

ISAO INFORMATION BULLETIN (ISAO IB)
Annual Meeting of Members Guide – Long Form
25 January 2018

References: **ISAO IB - Annual Meeting of Members Guide – Short Form**
[Canada Not-for-profit Corporations Act](#) Statutes of Canada (S.C.) 2009 Chapter
(c.) 23
Articles of Continuance (of ISA Ontario)
ISAO BY-LAW NO. 1 30 April 2014
ISAO Policies and Procedures
Robert’s Rules of Order

Note: Short Form contains only the descriptive text which is presented in *italics* in this document.

A. Governing Documents

The hierarchy of governing documents of an organized body is as follows:

Laws of the Land:

The laws of the land have the highest precedence and include: Federal and Provincial laws and Municipal Bylaws. The most pertinent law governing ISAO Annual Meetings of Members is the Canada Not-for-profit Act. (NFP Act)

By-law:

The Corporation’s Bylaw covers the essential procedural aspects of meetings.
This is ISAO By-Law No. 1.

Policies and Procedures:

The ISAO Policies and Procedures document adds a further layer to ISAO By-law No.1, but is junior to the By-law. Either the By-law or the Policies and Procedures document should note the use of Robert’s Rules of Order. (This should be added.)

Rules of Order:

A book on rules of order, referred to in the By-law or Policies and Procedures would apply in all cases where the legislation, the By-law and the Policies and Procedures are silent. The latest edition of *Robert’s Rules of Order Newly Revised* is currently the 11th edition.

Note: For the 2019 Meeting an ordinary resolution should be considered amending our Policies and Procedures to establish Robert’s Rules of Order as the ISA’s adopted rules for meetings – Members’ Meetings, Directors’ Meetings and all committee meetings. This would constitute “special business” requiring advance notice to the members as outlined in section F below. An article in Ontario Arborist should be provided in the Jan/Dec issue to explain the matter to the members.

B. Requirement to Hold Annual Meeting of Members

Note: The term “Annual General Meeting” (AGM) has been used in the past. With our transition to the new Canada Not-for-profit Act, we should transition to the term “Annual Meeting of Members” in order to be using the same language as does the Act and our By-law. This will help prevent any confusion in the future.

An Annual Meeting of Members must be held each year and must be held no more than six (6) months after the end of the last financial period. As the ISAO’s financial year ends on 31 December of each year, the Annual Meeting of Members must be held no later than June 30 of each year.

160 (1) Calling annual meetings (Act)

The directors of a corporation shall call an **annual meeting of members** [bold and underline added]

2.02 Notice of Members’ Meeting (By-law)

Notice of the time and place of a **meeting of members** shall be given to each member entitled to vote at the meeting [bold and underline added]

160 (1) Calling annual meetings (Act)

The directors of a corporation shall call an annual meeting of members

- (a)** not later than the prescribed period after the corporation comes into existence [This was our first Members Meeting following our Continuance approval – that is, our 2015 Meeting]; and
- (b)** subsequently, not later than the prescribed period after holding the preceding annual meeting but no later than the prescribed period after the end of the corporation’s preceding financial year.

172 (1) Annual Financial Statements (Act)

The directors of a corporation shall place before the members at every annual meeting (Act)

- (a)** prescribed comparative financial statements that conform to any prescribed requirements and relate separately to
 - (i)** the period that began on the date the corporation came into existence and ended not more than six months before the annual meeting or, if the corporation has completed a financial year, the period that began immediately after the end of the last completed financial year and ended not more than six months before the annual meeting, and [yellow highlight added]
 - (ii)** the immediately preceding financial year;

C. Location of Meetings of Members

Meetings of Members must be held in Ontario.

159 (1) Place of meetings (Act)

Meetings of members of a corporation shall be held within Canada at the place provided in the by-laws or, in the absence of such a provision, at the place that the directors determine.

4.01 Place of Members' Meeting (By-law)

Subject to compliance with Section 159 of the Act, meetings of members may be held at any place within Ontario as the board may determine.

D. Providing Notice to Members of a Meeting of Members

Each member entitled to vote must be given notice of an annual meeting of members either in writing by mail, courier or personal delivery during a period of 21 to 60 days before the meeting or by telephone, electronic or other communication facility during a period of 21 to 35 days before the meeting.

For example, the date of the 2018 Meeting of Members is 15 February. Notice of Meeting appeared in the Ontario Arborist (OA) December/January 2018 issue. This issue must have been received by members between 27 December 2017 (60 days before meeting) and 25 January 2018 (21 days before meeting.) As members received this OA prior to 27 December 2017, it does not constitute official notification. The next OA mag would need to be received by members on or before 25 January 2018 to constitute official notification.

If notification via OA is not workable, a mail-out to all voting members can be conducted in the period of 60 to 21 days before the meeting date.

Finally, if each member can be contacted electronically, notice can be sent in a period of 21 to 35 days before the meeting. (Likely, however, ISAO does not have electronic contact data for all voting members.)

162 (1) Notice provided for in by-laws (Act)

The corporation shall give members entitled to vote at a meeting of members notice of the time and place of the meeting in accordance with the by-laws and the regulations. The provisions of the by-laws respecting the giving of notice shall comply with any prescribed requirements.

Non-compliance of by-laws

(2) If the provisions of the by-laws do not comply with the prescribed requirements, the corporation shall send, unless the regulations provide otherwise, the notice to the members within the prescribed period.

2.02 Notice of Members' Meeting (By-law)

Notice of the time and place of a meeting of members shall be given to each member entitled to vote at the meeting by the following means:

- (a) By mail, courier or personal delivery to each member entitled to vote at the meeting, during a period of 21 to 60 days before the day on which the meeting is to be held; or
- (b) By telephonic, electronic or other communication facility to each member entitled to vote at the meeting, during a period of 21 to 35 days before the day on which the meeting is to be held

E. Annual Financial Statements at Annual Meeting of Members

The ISAO is required to have annual financial statements prepared and to make them available to members. The ISAO may, instead of sending copies of the annual financial statements to the members, publish a notice to its members along with its notice of annual meeting of members stating that the annual financial statements are available at the registered office of the Corporation and any member may, on request, obtain a copy free of charge at the registered office or by prepaid mail or electronically.

The Annual Financial Statements must include data on the financial year just ended and of the year prior. For example, at the 2018 Meeting of Members, the Financial Statements for year ending 31 December 2017 will be presented; and included on those statements will be the complete (comparative) data from the year ending December 31, 2016.

The Annual Financial Statements must be approved by the Board of Directors and this approval must be signified by the manual signature of one or more directors on the statements. The approval must occur prior to the Financial Statements being published in the Annual Meeting Booklet; and prior, therefore, to the meeting.

The Annual Financial Statements must be accompanied by the report of the public accountant who reviewed the statements.

172 (1) Annual financial statements (Act)

The directors of a corporation shall place before the members at every annual meeting

(a) prescribed comparative financial statements that conform to any prescribed requirements and relate separately to

(i) the period that began on the date the corporation came into existence and ended not more than six months before the annual meeting or, if the corporation has completed a financial year, the period that began immediately after the end of the last completed financial year and ended not more than six months before the annual meeting, and

(ii) the immediately preceding financial year;

(b) the report of the public accountant, if any; and

(c) any further information respecting the financial position of the corporation and the results of its operations required by the articles, the by-laws or any unanimous member agreement.

Exception

(2) Despite paragraph (1)(a), the financial statements referred to in subparagraph (1)(a)(ii) may be omitted if the reason for the omission is set out in the financial statements, or in a note to those statements, to be placed before the members at an annual meeting.

175 (1) Copies to members (Act)

A corporation, within the prescribed period, shall send a copy or summary of the documents referred to in subsection 172(1) or a copy of a publication of the corporation reproducing the information contained in the documents or summary to each member, other than a member who, in writing, declines to receive such documentation. A corporation that sends a summary to a member shall also inform that member of the procedure for obtaining a copy of the documents free of charge.

175 (2) Notice (Act)

A corporation, instead of sending the documentation referred to in subsection (1), may, if the by-laws so provide, give members notice in the manner referred to in section 162 that the documents referred to in subsection 172(1) are available at the registered office of the corporation and that any member may, on request, obtain a copy free of charge at the office or by prepaid mail

178 (1) Approval of financial statements (Act)

The directors of a corporation shall approve the financial statements referred to in section 172 and the approval shall be evidenced by the manual signature of one or more directors or a facsimile of the signatures reproduced in the statements.

178 (2) Condition precedent

A corporation shall not issue, publish or circulate copies of the financial statements referred to in section 172 unless the financial statements are

- (a) approved and signed in accordance with subsection (1); and
- (b) accompanied by the report of the public accountant of the corporation, if any.

1.07 Annual Financial Statements (By-law)

The Corporation may, instead of sending copies of the annual financial statements and other documents referred to in subsection 172(1) (Annual Financial Statements) of the Act to the members, publish a notice to its members stating that the annual financial statements and documents provided in subsection 172(1) are available at the registered office of the Corporation and any member may, on request, obtain a copy free of charge at the registered office or by prepaid mail or electronically.

F. Notice of Special Business

Note: A “special resolution” is distinct from “special business.” All “special resolutions” are “special business” but not all “special business” is a “special resolution.”

“Special Business” includes all business transacted at an annual meeting of members, except consideration of the financial statements, public accountant’s report, election of directors and re-appointment of the incumbent public accountant.

Notice of a meeting of members at which special business is to be transacted must:

- *state the nature of that business in sufficient detail to permit a member to form a reasoned judgment on the business; and*
- *state the text of any special resolution to be submitted to the meeting.*

162 Notice provided for in by-laws (Act)

162 (9) Business

All business transacted at a special meeting of members and all business transacted at an annual meeting of members, except consideration of the financial statements, public accountant's report, election of directors and re-appointment of the incumbent public accountant, is special business.

162 (10) Notice of business

Notice of a meeting of members at which special business is to be transacted shall

(a) state the nature of that business in sufficient detail to permit a member to form a reasoned judgment on the business; and

b) state the text of any special resolution to be submitted to the meeting.

G. Determining Voting Members List

The ISAO has only one class of members who are all voting members. This is members of ISAO. Whether or not ISAO members also hold ISA International membership is irrelevant.

ISA International members who are not also ISAO members may not vote. ISA Certification, Qualification, etc. does not qualify a person to vote.

Only current members of ISAO may vote. Each member is entitled to one (1) vote.

154 (1) Conditions of membership (Act)

The by-laws shall set out the conditions required for being a member of the corporation, including whether a corporation or other entity may be a member.

154 (3) Voting rights — one class or group (Act)

The members of a corporation that has only one class or group of members have the right to vote at any meeting of the members.

154 (5) Right to vote

Unless the articles otherwise provide, each member is entitled to one vote at a meeting of members.

Articles of Continuance, Item 8: The Classes of members that the corporation is authorized to establish

The Corporation is authorized to establish one class of members. Each member shall be entitled to receive notice of, attend and vote at all meetings of the members of the Corporation.

Section 2 – Membership (Bylaw)

Subject to the articles, there shall be one class of members in the Corporation. Each member shall be entitled to receive notice of, attend and vote at all meetings of the members of the corporation.

I. MEMBERSHIP (Policies and Procedures)

Shall be available to individuals who are actively engaged in commercial, municipal or utility arboriculture; to individuals who represent or are employed by governmental agencies, organizations or institutions; whose principal duties are concerned with research, instruction, extension and administration; and to other individuals actively interested in the planting and preservation of trees. [Note: This is the only class of members. There are no other “members” who are voting members.]

II. ASSOCIATES (Policies and Procedures)

Associates

Associates are those individuals who are not voting members of the ISAO, yet wish to remain in communication with, participate in the programs of, and support the ISAO. (underlining added) [Note: Associates include Student Associates, Honorary Life Associates and Honorary Associates]

H. Membership Terminated

Members whose membership is terminated or expired (dues not paid within 60 days of the membership renewal date) are not authorized to attend meetings of members; nor are they allowed to vote or participate at meetings.

156 Termination of membership (Act)

Unless the articles or by-laws of a corporation otherwise provide, a membership is terminated when

- (a) the member dies or resigns;
- (b) the member is expelled or their membership is otherwise terminated in accordance with the articles or by-laws;
- (c) the member’s term of membership expires;

157 Termination of member’s rights (Act)

Unless the articles or by-laws otherwise provide, the rights of a member, including any rights in the property of the corporation, cease to exist on termination of the membership.

3.01 Membership Dues and Termination - Membership Dues (By-law)

Members shall be notified in writing of the membership dues at any time payable by them, if any, and, if any such membership dues are not paid within 60 days of the membership renewal date the members in default shall automatically cease to be members of the Corporation.

Membership - (Policies and Procedures)

Member dues shall be set annually by the Board of Directors.

I. Setting Record of Members Date

The Board of Directors should approve a policy to set the record date for members entitled to receive notice of and attend meetings of members. (This is two separate dates.) It is recommended that the meeting notification record date be set at 60 days prior to the Annual Meeting of Members and the record date for members voting at a meeting be set as the meeting date itself. (A check is required on the administrative feasibility of this.)

Where no record date is set, the record date is the close of business day immediately preceding the date on which notice is given. Under such a circumstance, this is also the record day for those entitled to vote.

161 (1) Fixing record date (Act)

The directors may fix, as a record date for any of the following purposes, a date that is within the period that is prescribed in relation to that purpose, namely, record dates for

- (a) determining members entitled to receive notice of a meeting of members;
- (b) determining members entitled to vote at a meeting of members;

(2) No record date fixed

If no record date is fixed by the directors,

- (a) the record date for the determination of members entitled to receive notice of a meeting of members is
 - (i) at the close of business on the day immediately preceding the day on which the notice is given, or
 - (ii) if no notice is given, the day on which the meeting is held;
- (b) the record date for the determination of members entitled to vote at a meeting of members is
 - (i) if a record date has been fixed under paragraph (1)(a), the day that is the prescribed period after that date, and
 - (ii) otherwise, the date that is the record date under paragraph (a); and
- (c) the record date for the determination of members for any purpose other than to establish a member's right to receive notice of a meeting or to vote shall be at the close of business on the day on which the directors pass the resolution relating to the record date.

162 (6) Exception — members not registered Exception (Act)

The corporation is not required to give notice to members who were not registered on the records of the corporation on the record date determined under paragraph 161(1)(a) or subsection 161(2), but a member that is not given notice of the meeting is not deprived of the right to vote at that meeting.

J. Absentee Voting at Members' Meetings

The ISAO has no system in place for absentee voting such as mailed-in or electronic ballots. Neither does the ISAO have a system of delegating or proxy voting. Therefore, only members who are present may vote.

171 (1) Absentee voting (Act)

The by-laws of a corporation may provide for any prescribed methods of voting by members not in attendance at a meeting of members. If the by-laws so provide, they shall set out procedures for collecting, counting and reporting the results of any vote.

(2) Application for authorization

On application of the corporation, the Director may authorize the corporation, on any terms that the Director thinks fit, to permit members to vote by any method if the Director reasonably believes that the members and the corporation will not be prejudiced.

2.03.1 V Absentee Voting at Members' Meetings - Voting by Mailed-In or Electronic Ballot (By-law)

Pursuant to section 171(1) (Absentee Voting) of the Act, a member entitled to vote at a meeting of members may vote by mailed-in ballot or by means of a telephonic, electronic or other communication facility if the Corporation has a system that:

- (a) enables the votes to be gathered in a manner that permits their subsequent verification, and
- (b) permits the tallied votes to be presented to the Corporation without it being possible for the Corporation to identify how each member voted.

Pursuant to subsection 197(1) (Fundamental Changes) of the Act, a special resolution of the members is required to make any amendment to the by-laws of the Corporation to change this method of voting by members not in attendance at a meeting of members.

K. Meeting of Members – Persons Entitled to be Present

Only ISAO members may be present at a Meeting of Members. However, professional required to be in attendance may be invited by the Chair to attend. As well, the Chair may invite any other persons to attend. Finally, a member resolution passed by the members (50% plus 1 vote) can also authorize any others to attend, but not to vote.

Non-members are not entitled to participate in the meeting, but may be invited by the Chair to contribute their views or professional opinions as the Chair may deem appropriate and useful to accomplish the purpose of the meeting and discussion.

New ISAO members can attend even if they were not on record when notice of meeting was sent out.

162 (6) Exception — members not registered Exception (Act)The corporation is not required to give notice to members who were not registered on the records of the corporation on the record date determined under paragraph 161(1)(a) or subsection 161(2), but a member that is not given notice of the meeting is not deprived of the right to vote at that meeting.

4.02 Persons Entitled to be Present (By-law)

The only persons entitled to be present at a meeting of members shall be those entitled to vote at the meeting, the directors and the public accountant of the Corporation and such other persons who are entitled or required under any provision of the Act, articles or by-laws 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 resolution of the members.

L. Meeting Chair

The ISAO President chairs the meeting.

4.03 Chair of the Meeting (By-law)

In the event that the president, president-elect and the vice-president are absent, the members who are present and entitled to vote at the meeting shall choose one of their number to chair the meeting.

M. Quorum

The quorum for ISAO Annual Meetings of Members is 10 voting members present. At the beginning of the meeting, the Chair should note that a quorum is present, perhaps including the number of voting members present, assuming that it is feasible to hold a count as voting cards are issued.

164 (1) Quorum set in by-laws (Act)

The by-laws may set out the quorum for a meeting of members, but the quorum set out shall be in conformity with any prescribed requirements.

(2) Quorum in any other case

If the by-laws do not set out such a quorum, the quorum is a majority of members entitled to vote at the meeting.

(3) Opening quorum sufficient

If a quorum is present at the opening of a meeting of members, the members present may, unless the by-laws otherwise provide, proceed with the business of the meeting, even if a quorum is not present throughout the meeting.

(4) Adjournment

If a quorum is not present at the opening of a meeting of members, the members present may adjourn the meeting to a fixed time and place but may not transact any other business.

4.04 Quorum (By-law)

A quorum at any meeting of the members (unless a greater number of members are required to be present by the Act) shall be 10 members entitled to vote at the meeting. If a quorum is present at the opening of a

meeting of members, the members present may proceed with the business of the meeting even if a quorum is not present throughout the meeting.

N. Voting

Voting is conducted by a show of hands (voting cards) unless ballot is demanded by a voting member (all ISAO members are voting members) at the meeting.

Any question, excepting special resolutions, will be passed by a majority of votes cast. The chair only votes in the case of a tie.

Except where a ballot is demanded, the fact of the chair declaring the results of the vote (passed or not) and that declaration being entered into the meeting minutes becomes the evidence of that vote without requiring the recording of numbers.

165 (1) Voting (Act)

Subject to section 171 and the by-laws, voting at a meeting of members shall be by show of hands, except if a ballot is demanded by a member entitled to vote at the meeting.

(2) Ballot

A member may demand a ballot either before or after any vote by show of hands.

4.05 Votes to Govern (By-law)

At any meeting of members every question shall, unless otherwise provided by the articles or by-laws or by the Act, be determined by a majority of the votes cast on the question. The chair of the meeting shall not exercise a vote except in the case of an equality of votes either on a show of hands or on a ballot or on the results of electronic voting.

166 (3) Evidence (Act)

Unless a ballot is demanded, an entry in the minutes of a meeting to the effect that the chairperson of the meeting declared a resolution to be carried or defeated is, in the absence of evidence to the contrary, proof of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

O. Appointment of Accountant

An accountant must be appointed by ordinary resolution (a majority of votes) at a Meeting of Members. If not so done, the incumbent accountant remains until dismissed or another is appointed. Remuneration may be also set by resolution, and where it is not set, it falls to the Board of Directors to do so. Usually the resolution to appoint the accountant includes empowering the Board to determine remuneration. The term of appointment is for the period between annual meetings. The appointment is annual.

The resolution should specify if the accountant is to conduct a “review” or an “audit.” (ISAO has always required a review only.)

The appointed accountant must be qualified as a professional accountant in Ontario and must be independent of the ISAO, its affiliates and of the officers and directors of the ISAO.

Where the accountant resigns or for whatever reason becomes unavailable in between Meetings of Members, the Board must immediately fill the vacancy.

An ISAO member or director can give written notice to the accountant to attend a meeting of members. In such a case, the accountant must attend and the accountant's expenses must be covered by the ISAO.

The accountant has the right to attend the annual meeting and be heard on matters relating to their duties and to do so at the expense of the ISAO.

180 (1) Qualification of public accountant (Act)

In order to be a public accountant of a corporation, a person shall

- (a)** be a member in good standing of an institute or association of accountants incorporated by or under an Act of the legislature of a province;
- (b)** meet any qualifications under an enactment of a province for performing any duty that the person is required to perform under sections 188 to 191; and
- (c)** subject to subsection (6), be independent of the corporation, its affiliates, or the directors or officers of the corporation or its affiliates.

(2) Independence

For the purposes of this section,

- (a)** independence is a question of fact; and
- (b)** a person is deemed not to be independent if that person or their business partner
 - (i)** is a business partner, a director, an officer or an employee of the corporation or any of its affiliates, or is a business partner of any director, officer or employee of the corporation or any of its affiliates,
 - (ii)** beneficially owns or controls, directly or indirectly, a material interest in the debt obligations of the corporation or any of its affiliates, or
 - (iii)** has been a receiver, receiver-manager, sequestrator, liquidator or trustee in bankruptcy of the corporation or any of its affiliates within two years before the person's proposed appointment as public accountant of the corporation.

(3) Business partners

For the purposes of subsection (2), a person's business partner includes a shareholder or member of that person.

(4) Duty to resign

A public accountant who becomes disqualified under this section shall, subject to subsection (6), resign immediately after becoming aware of the disqualification.

181 (1) Appointment of public accountant (Act)

Subject to section 182, members of a corporation shall, by ordinary resolution, at each annual meeting, appoint a public accountant to hold office until the close of the next annual meeting.

(2) Eligibility

A public accountant appointed under section 127 is eligible for appointment under subsection (1).

(3) Incumbent public accountant

If a public accountant is not appointed at a meeting of members and if no resolution is taken under section 182, the incumbent public accountant continues in office until a successor is appointed.

(4) Remuneration

The remuneration of a public accountant may be fixed by ordinary resolution of the members or, if not so fixed, shall be fixed by the directors.

182 (1) Dispensing with public accountant (Act)

Members of a designated corporation may resolve not to appoint a public accountant, but the resolution is not valid unless all the members entitled to vote at an annual meeting of members consent to the resolution.

(2) Validity of resolution

The resolution is valid until the following annual meeting of members.

185 (1) Filling vacancy (Act)

Subject to subsection (3), the directors shall immediately fill a vacancy in the office of public accountant.

(2) Calling meeting

If there is not a quorum of directors, the directors then in office shall, within the prescribed period after a vacancy in the office of public accountant occurs, call a special meeting of members to fill the vacancy and, if they fail to call a meeting or if there are no directors, the meeting may be called by any member.

(3) Members filling vacancy

The articles of a corporation may provide that a vacancy in the office of public accountant shall only be filled by vote of the members.

(4) Unexpired term

A public accountant appointed to fill a vacancy holds office for the unexpired term of the public accountant's predecessor.

187 (1) Right to attend meeting (Act)

The public accountant is entitled to attend a meeting of members at the expense of the corporation and be heard on matters relating to the public accountant's duties.

(2) I Duty to attend and answer questions

If a director or member, whether or not the member is entitled to vote at the meeting, gives written notice not less than the prescribed period before a meeting of members to the public accountant or a former public accountant of the corporation, the public accountant or former public accountant shall attend the meeting at the expense of the corporation and answer questions relating to their duties.

(3) Notice to corporation

A director or member who sends the notice shall send a copy of the notice to the corporation at the same time.

(4) Statement of public accountant

A public accountant is entitled to submit to the corporation a written statement giving reasons for resigning or for opposing their removal or replacement if a meeting of directors or members is called at which any of those matters will be dealt with.

P. Audit or Review

Note: To resolve prior to the 2019 Meeting of Members

The Act requires that certain organizations conduct an "audit" rather than a "engagement review." (often termed simply a "review") The Board should request the Treasurer to study the matter and report back and, perhaps, seek a professional opinion on the matter.

A "designated corporation" only requires a review, but the members can require an audit. "Non-designated" corporations must have an audit performed. "Designation" is determined by the source of funding (public, members only, donations/grants) and by annual revenues and accumulated assets, including funds.

188 (1) Review engagement — designated corporations (Act)

Subject to subsection (2), the public accountant of a designated corporation shall conduct a review engagement in the prescribed manner.

(2) Audit engagement — designated corporations

The public accountant of a designated corporation shall conduct an audit engagement in the prescribed manner if the corporation's members pass an ordinary resolution requiring an audit engagement.

(3) Validity of resolution

The resolution is valid only until the following annual meeting of members or for the period specified in the resolution.

189 (1) Audit engagement — other corporations

Subject to subsection (2), the public accountant of a corporation that is not a designated corporation shall conduct an audit engagement in the prescribed manner.

(2) Review engagement — other corporations

The public accountant of a soliciting corporation that is not a designated corporation shall conduct a review engagement in the prescribed manner if

(a) the corporation has gross annual revenues for its last completed financial year that are equal to or less than the prescribed amount or is deemed to have such revenues under paragraph 190(b); and

(b) its members pass a special resolution requiring a review engagement.

(3) Validity of resolution

The resolution is valid only until the following annual meeting of members.

Q. Ordinary Resolutions

A member may make any proposal at an Annual Meeting of Members. If the matter constitutes “special business.” that proposal must be made sufficiently in advance for the ISAO to meet the requirements of giving members notice. (See Section F for data on notice of special business.) The Notice, at the request of the member proposing, can include the member’s name and a statement by the member in support of the proposal. The member can be required to cover the cost of providing notice.

The Directors can determine that a member proposal not be included in a Meeting of Members where:

- *The proposal is not submitted in time to provide required notice to members*
- *The proposal is clearly intended to address a personal complaint of the person against the ISAO or its officers and directors*
- *The proposal does not relate in a significant way to the business of the ISAO*
- *The matter is intended to create publicity*
- *Where rules have been so set (ISAO has not); the matter has been considered and rejected by the membership in a prescribed period earlier (such as the last meeting of members)*

A member can nominate for election a Director or Directors in advance of the meeting if the proposal includes the signatures of 50% plus 1 of exiting members. (This is not “special business” and therefore does not require notice.)

In accordance with Robert's Rules of Order, any resolution presented as a Members Meeting requires a seconder.

A member is entitled to discuss, at the Meeting of Members, any matter which could have been submitted as a proposal.

1.01 Definitions (By-law)

(f) "ordinary resolution" means a resolution passed by a majority of not less than 50% plus 1 of the votes cast on that resolution;

163 (1) Right to Submit and Discuss (Act)

A member entitled to vote at an annual meeting of members may

(a) submit to the corporation notice of any matter that the member proposes to raise at the meeting, referred to in this section as a “proposal”; and

(b) discuss at the meeting any matter with respect to which the member would have been entitled to submit a proposal.

(2) Proposal set out in notice

A corporation shall include the proposal in the notice of meeting required under section 162.

(3) Supporting statement

If so requested by the member who submits a proposal, the corporation shall include in the notice of meeting a statement in support of the proposal by the member and the name and address of the member. The statement and the proposal shall together not exceed the prescribed maximum number of words.

(4) Payment

The member who submitted the proposal shall pay any cost of including the proposal and any statement in the notice of the meeting at which the proposal is to be presented, unless it is otherwise provided in the by-laws or in an ordinary resolution of the members present at the meeting.

(5) Proposal nominating directors

A proposal may include nominations for the election of directors if the proposal is signed by not less than the prescribed percentage of the members of a class or group of members of the corporation entitled to vote at the meeting at which the proposal is to be presented or any lesser number of members as provided in the by-laws, but this subsection does not preclude nominations made at a meeting of members.

(6) Exception

A corporation is not required to comply with subsections (2) and (3) if

(a) the proposal is not submitted to the corporation within the prescribed period;

(b) it clearly appears that the primary purpose of the proposal is to enforce a personal claim or redress a personal grievance against the corporation or its directors, officers, members or debt obligation holders;

(c) it clearly appears that the proposal does not relate in a significant way to the activities or affairs of the corporation;

(d) not more than the prescribed period before the receipt of the proposal, the member failed to present — in person or, if authorized by the by-laws, by proxy — at a meeting of members, a proposal that at the member’s request had been included in a notice of meeting;

(e) substantially the same proposal was submitted to members in a notice of a meeting of members held not more than the prescribed period before the receipt of the proposal and did not receive the prescribed minimum amount of support at the meeting; or

(f) the rights conferred by this section are being abused to secure publicity.

(7) Immunity

o corporation or person acting on its behalf incurs any liability by reason only of complying with this section.

(8) Notice of refusal

If a corporation refuses to include a proposal in a notice of meeting, it shall, within the prescribed period after the day on which it receives the proposal, notify in writing the member submitting the proposal of its intention to omit it from the notice of meeting and of the reasons for the refusal.

R. Special Resolutions

A “special resolution” is a resolution proposed at a Meeting of Members that requires a majority of no less than two-thirds (2/3) of the votes cast on that resolution.

A special resolution is required to change the Articles of Continuance: Corporation name; Province of registration; minimum and maximum number of directors; Statement of purpose of the corporation; Restrictions on activities if any (ISAO has none); Classes or groups of member (ISAO has one class of members only); Statement of distribution of property on liquidation; and additional provisions ((ISAO is not-for-profit; Directors are not compensated except for expenses).

A special resolution is required to make any amendments to Section 2- Membership – Matters Requiring Special Resolution of the ISAO By-law No.1. This includes any changes that may affect membership rights and conditions as describes in the Act 197(1)€, (h) (l), or (m). As well the By-law provision for providing Notice of Members’ Meeting (2.02) also requires a special resolution.

Although the Board of Directors usually would originate special resolutions, a member may propose a special resolution. It must be submitted in advance in order that the notice requirements can be met. Member proposed special resolutions must be included at Member Meetings and must be included in meeting notices. (see Section F of this document for information on meeting notice.)

1.01 Definitions (By-law)

(h) “special resolution” means a resolution passed by a majority of not less than two-thirds (2/3) of the votes cast on the resolution.

152 (1) By-laws (Act)

Unless the articles, the by-laws or a unanimous member agreement otherwise provides, the directors may, by resolution, make, amend or repeal any by-laws that regulate the activities or affairs of the corporation, except in respect of matters referred to in subsection 197(1).

(2) Member approval

The directors shall submit the by-law, amendment or repeal to the members at the next meeting of members, and the members may, by ordinary resolution, confirm, reject or amend the by-law, amendment or repeal.

2.01 Membership Conditions (By-law)

Pursuant to subsection 197(1) (Fundamental Changes) of the Act, a special resolution of the members is required to make any amendments to this section of the by-laws if those amendments affect membership rights and conditions as describes in paragraphs 197(1)(e), (h) (l), or (m).

2.02 Notice of Members' Meetings (By-law)

Pursuant to subsection 197(1) (Fundamental Changes) of the Act, a special resolution of the members is required to make any amendments to the by-laws of the Corporation to change the manner of giving notice to members entitled to vote at a meeting of members.

197 (1) Amendment of articles or by-laws

A special resolution of the members — or, if section 199 applies, of each applicable class or group of members — is required to make any amendment to the articles or the by-laws of a corporation to

- (a) change the corporation's name;
- (b) change the province in which the corporation's registered office is situated;
- (c) add, change or remove any restriction on the activities that the corporation may carry on;
- (d) create a new class or group of members;
- (e) change a condition required for being a member;
- (h) add, change or remove a provision respecting the transfer of a membership;
- (i) subject to section 133, increase or decrease the number of - or the minimum or maximum number of - directors fixed by the articles;
- (j) change the statement of the purpose of the corporation;
- (k) change the statement concerning the distribution of property remaining on liquidation after the discharge of any liabilities of the corporation;
- (l) change the manner of giving notice to members entitled to vote at a meeting of members;
- (m) change the method of voting by members not in attendance at a meeting of members; or
- (n) add, change or remove any other provision that is permitted by this Act to be set out in the articles.

198 (1) Proposal to amend

Subject to subsection (2), a director, or a member who is entitled to vote at an annual meeting of members, may, in accordance with section 163, propose to make an amendment referred to in subsection 197(1).

(2) Notice of amendment

Notice of a meeting of members at which a proposal to make an amendment referred to in subsection 197(1) is to be considered shall set out the proposed amendment.

152 (6) Right to submit and discuss (Act) - Member proposal

A member entitled to vote at an annual meeting of members may, in accordance with section 163, make a proposal to make, amend or repeal a by-law.

S. Election of Directors

The minimum number of Directors ISAO may have is three (3) and the maximum is twenty (20).

The number of Directors is set by ordinary resolution of the members (requiring a vote of 50% plus 1). The members may also pass an ordinary resolution empowering the Directors to set the number of Directors.

***Note: For the 2019 Meeting**, an ordinary resolution setting the number at eleven (11) or empowering the Directors to set the number should be forwarded. This would constitute "special business" requiring advance notice to the members as outlined in section F above. An article in Ontario Arborist should be provided in the Jan/Dec issue to explain the matter to the members.*

All Directors are elected for a three (3) year term.

***Note: For the 2019 Meeting** an ordinary resolution should be considered allowing for the election of Directors with a shorter term. This may be desirable as a rotation of Directors (1/3 being replaced/re-elected each year) is desirable and where Directors have left before their term has expired, this rotation will be disrupted. Election for less than a three-year term would correct that situation. This would constitute "special business" requiring advance notice to the members as outlined in section F above. An article in Ontario Arborist should be provided in the Jan/Dec issue to explain the matter to the members*

Any member may nominate someone as a Director at a Meeting of Members.

A person need not be an ISAO member to be nominated and elected as a Director.

***Note: For the 2019 Meeting** an ordinary resolution requiring that a person must be a current member of ISAO in order to be nominated and hold office as a Director should be presented to the membership. This would constitute "special business" requiring advance notice to the members as outlined in section F above. An article in Ontario Arborist should be provided in the Jan/Dec issue to explain the matter to the members*

A person can be disqualified from being a director if:

- *They are less than eighteen (18) years of age*
- *They have been declared incapable by a court in Canada or elsewhere*

- They are currently in the status of a bankrupt

A nominated person who is present at the Meeting of Members where they are nominated can refuse the nomination and therefore would not be a director. The act of not refusing is deemed approval under the Act. In practice, we ask the individual in the meeting if they will stand for election, as this is less confusing than noting they “did not refuse.”

A person need not be present at the Meeting of members to be nominated and elected. However, they need to either agree in writing before the election within the prescribed period (this would need to be set somehow) or act as a director (by attending a meeting) in order to be considered a director.

Elections of directors is accomplished by ordinary resolution (50% plus 1). In practice, this is accomplished by simply eliminating candidates who receive fewer votes than those who make up the required number to be elected. The Chair typically requires a secret ballot, which right he has as does any member. (see Section N: Voting, above)

Any member can nominate someone as Director. In accordance with Robert’s Rules of Order, a nomination must be seconded.

Articles of Continuance

Item 5 - Minimum and maximum number of directors: Minimum number 3; Maximum number 20

133 (1) Change in Number of Directors (Act)

The members of a corporation may amend the articles to increase or decrease the number of directors, or the minimum or maximum number of directors, but no decrease shall shorten the term of an incumbent director.

(2) Election of directors where articles amended

If the members at a meeting adopt an amendment to the articles of a corporation to increase or decrease the number or minimum or maximum number of directors, the members may, at the meeting, elect the number of directors authorized by the amendment, and for that purpose, despite subsections 202(1) and 276(3), on the issue of a certificate of amendment the articles are deemed to be amended as of the date the members adopt the amendment.

(3) Fixing the number of directors

If a minimum and maximum number of directors is provided for in the articles, the members may, from time to time by ordinary resolution, fix the number of directors of the corporation and the number of directors to be elected at annual meetings of the members or delegate those powers to the directors. No decrease in the number of directors shall shorten the term of an incumbent director.

5.02 Number of Directors (By-law)

The board shall consist of the number of directors specified in the articles. If the articles provide for a minimum and maximum number of directors, the board shall be comprised of the fixed number of directors as determined from time to time by the members by ordinary resolution or, if the ordinary resolution

empowers the directors to determine the number, by resolution of the board. In the case of a soliciting corporation the minimum number of directors may not be fewer than three (3), at least two of whom are not officers or employees of the Corporation or its affiliates.

5.03 Election and Term (By-law)

Subject to the articles, the members will elect the directors at each annual meeting at which an election of directors is required. If an election of directors is not held at the proper time, the incumbent directors shall continue in office until their successors are elected.

The directors of the Corporation shall be elected and shall retire in rotation. At the first election of directors following the effective date of this by-law, one-third (1/3) directors shall be elected for a three (3)-year term, one-third (1/3) directors shall be elected for a two (2)-year term and one-third (1/3) directors shall be elected for a one (1)-year term. Thereafter, except where an election is held to fill the unexpired portion of a term, newly elected directors shall be elected for three (3)-year terms.

126 (1) Qualifications of directors (Act)

The following persons are disqualified from being a director of a corporation:

- (a) anyone who is less than 18 years of age;
- (b) anyone who has been declared incapable by a court in Canada or in another country;
- (c) a person who is not an individual; and
- (d) a person who has the status of a bankrupt.

(2) Membership

Unless the by-laws otherwise provide, a director of a corporation is not required to be a member of the corporation.

(3) No alternate directors

No person shall act for an absent director at a meeting of directors.

128 (3) Election of directors (Act)

Members shall, by ordinary resolution at each annual meeting at which an election of directors is required, elect directors to hold office for a term expiring within the prescribed period.

(4) Staggered terms

It is not necessary that all directors elected at a meeting of members hold office for the same term.

(5) No stated terms

A director not elected for an expressly stated term ceases to hold office at the close of the first annual meeting of members following the director's election.

(6) Incumbent directors

Despite subsections (2), (3) and (5), if directors are not elected at a meeting of members, the incumbent directors continue in office until their successors are elected.

(7) Vacancy among candidates

If a meeting of members fails to elect the number or the minimum number of directors required by the articles by reason of the lack of consent, the disqualification, the incapacity or the death of any candidate, the directors elected at that meeting may exercise all the powers of the directors if the number of directors so elected constitutes a quorum.

128 (9) Election or appointment as director - Ceasing to hold office (Act)

An individual who is elected or appointed to hold office as a director is not a director, and is deemed not to have been elected or appointed to hold office as a director, unless

- (a) the individual was present at the meeting when the election or appointment took place and did not refuse to hold office as a director; or
- (b) the individual was not present at the meeting when the election or appointment took place and
 - (i) consented to hold office as a director in writing before the election or appointment or within the prescribed period, or
 - (ii) has acted as a director after the election or appointment.

163 Right to Submit and Discuss (Act)

(1) A member entitled to vote at an annual meeting of members may

- (a) submit to the corporation notice of any matter that the member proposes to raise at the meeting, referred to in this section as a “proposal”; and
- (b) discuss at the meeting any matter with respect to which the member would have been entitled to submit a proposal.

163 (5) Proposal nominating directors (Act)

A proposal may include nominations for the election of directors if the proposal is signed by not less than the prescribed percentage of the members of a class or group of members of the corporation entitled to vote at the meeting at which the proposal is to be presented or any lesser number of members as provided in the by-laws, but this subsection does not preclude nominations made at a meeting of members.

T. Election of President- Elect and Appointment of Officers

The President-Elect is an officer of the ISAO.

In accordance with the By-law, All officers are appointed by the Board. This is in place in order to simplify processes such as having to elect officers separately.

However, the membership still maintains decision on the President-Elect through the ISAO Policies and Procedures formal document. Under this procedure, the President-Elect is elected as a Director and

President-Elect simultaneously for a three (3) year term in an election prior to the Directors vacancy election being held.

Anyone can be nominated and seconded from the floor as President-Elect. In the case of more than one person being nominated, seconded and accepting the nomination, an election would be held. It is normal for the President chairing the meeting to require a secret ballot for elections. In the case of only one person running, that person is declared elected by acclamation.

As soon as possible following the Meeting of Members where a President-Elect is elected, the Board meets and in accordance with the Policies and Procedures, appoints the President-Elect, President and Immediate Past-President. In accordance with the Policies and Procedures, a President -Elect is to be appointed President in their second year and Immediate Past-President in their third year of office. This is not discretionary.

Other officer positions (Vice-President, Treasurer and Secretary) can be appointed at the Board's discretion and ideally would be so done in the same meeting where the President-Elect is appointed.

142 Officers (Act)

Subject to the articles, the by-laws and any unanimous member agreement,

- (a) the directors may designate the offices of the corporation, appoint as officers persons of full capacity, specify their duties and delegate to them powers to manage the activities and affairs of the corporation, except powers to do anything referred to in subsection 138(2);
- (b) a director may be appointed to any office of the corporation; and
- (c) two or more offices of the corporation may be held by the same person.

7.01 Appointment of Officers (By-law)

The board may designate the offices of the Corporation, appoint officers on an annual or more frequent basis, specify their duties and, subject to the Act, delegate to such officers the power to manage the affairs of the Corporation. A director may be appointed to any office of the Corporation. An officer may, but need not be, a director unless these by-laws otherwise provide. Two or more offices may be held by the same person.

7.02 Description of Offices (By-law)

Unless otherwise specified by the board (which may, subject to the Act modify, restrict or supplement such duties and powers), the offices of the Corporation, if designated and if officers are appointed, shall have the following duties and powers associated with their positions:

- (a) President – If appointed, the president shall be a director. The president shall, when present, preside at all meetings of the board and the members.

The president shall appoint all standing committee chairs at the time the president takes office and may appoint temporary committees to act during the president's term of office or at the annual conference.

- (b) President-Elect – If appointed, the president-elect shall be a director. If the president is absent or is unable or refuses to act, the president-elect, if any, shall, when present, preside at all meetings of the board and of the members. The president-elect shall have such other duties and powers as the board may specify.

- (c) Vice-President– If appointed, the vice-president shall be a director. If the president and president-elect are absent or are unable or refuse to act, the vice-president, if any, shall, when present, preside at all meetings of the board and of the members. The vice-president shall have such other duties and powers as the board may specify.
- (d) Immediate Past-President – If appointed, the immediate past-president shall be a director. The immediate past-president shall assist the president as requested.
- (e) Executive Director – If appointed, the executive director shall be the chief executive officer of the Corporation and shall be responsible for implementing the strategic plans and policies of the Corporation. The executive director shall, subject to the authority of the board, have general supervision of the affairs of the Corporation.
- (f) Secretary – If appointed, the secretary shall attend and be the secretary of all meetings of the board, members and committees of the board. The secretary shall enter or cause to be entered in the Corporation's minute book, minutes of all proceedings at such meetings; the secretary shall give, or cause to be given, as and when instructed, notices to members, directors, the public accountant and members of committees; the secretary, or such other officer or employee as designated by the secretary, shall be the custodian of all books, papers, records, documents and other instruments belonging to the Corporation.
- (g) Treasurer – If appointed, the treasurer shall keep, or cause to be kept, proper accounting records as required by the Act. The treasurer shall deposit, or cause to be deposited, all monies received by the Corporation in the Corporation's bank account; the treasurer shall, under the direction of the board, supervise the safekeeping of securities and the disbursement of the funds of the Corporation; the treasurer shall render to the board, whenever required, an account of all his or her transactions as treasurer and of the financial position of the Corporation; and the treasurer shall perform such other duties as may from time to time be prescribed by the board.

The powers and duties of all other officers of the Corporation shall be such as the terms of their engagement call for or the board or president requires of them. The board may from time to time and subject to the Act, vary, add to or limit the powers and duties of any officer. In the event that any of the officers above are not appointed, to the extent that such officers have any responsibilities pursuant to any other provisions of this by-law, the board may assign those responsibilities to another officer or employee of the Corporation.

IV. A. EXECUTIVE COMMITTEE (Policies and Procedures)

The Executive Committee shall consist of the appointed officers of ISAO with the exception of the President Elect who shall be elected by the membership simultaneously as a Director (3 year term) and President Elect at the AGM and then, in accordance with the ISAO By-law shall be appointed as President Elect by the Board of Directors. The President Elect shall succeed to the positions of President and then Past President respectively in the second and third year of their elected term and shall be so appointed by the Board of Directors.