

## Article 4: Governance

### 4.1 Board Composition

~~4.1.1 The Board of Directors shall consist of the officers and six Directors, who shall be elected at the Annual General Meeting by the voting members of the Corporation.~~

4.1.1 The Board of Directors (sometimes herein referred to as the “Board” or the “Board of Directors”) shall consist of the officers of the Corporation, as set out at Article 4.1.2, and not less than four (4) and no more than eight (8) Directors, who shall be elected at the Annual General Meeting by the voting members of the Corporation (each a “Director” and collectively, the “Directors”).

~~4.1.2 The officers of the Corporation shall be the President, the Vice-President, the Secretary and the Treasurer and a Past President.~~

4.1.2 The officers of the Corporation shall be the President, the Vice-President, the Secretary, the Treasurer and the Past President (each an “Officer” and collectively the “Officers”).

~~4.1.3 Of the six elected directors, not being officers, three of the directors shall individually represent Kings, Queens or Prince County and shall each reside in the county which the individual represents.~~

### 4.2 Board Terms

4.2.1 Directors may serve for a maximum of three (3) consecutive two (2)-year terms, unless they have been appointed an Officer of the company.

4.2.2 (a) In addition to the term limits of Directors, each Officer shall be subject to a term limit of two (2) two (2)-year terms in each position as set out at Article 4.1.2.

(b) The Board of Directors may, in its discretion, approve one additional two-year term for an Officer in the same role.

(c) For greater certainty, if a member of the board completes their maximum eligibility as a Director, they may still serve as an Officer for the term limits set out herein this Article 4.2.2.

(d) For greater certainty, in the event an interim Director or Officer is elected pursuant to Article 4.6 of this Bylaw, their term shall be deemed to commence at the Annual General Meeting where their appointment to the Board of Directors is ratified by vote of the members.

4.2.3 A full two-year term shall be considered to have been served upon the passage of two (2) Annual General Meetings.

4.2.4 After serving the maximum number of terms, individuals shall be eligible to re-offer as a Director or Officer after not less than two years from the date that they last ceased to be a member of the Board, whether as a Director or Officer.

#### **4.23 Board Powers**

4.23.1 The Board of Directors shall have full power to conduct all business on behalf of the Corporation.

4.23.2 The Board may make policies, procedures and rules for managing the affairs of the Corporation.

4.23.3 The Board may make policies, procedures and rules relating to the discipline of members, and shall have the authority to discipline members accordingly.

4.23.4 The Board may make policies, procedures and rules relating to the management of disputes within the Corporation and shall have the authority to deal with all disputes accordingly.

4.23.5 The Board may establish committees, appoint members of committees and delegate any of its powers, duties and functions to any committee.

4.23.6 The Board may appoint or employ such persons as it deems necessary to carry out work of the Corporation; and

4.23.7 The Board shall have the authority to interpret any word, term or phrase in these bylaws, which is ambiguous, contradictory or unclear.

#### **4.34 Remuneration**

~~4.3.1 The Board of Directors shall not receive remuneration.~~

4.4.1 The Directors shall serve without remuneration and no directors shall directly or indirectly receive any profit from their position.

4.4.2 The Board of Directors may be reimbursed travel and accommodation and other related expenses while representing Sport PEI on official business.

#### **4.45 How Board is Elected**

~~4.4.1 At the Annual General Meeting, the officers shall be elected by the members for a one year term and Directors shall be elected by the members to hold office for a two-year period.~~

4.5.1 At the Annual General Meeting, the Officers and Directors shall be elected by the members.

~~4.4.2 The officers of the Corporation with the exception of the Past President shall be elected by the voting members at the Annual General Meetings and shall serve until their successors are elected at the next Annual General Meeting.~~

#### **4.56 How Officers and Directors Resign or are Removed**

~~4.5.1 Any member of the Board of Directors shall cease to be a member of the Board thereof:~~

- ~~a) if he or she resigns in writing addressed to the Secretary; or~~
- ~~b) if the Board of Directors, by a two-thirds vote of its officers and directors present at a meeting duly convened for the purpose, shall resolve that such a officers and directors be removed.~~

4.6.1 The office of a Director or Officer shall be vacated:

- a. if they become bankrupt or suspend payments or compounds with their creditors or makes an authorized assignment or is declared insolvent;
- b. if they are found to be of unsound mind;
- c. if they are convicted of any indictable criminal offence;
- d. if by notice in writing to the President, they resign; or
- e. if the Board of Directors, by a two-thirds vote of its Officers and Directors present at a meeting duly convened for the purpose, resolve that such Officer or Director be removed.

~~4.5.2 If any member of the Board of Directors ceases to be a member of the Board, the Board shall appoint an interim director until such time as his/her appointment is ratified by a meeting of the membership.~~

4.6.2 If any member of the Board of Directors ceases to be a member of the Board, the Board shall appoint an interim Director until such time as their appointment is ratified by a meeting of the membership. For greater certainty, an interim Director shall have all rights and obligations of an elected Director.

~~4.5.3. If any officer of the Corporation resigns his position, the Board of Directors shall appoint an interim officer to fill the position until such time as his/her appointment is ratified by a meeting of the membership.~~

4.6.3. If any Officer of the Corporation, except for the Past President, ceases to be an Officer, the Board of Directors shall appoint a Director as an interim Officer to fill the position until such time as their appointment is ratified by a meeting of the membership. For greater certainty, an interim Officer shall have all rights and obligations of an elected Officer.

#### **4.67 Meetings of the Board**

~~4.6.1 A quorum for meetings of the Board of Directors shall be six board members.~~

4.7.1 A quorum for meetings of the Board of Directors shall be a majority of members appointed to the board.

~~4.6.2 The Board of Directors shall meet at the call of the President or at the written request of any six members of the Board.~~

4.7.2 The Board of Directors shall meet at the call of the President or at the written request of the majority of the board.

~~4.6.3 The Board of Directors shall meet not less than three times each year and at such other times and places as it may deem necessary. Due notice of meetings shall be given.~~

4.7.3 The Board of Directors shall meet not less than four times each year and at such other times and places as it may deem necessary. Due notice of meetings shall be given.

#### **4.78 Voting at Board Meetings**

~~4.7.1 Each member of the Board of Directors shall be entitled to one vote. However, the President shall only vote in the event of a tie.~~

4.8.1 Except for the Chairperson of the meeting, each member of the Board of Directors shall be entitled to one vote.

4.8.2 The Chairperson of the meeting shall only vote, when either:

- a. the vote is by secret ballot; or
- b. in the case of a tie vote, not held by ballot, they shall have the deciding vote.

4.8.3 Any member of the Board of Directors may request that a vote be conducted by secret ballot. Upon such request, or upon the direction of the Chairperson, the vote shall be conducted by secret ballot. Where a vote is conducted by secret ballot, the Chairperson shall appoint two (2) scrutineers from among those present to distribute, collect and count the ballots, and to report the results to the Chairperson, who shall announce the results to the meeting. The scrutineers shall not disclose the manner in which any individual ballot was cast.

#### **4.89 Written Resolution of Board**

~~4.8.1 The Board of Directors may agree to a resolution in any transmissible form. This resolution is as valid as one passed at a meeting of the Board of Directors. It is not necessary to give notice or to call a board meeting. The date on the resolution is the date it is passed.~~

4.9.1 The Board of Directors may agree to a resolution in any transmissible form. This resolution is as valid as one passed at a meeting of the Board of Directors. It is not necessary to give notice or to call a board meeting. The date on the resolution is the date it is passed. Resolutions must be ratified at the next board meeting.

#### **4.910 Committees of the Board**

4.910.1 The Board of Directors may appoint such Committees as they deem desirable in the interests of the Corporation.

~~4.9.2—The Board of Directors shall determine the duties of each committee and shall decide questions of jurisdiction, and shall, if it is so desired, direct the action of any committee on any matter.~~

4.10.2 The Board of Directors shall determine the duties of each committee and shall decide questions of jurisdiction and may direct the action of any committee on any matter.

#### **4.101 Duties of Officers**

4.101.1 The President shall preside at meetings of the Corporation and of the Board of Directors and shall provide leadership in executing the basic and specific objectives of the Corporation as outlined in this constitution and these bylaws. The President shall also be required to prepare an Annual Report which shall be submitted at the Annual General Meeting of the Corporation.

4.101.2 The Vice-President shall preside at meetings in the absence of the President.

4.101.3 The Secretary shall ensure that the staff of the Corporation give notice of all meetings of the Corporation to members entitled thereto. The Secretary shall attend all meetings of the Board of Directors and all Annual General and Special General Meetings of the Corporation, and shall keep a correct register of the members of the Corporation, and shall ensure that all other duties usually performed by a Secretary are carried out by the staff of the Corporation.

4.101.4 The Treasurer shall be responsible to ensure that designated staff of the Corporation utilize generally acceptable accounting principles to perform the following: have custody of all funds of the Corporation; make disbursements as ordered by the Board of Directors; keep the accounts of the Corporation; receive all funds belonging to the Corporation and keep the same deposited in a chartered bank; collect the fees payable by members and other moneys and revenues accruing to the Corporation; and otherwise perform all duties pertaining to the office of a Treasurer. The Treasurer shall submit his/her report to the Annual General Meeting together with the report of the auditor of the Corporation. He/she shall render an accounting of all financial transactions at all meetings of the membership, and meetings of the Board of Directors, and shall exhibit the books of the Corporation when called upon to do so. All books and papers belonging to the Corporation shall be housed at the Head Office of the Corporation.

4.11.5 The Past President shall be responsible for chairing the Nominations Committee. In the event of a vacancy in the role of Past President, the President shall be responsible for chairing the Nominations Committee.

#### **4.112 Executive Director**

- 4.112.1 The Executive Director shall act as liaison between Sport PEI and the Provincial Government and shall perform such duties as are defined on the advice of the Board of Directors of Sport PEI. He/she shall serve as an ex officio member of the Board of Directors.
- 4.112.2 The Board of Directors may from time to time by resolution confer upon the Executive Director for the time being all or such of the powers exercisable under these presents by the Board of Directors as they think fit, and may confer such powers for such time to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient and they may either confer such powers either collateral with or to the exclusion of and in that behalf and may from time to time, revoke, withdraw, alter, or vary all or any of such powers.

#### **4.123 Indemnification of Directors**

- ~~4.12.1 The members of the Board shall not be personally liable for any mistake of judgment, negligence or any acts of omissions made in good faith, except for their own willful malfeasance, misfeasance, misconduct or bad faith.~~
- ~~4.12.2 The Corporation shall indemnify and hold harmless each of the members of the Board from all expenses or liability arising out of their position as a member of the Board.~~
- ~~4.12.3 The Corporation shall obtain the type of insurance commonly known as "Directors and Officers Liability Coverage" in order to fund this indemnity obligation and also to encourage service on the Board.~~

No member of the Board shall be personally liable for any mistake of judgment, negligence, or any act or omission made in good faith in the exercise of their duties, provided that such person acted honestly and in good faith with a view to the best interests of the Corporation. Nothing in this Article 4.13 shall relieve a member of the Board from liability arising from their own willful malfeasance, misfeasance, gross negligence, misconduct, or bad faith.

The Corporation shall indemnify and hold harmless each member of the Board, and each former member of the Board, from and against all costs, charges, expenses (including legal fees on a solicitor-and-own-client basis), liabilities, losses, damages, judgments, fines, penalties, and amounts paid in settlement, reasonably incurred by such person in respect of any civil, criminal, administrative, investigative, or other proceeding in which such person is involved by reason of being or having been a member of the Board, provided that such person acted honestly and in good faith with a view to the best interests of the Corporation and, in the case of a criminal or administrative proceeding that is enforced by a monetary penalty, had reasonable grounds for believing that their conduct was lawful.

The Corporation shall obtain and maintain the type of insurance commonly known as "Directors and Officers Liability Coverage" in such amounts and with such coverage as the Board deems

appropriate, in order to fund the indemnity obligations set out in this Article 4.13 and to encourage service on the Board.

The Corporation shall advance to each member or former member of the Board all costs, charges, and expenses (including legal fees) reasonably incurred in connection with any proceeding referred to in Article 4.13.2, in advance of the final disposition of such proceeding, upon receipt of an undertaking by or on behalf of such person to repay such amounts if it is ultimately determined that such person is not entitled to indemnification under this Article 4.13. The indemnification and advancement of expenses provided under this Article 4.13 shall survive the termination, resignation, or removal of a person as a member of the Board and shall continue in full force and effect with respect to any proceeding commenced or threatened after such person ceases to hold office.

The indemnification provided under this Article 4.13 shall be to the fullest extent permitted by applicable law and shall not be deemed exclusive of any other rights to which any person seeking indemnification may be entitled under any agreement, vote of members, or otherwise.