

Summary of amendments to the bylaws of the Toronto Vegetarian Association

Since the bylaws of the Toronto Vegetarian Association were last ratified in 1995, many important changes have occurred within the organization. As such, the Nominating and Governance Committee of the TVA undertook a review and revision of the bylaws several months ago to ensure that they remain consistent with and reflect the current practices of the organization. The TVA's elected board of directors approved the amendments that follow on May 10, 2010, putting the amendments up for ratification by the membership at our upcoming Special General Meeting.

The board believes that these amendments to the bylaws will help to ensure that they remain a relevant, accurate governing document for the organization. Changes to the bylaws were made within three broad categories, outlined below.

1. Housekeeping – Best Practices

This category of changes is designed to align the operations of the Toronto Vegetarian Association with the current realities of the charities sector. The amendments are administrative in nature and reflect best practices adopted by similar organizations in Toronto and Canada. The Nominating and Governance Committee has recommended and the board of directors has approved the following changes to the TVA bylaws. For a more detailed exposition of the changes, please refer to the appendix.

- Article 2: Head Office
 - In 1997, the Legislative Assembly of Ontario enacted a statute (the *City of Toronto Act, 1997*) to amalgamate the Metropolitan Toronto government and the six municipalities within the Metropolitan Toronto boundaries. The Act came into force on January 1, 1998, at which time the former entity known as the Municipality of Metropolitan Toronto ceased to exist. This new statute replaced the *Metropolitan Toronto Act, 1953*, which was in force at the time the original TVA bylaw was drafted.
- Article 5 (5) (1): General - Meetings of Members – Notice regarding bylaw amendments
- Article 6 (2) (1): Board of Directors – Age of Majority
 - This change is prudent for legal and compliance reasons. For example, one is not permitted to enter into legally binding contracts until one has attained the age of majority. It also makes the bylaw more commensurate with various statutory provisions.
- Article 6 (6): Board of Directors – Vacancies
 - This change ensures that there is a clear procedure for filling vacancies on the Board of Directors.
- Article 10: Execution of Documents
 - This amendment recognizes the changes that have occurred within the TVA due to growth over the last 14 years. The TVA now has full-time staff members, which was not the case in 1995 when the original bylaw was implemented. The Board currently has the power and authority to determine staff engagement. For practical reasons, including more efficient operation of the Association, signing authority may be delegated to staff members at the discretion of the Board.

2. Reflecting Current Realities

These changes ensure that the governing documents under which the TVA operates reflect the current dynamics of the organization. The bylaws should reflect the reality that the organization is dynamic and it has evolved and grown considerably in the last two decades. These changes also recognize the fact that TVA now has full-time staff members, to whom the Board may delegate certain specified tasks and responsibilities. For the reasons stated above, the following bylaws amendments have been approved by the board. For a more detailed exposition of the changes, please refer to the appendix.

- Article 5 (3): General – Meetings of Members – Quorum
 - TVA members have demonstrated increased interest in our Annual General Meetings; thus the quorum is increased. The language of this section has also been simplified.

- Article 7 (1): Meetings of the Board of Directors
 - Increasing the minimum required number of Board meetings from one per year to four per year sets a new minimum standard. It more accurately reflects the current practice of the Board with respect to its meetings, as the Board is currently meeting about once per month. In addition, raising the bar with respect to the minimum number of Board meetings per year increases accountability and transparency by ensuring that as many Board members as possible are involved in all Board decisions.

- Article 7 (2): Meetings of the Board of Directors – Notice and Article 11: Notice
 - “Notice” has been redefined in Article 11 to recognize and embrace modern communication modalities (such as e-mail, social networking websites and other forms of electronic communication) that either did not exist or were not widely used at the time when the original bylaw was drafted. Therefore, this change to Article 8 (2) is to ensure greater clarity and simplicity by removing any modifiers to the word “notice.”

- Article 9 (5): Duties of Officers
 - This amendment addresses changes that have occurred since 1995 in methods of carrying on business, and to recognize the realities of modern electronic business transactions. The term “voucher” is eliminated to reflect the fact that financial and/or accounting records are now retained and backed up in various forms that do not fall into the category of a “voucher”. The dollar amount is eliminated for two reasons – (1) inflationary pressures have rendered the amount inadequate, and (2) more importantly, it is not prudent to assigned a fixed monetary amount since this will become outdated and inappropriate going forward. In effect a fixed dollar amount “dates” the bylaw.

3. Staggered terms for Board members

This amendment to the bylaws restructures the TVA Board of Directors into a ‘staggered Board’. A staggered Board is one in which only a portion of the Directors is elected each year, instead of all Directors being elected at once. The goal of creating a staggered Board is to ensure that changes in the leadership of the TVA will occur in a manner that is more cohesive, ensures better year-to-year consistency and is more representative of the views of the entire TVA membership. In addition, a staggered Board would necessitate fewer decisions for electors (e.g., having to decide on 5 to 7 candidates rather than the current 11) and would result in clearer expectations for Board candidates.

- Article 6 (4): Board of Directors – Staggered Terms
 - Because Board terms will remain relatively short (2 years, as opposed to 3 or 5 years, which are more common term lengths for staggered boards), the entire board may still be replaced in a brief period (2 years), should the membership so elect. A staggered Board structure will ensure, however, that, even in such an extreme case, there will be experienced Directors serving at all times. The resulting mixture of new and experienced Board members will ensure that new Directors learn Board process, and familiarize themselves with TVA’s programs, organizational structure, and strategic goals, before losing the benefit of the experience and institutional memory of longer-serving Directors. This change affords more flexibility to the Board, by removing the mandatory element and by expanding the possible reasons for vacancies.

Appendix – Amendments to the current TVA Bylaws

1. Article 2: Head office

Amendment:

The head office of the Association shall be located in the City of Toronto, in the Province of Ontario, and at such place therein as the Board of Directors (“the Board”) may from time to time determine.

Original Text:

The head office of the Association shall be in the municipality of Metropolitan Toronto, in the Province of Ontario, and at such place therein as the Board of Directors (“the Board”) may from time to time determine.

2. Article 5 (3): General – Meetings of members

Amendment:

Twenty-five (25) members entitled to vote at meetings and present in person at a meeting shall constitute a quorum.

Original Text:

Twenty (20) members entitled to vote at meetings and present in person at a meeting shall constitute a quorum providing that the number of non-Director members entitled to vote at meetings present exceeds the number of Directors present.

3. Article 5 (5) (1): General – Meetings of members

Amendment: to add a new Article 5 (5) (1) (below), after Article 5 (5) and before Article 5 (6).

Amended text for Article 5 (5) (1):

In order to introduce any amendments to the bylaws at a General Meeting of members, thirty (30) days prior notice shall be sent to each member eligible to vote at the General Meeting.

4. Article 6 (2) (1): Board of Directors

Amendment: to add Article 6 (2) (1) after Article 6 (2) and before Article 6 (3).

Amended text for Article 6 (2) (1):

All Directors must have attained the age of majority (18 years of age).

5. Article 6 (4): Board of Directors

Amendment:

At each annual general meeting, all Board vacancies will be available to be filled by eligible candidates who are elected by eligible voting members. Board vacancies include both (1) all vacancies left by Directors who have completed their terms; and (2) all vacancies created by any other reason.

The terms of the Directors shall be staggered in accordance with the following provisions: At each annual general meeting, after vacancies have been filled by newly elected Directors, each newly elected Director shall be assigned to serve either a one-year term (expiring at the first annual general meeting after having been elected) or a two-year term (expiring at the second annual general meeting after having been elected). Five of the newly elected Directors (Election Cohort 'A') will be assigned to two-year terms. The remainder of the newly elected Directors (Election Cohort 'B') will be assigned to one-year terms. The assignment of newly elected Directors to Election Cohort 'A' or Election Cohort 'B' shall be random.

Original Text:

Each Director shall be elected to hold office until the first annual general meeting after having been elected or until a successor shall have been duly elected and qualified.

6. Article 6 (6): Board of Directors

Amendment:

Vacancies, however caused, may be filled by Board of Directors but only until the following Annual General Meeting, no matter how long the remaining term of the Director vacating his or her position.

Original Text:

Vacancies as a result of insufficient nominations **shall** be filled by the Board after the annual general meeting at a Board meeting duly called. Such actions taken by the Board shall be specifically itemized for membership review at the next annual general meeting.

7. Article 7 (1): Meetings of Board of Directors

Amendment:

Meetings of the Board may be on any day, at any time and at any place, as determined by the Board, provided there shall be at least four (4) meetings per year of the Board, and provided further that before calling a Board meeting outside the City of Toronto, consent for the date, time and place for such meeting shall be obtained from at least three-quarters (3/4) of all Directors.

Original Text:

Meetings of the Board may be on any day, at any time and at any place, as determined by the Board, provided there shall be at least one (1) meeting per year of the Board, and provided further that before calling a Board meeting outside Metropolitan Toronto, consent for the date, time and place for such meeting shall be obtained from at least three-quarters (3/4) of all Directors.

8. Article 7 (2) Meetings of Board of Directors - Notice

Amendment:

Seven (7) days' notice of any Board meeting shall be sent to each Director. No error or accidental omission in giving notice of any meeting of the Board 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 approve any or all proceedings taken thereat.

Original Text:

Seven (7) days' notice of any Board meeting shall be sent in writing or given verbally to each Director. No error or accidental omission in giving notice of any meeting of the Board 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 approve any or all proceedings taken thereat.

10. Article 9 (5): Duties of Officers

Amendment:

The Treasurer shall have custody of the funds and securities of the Association and shall keep full and accurate accounts of all assets, liabilities, receipts and disbursements of the Association in the books belonging to the Association. All monies, securities and other valuable effects in the name and to the credit of the Association shall be deposited by the Treasurer or his/her designate as specified by the Board in a chartered bank or trust company or, in the case of securities, with a registered dealer in securities, as may be designated by the Board from time to time. The Treasurer or his/her designate as specified by the Board shall disburse the funds of the Association only as may be directed by the Board or proper regulatory authority, ensuring that appropriate records are kept. These records shall be rendered to the Board whenever the Board may require them for an accounting of transactions and/or for preparing a statement of financial position. The Treasurer shall also perform such other duties as may from time to time be directed by the Board.

Original Text:

The Treasurer shall have the custody of the funds and securities of the Association and shall keep full and accurate accounts of all assets, liabilities, receipts and disbursements of the Association in the books belonging to the Association and shall deposit all monies, securities and other valuable effects in the name and to the credit of the Association in such chartered bank or trust company, or, in the case of securities, in such registered dealer in securities, as may be designated by the Board from time to time. The Treasurer shall disburse the funds of the Association only as may be directed by the Board or proper regulatory authority, taking vouchers for such disbursements for amounts over \$250.00 and shall render to the Board whenever they may require it an accounting of all the transactions and a statement of the

financial position. The Treasurer shall also perform such other duties as may from time to time be directed by the Board.

11. Article 10: Execution of Documents

Amendment:

Contracts, documents and any other instruments in writing that require signatures shall be signed by two Directors, including at least one of the President, Secretary, and Treasurer. However, the Board shall have the power from time to time to appoint a staff member and/or Director on behalf of the Association to sign specific contracts, documents and instruments in writing. All contracts, documents and instruments in writing so signed shall be binding upon the Association without any further authorization or formality. The Directors may give the Association'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 Association. The seal of the Association when required may be affixed to contracts, documents and instruments in writing signed as abovementioned.

Original Text:

Contracts, documents and any other instruments in writing requiring signature shall be signed by two Directors including at least one of the President, Secretary, and Treasurer; except that the Board shall have power from time to time to appoint a Director on behalf of the Association to sign specific contracts, documents and instruments in writing, and all contracts, documents and instruments in writing so signed shall be binding upon the Association without any further authorization or formality. The Directors may give the Association'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 Association. The seal of the Association when required may be affixed to contracts, documents and instruments in writing signed as aforesaid.

12. Article 11: Notice

Amendment:

For the purpose of sending notice to any member, Director or Officer for any meeting or otherwise, the mailing address or electronic mailing address of the member, Director or officer shall be their last mailing address or electronic mailing address recorded on the books of the Association.

Original Text:

For the 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 their last address recorded on the books of the Association.

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Amendments approved by the Toronto Vegetarian Association Board of Directors on Monday May 10, 2010 on the recommendation of the Nominating & Governance Committee.