.
- When a Director has a significant direct or indirect interest in a transaction or contract with the Club.

2. *Interest of a Relative*

- When the Club conducts business with suppliers of goods or services or any other party of which a relative or member of the household of a Director is a principal, Officer or representative.

3. *Gifts*

- When a Director or a member of the Director's household or any other person or entity designated by the Director, accepts gifts, payments, services or anything else of more than a token or nominal value from a party with whom the Club may transact business (including a supplier of goods or services) for the purposes of (or that may be perceived to be for the purposes of) influencing an act or decision of the Board.

Directors must act solely in the best interest of the Club and should not be motivated by self-interest when they exercise their powers.

Directors have a duty to disclose such conflicts (or potential conflict) to the Board. They should not be present during the discussion of the matter in which they have a conflict and shall not attempt in any way to influence the voting.

It is acknowledged that not all conflicts or potential conflicts may be satisfactorily resolved by strict compliance with the By-laws. There may be cases where the perception of a conflict of interest or breach of duty may be harmful to the corporation notwithstanding that there has been compliance with the By-laws.

It is recognized that if a conflict, or other matter referred cannot be resolved to the satisfaction of the Board (by simple majority resolution) or if a breach of duty has occurred, a Director may be asked to resign or may be subject to removal pursuant to the By-laws.

2.05 Vacancies or Terminations

The office of a Director shall be vacated or terminated immediately:

- (a) if the Director resigns office by written notice to the Secretary, which resignation shall be effective at the time it is received by the Secretary or at the time specified in the notice, whichever is later; (b) if a Director ceases to be a member of the Club;
- (c) if the Director dies or becomes bankrupt;
- (d) if, at a meeting of the Members, a resolution is passed by at least two-thirds of the votes cast by the Members removing the Director before the expiration of the Director's term of office; (e) the liquidation or dissolution of the Corporation under the Act.

2.06 Filling Vacancies

Vacancies on the Board of Directors, however caused, may, so long as a quorum of Directors remain in office, be filled by the Directors from among the qualified members of the Corporation, if they shall see fit to do so. Otherwise, such vacancy shall be filled at the next annual meeting of the members at which the Directors for the ensuing year are elected, but if there is not a quorum of Directors, the remaining Directors shall forthwith call a meeting of the members to fill the vacancy. If the number of Directors is increased between the terms, a vacancy or vacancies, to the number of the authorized increase, shall thereby be deemed to have occurred, which may be filled in the manner above provided.

2.07 Committees

The Treasurer shall chair the Finance Committee.

The Club Captain shall chair the Tournament Committee.

The Greens Director shall chair the Greens Committee.

The Clubhouse Director shall chair the Clubhouse Committee.

The Social Director shall chair the Social Committee.

The Vice-President shall chair the Juniors Committee.

The Membership Director shall chair the Nominating Committee.

The Board of Directors shall establish other committees as it deems necessary, and shall appoint a chairman. The organization, duties, responsibilities, and authority of each committee shall be defined by the Board of Directors.

Normally appointments will be made from members of the Board of Directors. If an appointment of a member not on the Board of Directors is made, the appointment must have the approval of the majority of the Board of Directors.

2.08 Remuneration of Directors

The Directors shall receive no remuneration for acting as such, with the exception of the Treasurer, who may receive an honorarium at the discretion of the Board of Directors.

Section 3 - Board Meetings

3.01 Calling of Board Meetings

Except as otherwise required by law, the Board of Directors may hold its meetings at such place or places as it may from time to time determine. No formal notice of any such meeting shall be necessary if all the Directors are present, or if those absent have signified their consent to the meeting being held in their absence.

Directors' meetings may be formally called by the President or Vice-President, or by the Secretary on direction of the President or Vice-President or by the Secretary on direction in writing of two (2) Directors.

The Board may appoint a day or days in any month or months for regular meetings at an hour to be named and of such regular meeting no notice need be sent. A Directors' meeting may also be held, without notice, immediately following the annual meeting of the Corporation. The Directors may consider or transact any business either special or general at any meeting of the Board.

3.02 Notice

Notice of the time, place and date of such meetings and the nature of the business to be conducted shall be delivered to each Director by mail, courier, personal delivery, telephone, fax, email or other electronic method not less than one day before the meeting is to take place, excluding the date on which notice is given.

The statutory declaration of the Secretary or President that notice has been given pursuant to this By-law shall be sufficient and conclusive evidence of the giving of such notice.

3.03 Content of Notice

A notice of a meeting of Directors need not specify the purpose of the business to be transacted at the meeting, unless the meeting is intended to deal with one of the following matters;

- (a) submit to the Members any question or matter requiring approval of the Members;
- (b) fill a vacancy among the Directors or in the position of Public Accountant(if required); (c) appoint additional Directors;
- (d) issue debt obligations except as authorized by the Board;
- (e) approve any financial statements;
- (f) adopt, amend or repeal By-laws or
- (g) establish contributions to be made, or dues to be paid by Members.

3.04 Errors or Omissions in Giving Notice

No error or omission in giving such notice for a meeting of Directors shall invalidate such meeting or invalidate or make void any proceedings taken or had at such meeting and any Director may at any time waive notice of any such meeting and may ratify and approve of any or all proceedings taken or had thereat.

3.05 Meeting by Electronic Conference

A Director may participate in a meeting of the Board by means of an electronic or other communication device that permits all participants to communicate adequately with each other during the meeting. Any person participating by electronic conference is deemed to be present at that meeting. Any security, confidentiality or other considerations with respect to the conduct of such a meeting shall be as determined by the Board from time to time.

The Chair of the Board may call a meeting of the Board and provide that the meeting be held entirely by telephone or electronic means that permits all participants to communicate adequately with each other during the meeting.

3.06 Quorum

A majority of the Directors shall form a quorum for the transaction of business.

3.07 Voting

Questions arising at any meeting of Directors shall be decided by a majority of votes. In case of an equality of votes, the Chairman, in addition to his original vote, shall have a second or casting vote. All votes at any such meeting shall be taken by ballot if so demanded by any Director present, but if no demand be made, the vote shall be taken in the usual way by assent or dissent. A declaration by the Chairman that a resolution has been carried and an entry to that effect in the minutes shall be admissible in evidence as proof of the fact without proof of the number or proportion of the votes recorded in favor of or against such resolution. In the absence of the President his duties may be performed by the Vice-President or such other Director as the Board may from time to time appoint for the purpose.

Section 4 - Officers

There shall be a President, a Vice-president, a Secretary, a Treasurer, a Club Captain, a Greens Director, a House Director, a Membership Director, a Marketing Director, a Strategic Planning Director, a Social Director, a representative of the section of the Club (Men's or Ladies') of which the Club Captain is not a member, and other such Officers as the Board of Directors may determine by By-law from time to time. One person may hold more than one office except the President.

The President, Vice-president, Treasurer, Secretary, Club Captain, Greens Director, House Director, Membership Director, Marketing Director, Strategic Planning Director and Social Director shall be elected to these positions by the membership at the annual (Fall) meeting of the Corporation. The section representative shall be elected by the members of the section at the section's annual meeting. The other Officers of the Corporation need not be members of the Board and in the absence of written agreement to the contrary, the employment of all Officers shall be settled from time to time by the Board.

4.01 Duties of the President and Vice-President

The President shall, when present, preside at all meetings of the members of the Corporation and of the Board of Directors. The President shall also be charged with the general management and supervision of the affairs and operations of the Corporation.

The President ensures the integrity of the Board's process and represents the Board to outside parties. He establishes agendas aligned with annual Board goals.

The President with the Secretary or other Officer appointed by the Board for the purpose shall sign all By-laws. During the absence or inability of the President, his duties and powers may be exercised by the Vice-President, and if the Vice-President, or such other Director as the Board may from time to time appoint for the purpose, exercises any such duty or power, the absence or inability of the President shall be presumed with reference thereto.

4.02 Duties of the Secretary

The Secretary shall be clerk of the Board of Directors. He shall attend all meetings of the Board of Directors and record all facts and minutes of all proceedings in the books kept for that purpose. He shall give all notices required to be given to members and to Directors. He shall be the custodian of the seal of the Corporation and of all books, papers, records, correspondence, contracts and other documents belonging to the Corporation which he shall deliver up only when authorized by a resolution of the Board of Directors to do so and to such

person or persons as may be named in the resolution, and he shall perform such other duties as may from time to time be determined by the Board of Directors.

4.03 Duties of the Treasurer

The Treasurer, or person performing the usual duties of a Treasurer, has custody of the funds and securities of the corporation. He shall keep full and accurate accounts of all receipts and disbursements of the Corporation in proper books of account and shall deposit all moneys or other valuable effects in the name and to the credit of the Corporation in such bank or banks as may from time to time be designated by the Board of Directors. He shall disburse the funds of the Corporation under the direction of the Board of Directors, taking proper vouchers therefore and shall render to the Board of Directors at the regular meetings thereof or whenever required of him, an account of all his transactions as Treasurer, and of the financial position of the Corporation. He shall also perform such other duties as may from time to time be determined by the Board of Directors.

4.04 Duties of Other Officers

The duties of all other Officers of the Corporation shall be such as the terms of their engagement call for or what the Board of Directors requires of them.

Section 5 - Financial

5.01 Financial Year

Unless otherwise ordered by the Board of Directors, the fiscal year of the Corporation shall terminate on the 31st day of December in each year.

5.02 Cheques, etc

All cheques, bills of exchange or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by such Officer or Officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors and any one of such Officers or agents may alone endorse notes and drafts for collection on account of the Corporation through its bankers, and endorse notes and cheques for deposit with the Corporation's bankers for the credit of the Corporation, or the same may be endorsed "for collection" or "for deposit" with the bankers of the Corporation by using the Corporation's rubber stamp for the purpose. Any one of such Officers or agents so appointed may arrange, settle, balance and certify all books and accounts between the Corporation and the Corporation's bankers and may receive all paid cheques and vouchers and sign all the bank's forms or settlement of balances and release or verification slips.

5.03 Deposit of Securities for Safekeeping

The securities of the Corporation shall be deposited for safekeeping with one or more bankers, trust companies or other financial institutions to be selected by the Board of Directors. Any and all securities so deposited may be withdrawn, from time to time, only upon the written order of the Corporation signed by such Officer or Officers, agent or agents of the Corporation, and in such manner, as shall from time to time be determined by resolution of the Board of Directors and such authority may be general or confined to specific instances. The institutions which may be so selected as custodians of the Board of Directors shall be fully protected in acting in accordance with the directions of the Board of Directors and shall in no event be liable for the due application of the securities so withdrawn from deposit or the proceeds thereof.

5.04 Borrowing of Money - Securing Liabilities

- (a) The Board may from time to time:
- (i) borrow upon the credit of the Corporation, the limitations being \$75,000.00 for a short-term loan and \$150,000.00 for a ten-year term subject to approval of the members as may be required pursuant to Section 2.02(5)
 - (ii) issue, sell or pledge securities of the Corporation in such amounts and upon such terms as the Board may deem expedient; and
 - (iii) charge, mortgage, hypothecate or pledge in such amounts and upon such terms as the Board deems expedient, all or any of the real or personal property of the Corporation (both present and future).
- (b) The Board may from time to time delegate to such one or more of the Officers and Directors of the Corporation as may be designated by the Board all or any of the powers conferred by this By-law to such extent and in such manner as the Board shall determine at the time of each such delegation.

Section 6 - Members

6.01 Membership

The membership shall consist of all applicants admitted as members by the Board of Directors.

Members may resign by resignation in writing which shall effective upon acceptance thereof by the Board of Directors.

In case of resignation, a member shall remain liable for payment of any assessment or other sum levied or which became payable by him to the Corporation prior to acceptance of his resignation.

Each member in good standing shall be entitled to one vote on each question arising at any special or general meeting of the members.

Each member shall promptly be informed by the Membership Director of his admission as a member.

6.02 Qualification for Membership

To qualify as a Member of the Corporation an individual must:

- (a) make application annually and pay the approved fees in the manner stipulated in the application or
- (b) be elected as an Honorary member

6.03 Membership Period

Membership is from April 1st of any year to March 31st of the following year.

The Membership Director shall notify members of the annual dues or fees for the upcoming year, payable by them to enable them to vote in the Spring Meeting. Any member who has not paid his membership dues, in full, by April 1st will be notified that they have 30 days to pay their membership in full or they will cease to be a member of the Corporation. However, any such members shall be reinstated on payment of all unpaid dues or fees.

6.04 Termination of Membership

- (a) 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.
- (b) 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.

6.05 Calling and Notice of Membership Meetings

The annual or any other general meeting of the members shall be held at the head office of the Corporation or elsewhere in Deep River as the Board of Directors may determine and on such day as the said Directors shall appoint.

The Annual Meeting shall be held not later than thirteen (13) months following the last Annual Meeting.

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 (if any) shall be presented and a Board of Directors elected and auditors (if required) appointed for the ensuing year and the remuneration of the auditors (if applicable) shall be fixed. The members may consider and transact any business either special or general without any notice thereof 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. A public notice or advertisement of members' meetings, annual or general, shall be required not less than ten day before the date of the meeting.

The Secretary shall call a special general meeting upon the written requisition of no less than 15 members. The requisition for the meeting and the Notice of Meeting shall state the business to be dealt with.

Whenever, under the provision of the By-laws of the Corporation, notice is required to be given, such notice may be given either personally, provided by telephone, fax, email, other electronic method or by mail.

6.06 Error or Omission in Giving Notice to Members

No error or omission in giving notice of any annual or general 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 the purpose of sending notice to any member, Director or Officer for any meeting or otherwise, the address of any member, Director or Officer shall be his last address recorded on the books of the Corporation.

6.07 Adjournments

Any meetings of the Corporation or of the Directors may be adjourned to any time and from time to time and such business may be transacted at such adjourned meeting as might have been transacted at the original meeting from which such adjournment took place. No notice shall be required of any such adjournment. Such adjournment may be made notwithstanding that no quorum is present.

6.08 Quorum of Members

A quorum for the transaction of business at any meeting of members shall consist of not less than ten members present or represented by proxy; provided that in no case can any meeting be held unless there are three members present in person.

6.09 Those entitled to be present

The only persons entitled to be present at a meeting of Members shall be:

- a) those entitled to vote at the meeting, including Members and proxy holders;
- b) the Directors and the Public Accountant (if any) of the Corporation, and
- c) such other persons who are entitled or required under any provision of the Act, the Articles or ByLaws of the Corporation to be present at the meeting.

Any other person may be admitted only on the invitation of the chair of the meeting or by Ordinary Resolution of the Members.

6.10 Voting of Members

Subject to the provisions, if any, contained in the Letters Patent of the Corporation, each member of the Corporation shall at all meetings of members be entitled to one vote and he may vote by proxy. Such proxy need not himself be a member but before voting shall produce and deposit with the Secretary sufficient appointment in writing from his constituent or constituents. No member shall be entitled either in person or by proxy to vote at meetings of the Corporation unless he has paid all dues or fees, if any, then payable by him.

At all meetings of members every question shall be decided by a majority of the votes of the members present in person or represented by proxy unless otherwise required by the By-laws of the Corporation, or by law. Every question shall be decided in the first instance by a show of hands unless a poll be demanded by any member. Upon a show of hands, every member having voting rights shall have one vote, and unless a poll be demanded a declaration by the Chairman that a resolution has been carried or not carried and an entry to that effect in the minutes of the Corporation shall be admissible in evidence as proof of the fact without proof of the number or proportion of the votes accorded in favor of or against such resolution. The demand for a poll may be withdrawn, but if a poll be demanded and not withdrawn the question shall be decided by a majority of votes given by the members present in person or by proxy, and such poll shall be taken in such manner as the Chairman shall direct and the result of such poll shall be deemed the decision of the Corporation in general meeting upon the matter in question. In case of an equality of votes at any general meeting, whether upon a show of hands or at a poll, the Chairman shall be entitled to a second or casting vote.

Section 7 - Auditors

7.01 Appointment of an Auditor

Members may pass an extraordinary resolution to not appoint an auditor and to not have an audit or a review engagement in respect of the corporation's financial year if the corporation had annual revenue in that financial year of \$500,000 or less or such other prescribed amount.

In this section, "extraordinary resolution" means a resolution that is:

- (a) submitted to a special meeting of the members duly called for the purpose of considering the resolution and passed at the meeting by at least 80 per cent of the votes cast, or
- (b) consented to by each member of the corporation entitled to vote at a meeting of the members.

Section 8 - Adoption and Amendments of By-laws

8.01 Amendments to By-laws

The Board may from time to time in accordance with the Act pass or amend this By-law but subject to review of the membership at the next meeting of the members, and the members may accept, amend or repeal the by-law, by ordinary resolution.

Enacted on May 05 2015 in Deep River, Ontario

President

Secretary