



Superior North CFDC
SADC Supérieur Nord

Bylaws

**SUPERIOR NORTH COMMUNITY FUTURES
DEVELOPMENT CORPORATION**

GENERAL

The **Mission Statement** of the Superior North Community Futures Development Corporation is to actively support and stimulate economic growth and diversification.

The **Objectives** of Superior North Community Futures Development Corporation are:

- a) to promote and to participate in the development of community plans and strategies for addressing socio-economic change and development and job creation.
- b) to support, foster, and where appropriate, to initiate new businesses and new organizations determined to be needed to address specific socio-economic conditions or situations that enhance economic diversification and job creations.
- c) to gather information, to support research and contribute to an information data base pertaining to regional and/or community socio-economic development in the northwest Ontario region.
- d) to provide loans to small businesses and entrepreneurs that are experiencing difficulties in obtaining traditional funding for the development, expansion or restructuring of their operations. This will be particularly relevant where the aforementioned objectives, new employment opportunity, or the introduction of new business initiatives are not presently located in the area involved.
- e) to become self-sufficient in the provisions of loans to enhance regional economic diversification and job creation.
- f) to provide business advice to clients.

BY-LAWS

PART A – GENERAL PROVISIONS

1. INTERPRETATION:

1.1 In these By-Laws, unless the context otherwise requires;

- a) “The Corporation” refers to the Superior North Community Futures Development Corporation.
- b) “The Board” refers to the Board of Directors of the Superior North Community Futures Development Corporation.
- c) Head Office of the Corporation shall be located at 7 Mill Road, Terrace Bay, Ontario P0T 2W0.

PART B – MEMBERSHIP

2. ELIGIBILITY CRITERIA:

2.1 MEMBERSHIP OF THE CORPORATION:

- a) The membership in the Corporation shall consist of a minimum of seven (7) and a maximum of fifteen (15) members on the Investment Committee and a minimum of seven (7) and a maximum of fifteen (15) members on the Development Committee.
- b) Committee membership is based upon a 2 year renewable term with no maximum term limit. (amended June 2012)

2.2 MEMBERS' ELIGIBILITY CRITERIA:

- a) reside in the service area, specifically the communities of Terrace Bay, Schreiber, Rossport, Pays Plat First Nation, Red Rock Indian Band, Nipigon, Red Rock, Dorion, Hurkett, Manitouwadge, Marathon, Heron Bay, and Biigtigong Nishnaabeg. (amended AGM May 27/97, amended 2016.06.09)
- b) 18 years of age or older.
- c) possess the desired qualifications for membership on the committees, as defined in the Committees' Policies and Procedures.
- d) when possible, membership of the corporation shall be recruited so as to have representation from each community within the service area.

3. WHEN A PERSON CEASES TO BE A MEMBER:

3.1 A person shall cease to be a member of the corporation:

- a) by delivering his/her resignation in writing to the Secretary of the Corporation or by mailing or delivering it to the address of the Corporation; (amended AGM May 27/97)
- b) upon his or her death or in the case of a dissolution of the Corporation;
- c) upon being expelled or suspended.

4. SUSPENSION OR EXPULSION:

4.1 A member may be expelled or suspended by a special resolution of the members passed at a general meeting or the members duly called.

4.2 Such expulsion or suspension shall be for just cause and, but not so as to diminish the generality of the above, shall include situations where the member's conduct is determined to be improper, unbecoming, or likely to endanger the interests or reputation of the Corporation or who willfully commits a breach of the Constitution or By-Laws of the Corporation.

- 4.3 No member shall be expelled or suspended without having been duly notified of the charge or complaint against him or her and without having first been given an opportunity to be heard by the members before the special resolution is put to vote.
- 4.4 If the member so expelled or suspended desires, he or she may appeal the decision at the next Board of Directors meeting and the decision of the members at such meeting shall be final.
- Until such appeal has been allowed by special resolution, the expelled or suspended member shall not exercise any rights or privileges appertaining to a member of the Corporation.

PART C – GENERAL MEETINGS

5. ANNUAL GENERAL MEETINGS:

- 5.1 An annual general meeting shall be held at least once in every calendar year and within 180 days following the end of the Corporation's last fiscal year. (amended June 2012)

5.2 NOTICE:

- a) The Secretary shall ensure written notice is sent to all members at least fourteen (14) days prior to the annual meeting.
- b) The annual general meeting will be open to the public. Notice of the Annual General Meeting shall be published at least two (2) weeks prior in a newspaper(s) and on the website of the organization. (Amended AGM May 25/99, amended 2016.06.09).
- c) No accidental error or omission in giving notice of such meeting or any adjournment thereof to the members of the Corporation shall invalidate such meeting or make void any proceedings taken thereat and any member may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat.

6. BUSINESS:

- 6.1 In addition to any other business that may be transacted, the agenda of an annual general meeting shall include:

- a) the report of the Directors;
- b) the annual audited financial statements;
- c) the auditor's report and management letter;
- d) the appointment of the auditor for the ensuing year, and
- e) the election of the Directors.

7. QUORUM:

- 7.1 A quorum for the transaction of business at an annual general meeting consists of 50% + 1 of the membership.
- 7.2 If at any time during an annual meeting, there ceases to be a quorum present, business then in progress shall be suspended until there is a quorum present or until the meeting is adjourned to a time and place determined by the Chairperson.

8. **ADJOURNMENT:**

- 8.1 An annual general meeting may be adjourned from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than the business left unfinished at the meeting at which the adjournment took place, unless the formal notice requirements in Section 5.2 have been duly complied with.

9. **VOTING RIGHTS:**

- 9.1 At an annual general meeting, every member present has one vote, whether they hold the position of Chairperson or not.
- 9.2 Every question shall in the first instance, be decided by a show of hands and a declaration by the Chairperson that a resolution has been carried or not carried and an entry to that effect in the minutes shall be sufficient evidence thereof without proof of the number of proportion of the votes recorded in favour of or against.
- 9.3 Any one member may demand that a specific question be decided by secret ballot.
- 9.4 Voting by proxy is not permitted.
- 9.5 The affairs of the Corporation shall be managed by a Board of Directors, each of who at the time of his/her election and throughout his/her term of office, shall be a member in good standing.

PART D – BOARD OF DIRECTORS

10.1 **COMPOSITION OF THE BOARD:**

Membership on the **Board of Directors** of the Superior North Community Development Corporation shall consist of:

- 10.1(a) Eight (8) Directors – four (4) members of the Investment Committee, and four (4) members of the Development Committee, whenever possible (Amended AGM May 25/99).
- 10.1(b) Members with a minimum of one year's experience, if possible, as a Committee member (Amended AGM May 27/97).

11. **ELECTION OF DIRECTORS:**

- 11.1 The Directors shall be elected at the annual general meeting of the Corporation and shall hold office for a two-year term (Amended AGM May 27/97).
- 11.2 The Directors shall be elected by a majority of members. Nominations for representatives of the Investment Committee and Development Committee shall be made by the respective committees.

12. **VACANCY:**

If any member of the Board of Directors resigns his or her office, or without reasonable excuse, absents himself or herself from three (3) or more meetings, or is suspended or expelled from the Corporation or for any other reason vacates his seat, the Board may appoint a qualified member as his or her successor to hold office at least until the next annual general meeting.

13 **CONFIDENTIALITY:**

The Superior North Community Futures Development Corporation's service area encompasses a number of small communities, and members of the Board and staff will know many of the businesses with whom the Corporation will be dealing. It will, therefore, be essential that the information provided to the Corporation is held in the strictest confidence. The following procedures are to ensure that clients will approach the Corporation with the understanding that their business affairs will not become public knowledge (Amended AGM May 27/97).

- a) Information relating to specific businesses can be available to the Investment Committee, the Board of Directors, the General Manager, and all other staff. (amended 2016.06.09)
- b) The identity of businesses who apply for loans or equity investment will be known only to the Board of Directors, Investment Committee, and Staff (Amended AGM May 27/97).
- c) All members and staff of the Superior North Community Futures Development Corporation must sign a Confidentiality Statement.

14 **CONFLICT OF INTEREST:**

The following statement is intended to aid in determining a conflict of interest situation for a Board member or employee:

No person may make use of his/her position for direct or indirect advantage of themselves or family members. Members will abide by the spirit and word of the Code of Values and Ethics and abide by all Conflict of Interest rules set out in contractual agreements.

14.1 Superior North CFDC shall not make a loan to, or guarantee the repayment of a loan made to, a committee member or his/her spouse/partner, a director, officer or employee or his/her spouse/partner of Superior North CFDC or to a partnership in which a committee member, a director, officer or employee or his/her spouse/partner is a partner or in which a committee member, a director, officer or employee or his/her spouse/partner has significant business interest.

14.2 Should a committee member, a director, officer or employee or his/her spouse/partner require an investment for his/her business or in a business for which he/she has a significant business interest, said person must resign from the Corporation and allow a period of no less than three (3) months to elapse prior to applying for investment funds.

14.3 Superior North CFDC shall not offer employment to a current investment fund client, to his/her spouse/partner or to a candidate and/or to his/her spouse/partner who has a significant business interest in a business or Social Enterprise (SME) currently dealing with the Investment Fund.

15 **REMOVAL OF A MEMBER OF THE BOARD OF DIRECTORS:**

15.1 Any member of the Board may be removed from office at any Special Meeting of the Board by a notice of motion being filed with the Chairperson at least ten (10) days in advance of such meeting and by resolution being passed at the meeting of the Board in the following circumstances:

- a) If the Director becomes legally incompetent;
- b) If the Director has been convicted of any criminal offence involving moral turpitude; or

- c) If the Director is absent from three (3) consecutive regular meetings of the Board without an excused absence;
 - d) If a member fails to meet the criteria of eligibility under the terms and conditions for errors and omissions insurance;
 - e) If the Director breaches the oath of confidentiality (see Item 13) or Conflict of Interest Policy (see Item 14).
- 15.2 No member shall be expelled without having been duly notified of the reason for such impending expulsion, and without having been given a reasonable opportunity to be heard at a regular Board meeting before the special resolution is put to a vote;
- 15.3 If a member so expelled wishes to appeal the decision of the Board, he or she may do so at the next regular Board meeting, and the decision of the members at such meeting shall be final, but, until such time, the member shall not exercise any rights or privileges of a member.
16. **REMUNERATION:**

No Director shall be remunerated for being or acting as a Director, but he or she shall be reimbursed for all Board authorized expenses necessarily and reasonably incurred by him or her while engaged in the affairs of the Corporation.

17. **VOTING:**

- 17.1 During a meeting of the Board of Directors, each Director including the Chair, are entitled to one (1) vote. In the case of a tie, a motion will be defeated until a majority decision can be reached. (Amended April 2012)
- 17.2 Every motion shall in the first instance be decided by a call of "all in favour" and a declaration by the Chairperson that a resolution has been carried or not carried and an entry to that effect in the minutes shall be sufficient evidence thereof without proof of the number of proportion of the votes recorded in favour or against.
- 17.3 A Director may demand that a specific question be decided by secret ballot.
- 17.4 Voting by written and signed proxy form is permitted (faxed authorization is allowed).
- 17.5 Voting by email or telephone is permitted. All email or telephone votes conducted since the last regular Board Meeting of the Directors shall be included on the agenda and adopted at the next regular Board Meeting of the Directors. (amended 2016.06.09)

18. **QUORUM:**

A quorum for the transaction of business at a **Board Meeting of the Directors** for the Corporation consists of 50% + 1 of the total membership of the Board of Directors.

PART E – POWERS & DUTIES OF THE BOARD OF DIRECTORS

19. **POWERS & DUTIES OF THE BOARD:**

- 19.1 The Board of Directors shall exercise all the powers and do all the acts and things that the Corporation may exercise and do, including managing the Corporation's business, executing the decision of the general meeting and discussion of all items on the agenda.

- 19.2 The Board must meet a minimum of eight (8) times during its operating year. (Amended AGM April 30, 2009)
- 19.3 Notwithstanding the foregoing, the Board of Directors are expressly empowered, from time to time, to purchase, lease or otherwise acquire, alienate, sell, exchange or otherwise dispose of share, stocks, rights, warrants, options, and other securities, lands, building, and other property, moveable or immovable, real or personal, or any right or interest therein owned by the Corporation, for such consideration and upon such terms and conditions as they may deem advisable.
20. **ELECTION OF THE OFFICERS OF THE BOARD:**
- a) The Board of Directors shall elect the executive officers among their number at the first meeting of the Board of Directors.
 - b) There shall be a Chairperson, Vice-Chairperson, a Secretary, and a Treasurer, of which the Secretary and Treasurer may be combined into one position.

PART F – OFFICERS OF THE CORPORATION

21. When the Board is not in session, the Executive Officers shall exercise all of the powers of the Board and shall report any action taken hereunder at the next meeting thereof. Decisions of the Executive shall be final only when all Executive Officers have reached a consensus and in matters where such authority is specifically delegated by the Board. Copies of the minutes of the Executive meeting shall be sent to the members of the Board.
22. **DUTIES OF THE CHAIRPERSON:**
- a) to preside at meetings of the Executive, the Board, and Annual General meetings of the Corporation;
 - b) to provide leadership, direction, and guidance to the operations of the organization and see that all orders and resolutions of the Board are carried into effect;
 - c) to supervise the General Manager;
 - d) to be ex-officio member on all sub-committees;
 - e) to report to the Annual General Meeting of the membership of the Corporation on the operations of the Corporation;
 - f) to perform other such duties as may, from time to time, be determined by the Board;
 - g) to maintain liaison with the Development Committee and the Investment Committee.
23. **DUTIES OF THE VICE-CHAIRPERSON:**
- a) to have all the powers and responsibilities of the Chairperson in the absence or disability of the Chair;
 - b) to perform such other duties as shall, from time to time, be assigned by the Board.

24. **DUTIES OF THE SECRETARY - TREASURER:**

- a) to attend meeting of the Board;
- b) to ensure that a record of all minutes of all meetings of the Board is being kept.
- c) to see to the preparation of all reports required under the Act or regulation of the Province of Ontario;
- d) to be custodian of all minute books, documents, and registers of the Corporation required to be kept by the provisions of the Corporation Act;
- e) to see to the submission of a financial statement at each regular meeting of the Board, indicating the financial position of the Corporation at the close of the preceding month;
- f) to have all accounts to the Corporation audited;
- g) to perform such other duties as the Board may direct.

PART G – COMMITTEES

25. **COMMITTEES:**

The Superior North Community Futures Development Corporation is the result of the amalgamation of the Superior North Business Development Center and the Superior North Community Futures Inc. To maintain the mandates of the two original Corporations, the Board of Directors will delegate responsibilities to two Committees, the Investment Committee and the Development Committee. Committee membership is based upon a 2 year renewable term with no maximum term limit. (Amended June 2012)

26. **OTHER COMMITTEES:**

At the discretion of the Board of Directors, other committees consisting of one or more Directors may be established. The Board may delegate any of its powers to such committees.

27. **VOTING BY COMMITTEE MEMBERS:**

Every member on the Committee is entitled to one vote and every question shall be decided by a majority of votes unless otherwise required by the By-Laws.

28. **QUORUM FOR COMMITTEE MEETINGS:**

A quorum for the transaction of business at a regular meeting of the committees for the Corporation consists of 50% + 1 of the total membership of the committee.

29. **INVESTMENT COMMITTEE:**

The Investment Committee will consist of a minimum of seven (7) and a maximum of fifteen (15) members chosen on the basis of the documented eligibility criteria in the Policy and Procedures.

The Investment Committee will be delegated authority to run the investment fund of the Corporation within existing and future provincial and federal regulations and Board guidelines.

The Board of Directors will provide specific direction to the Investment Committee from time to time as to the data and reports that must be presented to the Board of Directors.

The Investment Committee will be required to report aggregate data to the Board of Directors on a monthly basis.

30. **DEVELOPMENT COMMITTEE:**

The Development Committee will consist of a minimum of seven (7) and maximum of fifteen (15) members chosen on the basis of the documented eligibility criteria in the Policy and Procedures.

In the event that the Development Committee requires the need to establish any sub-committees, the composition of each sub-committee shall be approved by the Development Committee and each sub-committee will have at least one (1) member of the committee sitting thereon.

It is the responsibility of the Development Committee to canvass possible projects to be undertaken by the Corporation.

The Development Committee will be required to report to the Board of Directors on a monthly basis on the ongoing progress of each project.

PART H – INVESTMENT FUND

31. The Investment funds for Superior North Community Futures Development Corporation will be secured as follows:

- a) The Investment Funds of the Superior North Community Futures Development Corporation will be used for the purposes of investments/loans to new businesses, restructuring and expansions within the communities as outlined in the Investment Policies and Procedures and in keeping with strategic objective and targets.
- b) The Superior North Community Futures Development Corporation will ensure the maintenance and growth of the investment funds so as to provide investment dollars for the area businesses and continue to create employment and economic growth within the communities.

PART I – FINANCES

32. **BOOKS AND RECORDS:**

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

33. **ERROR OR OMISSION IN NOTICE:**

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

34. **CHEQUES, ETC.**

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

35. **FINANCIAL YEAR END:**

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

36. **DEPOSIT OF SECURITIES AND SAFEKEEPING:**

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

37. **NOTICE:**

Any notice (which term includes any communication or document) to be given, sent, delivered or served pursuant to the Act, the letters patent, the By-Laws or otherwise to a member, Director, officer or auditor shall be sufficiently given if delivered personally to the person to whom it is to be given or if delivered to the person's recorded address or if mailed to such person at such person's recorded address by prepaid air or ordinary mail, or if sent to such person at such person's recorded address by any means of prepaid transmitted or recorded communication. A notice so delivered shall be deemed to have been given when it is delivered personally or at the recorded address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box; and a notice sent be deemed to have been given when dispatched or delivered to the appropriate communication company or agency or its representative for dispatch. The Secretary may change or cause to be changed the recorded address of any member, Director, officer, or auditor in accordance with any information believed by the Secretary to be reliable.

38. **BORROWING:**

The Directors may from time to time as authorized by the Minister under the Community Futures Agreement and/or the Community Futures Development corporation financial Guide (amended June 2012):

- a) borrow money on the credit of the Corporation; or
- b) issue, sell or pledge securities of the Corporation; or
- c) charge, mortgage, hypothecate or pledge all or any of the real or personal property of the Corporation, including book debts, rights, powers, franchises and undertakings, to secure any securities or any money borrowed, or other debt, or any other obligation or liability of the Corporation.

From time to time, the Directors may authorize any Director, officer, or employee of the Corporation or any other person to make arrangements with reference to the moneys borrowed or to be borrowed as aforesaid and as to the terms and conditions of loan thereof, and as to the securities to be given therefor, with power to vary or modify such arrangements, terms and conditions and to give such additional securities for any moneys borrowed or remaining due by the Corporation as the Directors may authorize, and generally to make, transact and settle the borrowing of money by the Corporation.

PART J – PROTECTION OF DIRECTORS AND OFFICERS

39. **DIRECTOR'S LIABILITY INSURANCE:**

The Superior North Community Futures Development Corporation will ensure that Directors' Liability Insurance is in place for all Directors.

40. **LIMITATION OF LIABILITY:**

Except as otherwise provided in the Act, no Director or officer for the time being of the Corporation shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or employee or for joining in any receipt or act for the conformity or for any loss, damage or expense happening to the Corporation or for the insufficiency or deficiency of any security or upon which any of the moneys of or belonging to the Corporation shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous acts of any person with whom any of the moneys, securities or effects of the Corporation shall be deposited or for any loss occasioned by any error of judgement or oversight on such Director's or officer's office or in relation thereto; provided that nothing herein shall relieve any Director or officer from the duty or act in accordance with the Act and Regulation or from liability for any breach thereof.

41. **INDEMNITIES TO DIRECTORS, OFFICERS & COMMITTEE MEMBERS:**

Subject to Section 80 of the Corporation's Act, every Director, officer and Committee member of the Corporation and their heirs, executors, administrators and other legal personal representatives shall from time to time be indemnified and saved harmless by the Corporation from any against;

- a) any liability and all costs, charges and expenses that the Director, officer or committee member sustains or incurs in respect of any action, suit or proceeding that is proposed to be commenced against that person or in respect of anything done or permitted by that person in respect of the execution of the duties of such Director's, officer's or committee member's office, and
- b) all other costs, charges and expenses that such Director, officer or committee member sustains or incurs in respect of the affairs of the Corporation.

PART K – BY-LAWS

42. COPY OF BY-LAWS:

42.1 On being admitted as a member to the Corporation, every member is entitled to and the Corporation shall give to him/her without charge, a copy of the By-Laws of the Corporation.

43. AMENDMENTS TO BY-LAWS:

43.1 These By-Laws of the Corporation shall not be altered, deleted, or added to except by special resolution of the Corporation passed at an Annual General Meeting of which notice specifying the intention to pass such special resolution and the general nature thereof, has been duly given.

43.2 A 75 per cent majority vote of the members present at a general meeting is needed to amend the By-Laws.

43.3 Every By-Law, amendment, or repeal shall state an effective date which shall not be more than 30 days from the day on which the By-Law, amendment, or repeal is made.

Last revision June 09, 2016