



## By-Law No. 1 of

### WATERLOO REGION HOME BUILDERS' ASSOCIATION

A by-law relating generally to the conduct of the affairs of

### WATERLOO REGION HOME BUILDERS' ASSOCIATION

(the "Association")



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**BE IT ENACTED** as a By-law of this Association as follows:

#### GENERAL

- DEFINITIONS** - In this By-law and all other by-laws and resolutions of this Association, unless the context otherwise requires:
  - "Association" means Waterloo Region Home Builders' Association of the Canadian Home Builders' Association;
  - "Board" means the Board of Directors of this Association and "Director" means a Member of that Board;
  - "Builder" means an individual or the principal of a firm that has a "Builder Membership" under Subsections 7(a) and 7(b).
  - "By-laws" means this by-law and all other by-laws of this Association as amended and which are, from time to time, in force and effect;
  - "CHBA" means Canadian Home Builders' Association;
  - "Chief Electoral Officer" shall be the Immediate Past President
  - "Code of Ethics" means WRHBA Code of Ethics;
  - "Constitution" means the incorporating documents and by-laws of this Association;
  - "Executive Committee" means the Committee of this Association established as set out in this By-law;

- "Executive Officer" means the chief staff officer of this Association;
- "Industry" means the new home building, residential renovation and development industry;
- "Meeting of Members" includes an Annual Meeting of Members and a Special Meeting of Members;
- "National level" means CHBA
- "OHBA" means Ontario Home Builders' Association
- "Officers" means Immediate Past President, President, 1<sup>st</sup> Vice President, 2<sup>nd</sup> Vice President, Treasurer
- "Provincial level" means Ontario Home Builders' Association;
- "Special resolution" means a resolution passed by a majority of not less than two-thirds of the votes cast on that resolution.

## 2. SEAL AND SYMBOLS

- a) This Association may, but need not, have a corporate seal; if adopted, the seal shall be in the form approved from time to time by the Board.
- b) The Seal of this Association shall remain in the custody of the Executive Officer, or such other person as the Board may determine from time to time.
- c) The Board may adopt an official emblem, based on the National Level emblem(s), for use by this Association, and all Members of this Association. The Board shall have the Authority to permit or restrict the use of this Association emblem from time to time, as it deems proper.
- d) The Board may adopt and register Trade Marks for use by this Association and all Members. The Board shall have the authority to permit the use of these Trade Marks subject to such conditions of use as the Board deems proper.

3. **HEAD OFFICE** - The head office of this Association shall be located in the Regional Municipality of Waterloo, Ontario, Canada.

## MISSION

4. **MISSION** - The Mission of this Association is:

- a) To represent the industry in all matters of policy, legislation and development affecting the builders of the Regional Municipality of Waterloo.
- b) To provide a forum for the presentation and review of problems and practices affecting builders and to act in such matters as this Association may deem advisable.
- c) To promote the free exchange of opinions and suggestions which will benefit the industry in general and that portion of it operating in the Province of Ontario in particular.
- d) To promote the general and declared policies of this Association.
- e) In cooperation with the National and Provincial levels of the Association, to establish and develop standards of practice for those engaged in the industry.

5. **NATIONAL, AND PROVINCIAL OBLIGATIONS**

- a) This Association shall maintain its status with the National and Provincial, subject to National and Provincial Level By-laws, as applicable.
- b) Each Member shall commit to the CHBA Code of Ethics, as an obligation of membership.
- c) This Association shall, from time to time, advise the National Level and Provincial Level of the names and addresses of the current Officers of this Association.

- d) This Association shall deliver to the National and Provincial Level as soon after October 31 in each year, and in any event no later than November 30, a list of the names, postal and e-mail addresses, telephone and fax numbers of its paid-up Members, according to the various classifications of Membership, as it prevails on October 31 of that year.
- e) This Association shall deliver to the National and Provincial Level quarterly notice of changes in its Membership as they occur throughout the year.

## MEMBERSHIP

- 6. **MEMBERS** - Members shall consist of builders as defined below, subcontractors, or dealers in supplies and services to the housing industry and related trades and professions, alone or in company with members of related professions and trades, who **adhere voluntarily** to the CHBA Code of Ethics.
- 7. **CATEGORIES** - Applications for membership should be subject to a review by the membership by notice in a regular publication or through other means. Membership shall be consistent with one of the following categories:
  - a) **Builder Membership** - shall be open to any person, firm or corporation that demonstrates, to the satisfaction of the Membership/Admissions Committee and the Board, that he/she/it is an experienced new home builder, renovator, developer of residential structures or Land Development.
  - b) **Builder Defined** - In this By-Law a reference to a builder shall include only those Members of this Association that comply with one or more of the following qualifications at the time the requirement is first applicable:
    - i) A builder is a Member firm, which takes responsibility (from a business and legal standpoint) for the creation or renovation of housing, by way of construction, including adaptive reuse, renovation or land development, and whether for sale, rental, or custom purchase. It includes a Member firm which may not then be active in such undertakings due to local market conditions.
    - ii) A builder firm's representative includes an employee, partner or shareholder, who is vested with formal decision-making authority for the fate of the business.
    - iii) Where it is unclear whether a Member is a builder within the meaning of this definition, the matter may be referred to the Executive and/or review process of this Association, by either the applicant or this Association for a ruling.
  - c) **Sub-contractor Membership** - shall be open to any person, firm or corporation that demonstrates, to the satisfaction of the Membership/Admissions Committee and the Board, that he/she/it is a sub-contractor in the industry.
  - d) **Supplier, Manufacturer, Service, Community Partner Membership** - shall be open to any person, firm or corporation that demonstrates, to the satisfaction of the Membership/Admissions Committee and the Board, that he/she/it is engaged in providing some form of service to the industry.
  - e) **Financial Membership** - shall be open to any person, firm or corporation that demonstrates, to the satisfaction of the Membership/Admissions Committee and the Board, that he/she/it is involved in lending related to the industry.
  - f) **Honourary Members** - may be conferred on any person and/ or company by the Board of this Association, in recognition of exceptional and meritorious service to WRHBA.
  - g) **Rights** - Except as otherwise specified in this By-law, all Members are treated equally. Each Member above shall be entitled to one vote, whether person, firm or corporation. The Board may, however, set different fees, with the approval of the Members under Section 12, for the different Membership categories above.
- 8. **APPLICATIONS** - Applicants for membership shall:
  - a) File an application for membership with the Executive Officer or designate. The application may be accompanied by the amount of the annual membership fee and is subject to review by the Association through the established review process.

- b) In each case the applicants shall agree to observe
    - i) the By-Laws of this Association,
    - ii) the WRHBA Code of Ethics, and
    - iii) statements of principle on good governance adopted by the National Level (in this By-Law referred to collectively as the "By-Laws").
  - c) Agree to hold this Association, its officers and members harmless with respect to any disciplinary procedures, which may be imposed upon him/her/it as a member.
  - d) Applicants shall further agree:
    - i) Where Association-required industry designation programs are in place, to achieve and maintain the required designations; and
    - ii) Where an Association-required voluntary workplace health and safety program is available, to participate in this program.
  - e) Applicants who build new homes shall further agree:
    - i) To register with applicable new home warranty programs; and
    - ii) To enrol all their new homes in same.
  - f) The above conditions also apply to applications for renewal of Membership.
9. **RIGHT TO REJECT** - The Executive Committee and /or the established review process as approved by the Board shall reserve the right to reject any application for membership in this Association and to revoke membership in this Association, if the provisions of the By-Laws are not met or are subsequently breached or if in the circumstances the Board is of the opinion that it is in the best interests of this Association to do so by the Executive and/or through the established review process as approved by the Board.
10. **ADMISSION** - Members shall be admitted to this Association following
- a) the established review process; as approved by the Board
  - b) acceptance, by the Executive Committee;
  - c) and payment of applicable membership fee
- The date of enrolment of new Members shall be the date on which their application is approved by this Association.
11. **IDENTIFICATION**
- a) Members shall be encouraged by this Association to use the Trade Marks or other appropriate graphics as distributed by the National, Provincial Levels and by this Association.
  - b) If a Member fails to maintain membership, all certificates and other sources of identification issued by this Association at the National, Provincial Levels and by this Association, to the Member, shall be returned.
12. **FEES** - This Association's membership fees (the "Local Membership Fees") shall be established annually, on the basis of a budget approved for each financial year of this Association by the Board, and shall include the current membership fee of the National and Provincial levels:
- a) It is the responsibility of this Association, to also collect the fees of the National and Provincial levels, in accordance with their respective By-laws, and remit same to the National and Provincial levels in accordance with their respective schedule of fees.

- b) The fees for new members enrolled within 2 months after the fiscal year-end of this Association in any year, shall be the full amount of the fees. The fees for new members enrolled between the commencement of the third month to and including the end of the twelve month after the fiscal year-end of this Association shall be prorated on a monthly basis from 10/12ths (3rd month) to 1/12th (12th month) of the full amount of this Association's fees .
  - c) There shall be no pro-rating of fees respecting the renewals of Memberships unless otherwise approved by the Board of Directors.
13. **END OF MEMBERSHIP** - The rights of a Member lapse when the Membership terminates for any of the following reasons:
- a) The Member dies, becomes insolvent , or in the case of a corporation is dissolved;
  - b) The Member 's term of Membership expires;
  - c) This Association is liquidated or dissolved;
  - d) Expulsion, under the terms of Appendix A of these By-laws; or
  - e) Resignation: any Member may resign at any time from this Association by submitting a written notice to this effect to the Executive Officer, accompanied by payment in full for any fees and assessments owing.
14. **RIGHTS ON TERMINATION**
- a) This Association may, without notice of any kind, cease communications to and acting on behalf of Members whose fees have not been paid within 2 months of the preceding fiscal year-end of this Association.
  - b) Notwithstanding the foregoing, in the event that any Member feels that service has been improperly interrupted, such Member may so advise the Executive Officer and service shall be restored to such Member until such time as the objection has been disposed of by the Board.
  - c) Upon any termination of Membership, the rights of the Member, including any rights in the property of this Association, automatically cease to exist.
15. **EXPULSION** - Members shall be expelled following Disciplinary Procedures in accordance with Appendix A, for any of the following reasons:
- a) Failure to abide by the Code of Ethics; and/or
  - b) Failure to abide by the rules and regulations of this Association;

## BOARD OF DIRECTORS

16. **ELIGIBILITY** - To be eligible to serve on the Board of Directors, an individual at the time of his election or appointment or within 10 days thereafter and throughout his term of office shall be a member (or employed by a member firm) in good standing with the Association.
17. **RESPONSIBILITY** - The governing body of this Association shall be a Board of Directors (the "Board"). No part of this Association's property may be distributed, directly or indirectly, to a Member, Director or Officer except in furtherance of this Association's activities. Every Director and Officer of this Association in discharging their duties shall
- a) act honestly and in good faith with a view to the best interests of this Association; and
  - b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, on the evidence available.
  - c) The Board shall be responsible for approving this Association's annual budget, fees and the implementation of resolutions and recommendations passed at the Annual Meeting of Members of this Association.
18. **COMPOSITION** - The Board ("the Directors") of this Association shall be composed of at least 15 Directors, of which 5 are Builder members as defined, Presidential Appointees and the Executive Officer as follows:

- a) The President and the Immediate Past President;
- b) 13 elected Directors (the "Elected Directors"), and,
- c) The First Vice-President, the Second Vice-President and the Treasurer who shall be elected by the Board from amongst the 13 elected Directors;
- d) Any Presidential Appointees, who shall serve in a non-voting capacity on the Board, and
- e) The Executive Officer, who shall serve in a non-voting capacity on the Board

19. **TERM OF OFFICE**

- a) Elected Directors shall hold Office commencing at the conclusion of the Annual Meeting of Members (the "Annual Meeting") and continuing until the conclusion of the next following Annual Meeting.
- b) No Officer may serve more than three successive terms in the same Office, except:
  - i) The Treasurer or Second Vice-President may stand for election by the Board, notwithstanding that they have served three successive terms in the same Office.
  - ii) Such vote by the Board may be taken only where the Executive Committee has submitted a report, to the Board, attesting that it is the opinion of the Executive Committee that this Association's interests will be benefited if such exceptional measures are undertaken;
  - iii) A candidate who has been so approved by the Board, if elected by the membership, may serve one more term, whereupon he/she may stand for re-election by the membership if his/her candidacy is approved again, according to the same exceptional proceedings provided in this section.

20. **OFFICERS** - The Officers to be elected by the Board from amongst the Board shall consist of

- a) The President (unless there is an automatic succession to that Office as set out in this By-Law), First Vice-President, Second Vice-President, and a Treasurer;
- b) To qualify to be elected either as the President or the First Vice-President, a candidate must:
  - i) Have been a Member of the Board for at least one full term in the immediately preceding four terms prior to the election of such Officer; and

The Elected Officers of this Association (other than the Immediate Past President) shall be elected in accordance with the procedures set down in this By-Law, at the first Board Meeting following the Annual Meeting of Members of this Association.

21. **AUTOMATIC SUCCESSION** - The Office of President shall be automatically assumed without an election by the retiring First Vice-President upon completion of the President's term of Office unless either

- i) The Board, prior to the Annual Meeting of Members, resolves that the automatic assumption of Office not take place, or,
- ii) The First Vice-President is unwilling or unable to assume the Office of President.

22. **DUTIES OF PRESIDENT** - The President shall, if present, preside at all meetings of this Association, and its' Board. Between meetings the President shall have authority to represent this Association and to act in its name within its declared policies. The President shall be an ex-officio Member of all committees, and shall perform all other duties normally associated with the Office of President.

23. **DUTIES OF IMMEDIATE PAST PRESIDENT** - The Immediate Past President may assist and advise the President and may be appointed Chief Electoral Officer.

24. **VICE-PRESIDENTS**

- a) The First Vice-President shall, in the absence or incapacity of the President, or upon his/her direction, perform all the duties of the President., may be the Chief Electoral Officer

- b) The Second Vice-President shall generally assist the President. In the absence or incapacity of the President and the First Vice-President, the Second Vice-President shall perform all the duties of the President.

25. **DUTIES OF TREASURER** - The Treasurer shall be responsible for the proper keeping of this Association's accounting records, and for the accounting of all monies collected and disbursed. The Treasurer shall present a financial statement at each meeting of the Executive and Board and at the Annual Meeting of the Members, and shall furnish such draft budgets from time to time as may be required. The day to day accounting may be delegated to the Executive Officer.

26. **DUTIES OF EXECUTIVE OFFICER**

- a) The Executive Officer shall perform the duties normally required of the Secretary of similar associations, including among other matters the maintenance of the records of this Association other than those which are the responsibility of other Officers.
- b) The Executive Officer shall liaise with other Home Builders' Associations, and governments, to further the overall image and identity of this Association, and to provide coordination between levels of this Association, He/she reports to the Executive Committee and the Board.
- c) The Executive Officer shall perform all other duties identified within the Job Description as approved by the Executive, which may be reviewed annually.

27. **REMUNERATION / REIMBURSEMENT**

- a) Unless otherwise specified in this By-Law, Members of the Board and elected Officers of this Association shall not receive any remuneration for their services, and under no circumstances shall receive income for personal benefit, provided however that the Directors and elected Officers of this Association may be reimbursed from time to time for their out-of-pocket disbursements incurred on behalf of this Association in accordance with Association policy from time to time.
- b) Every Director, Officer or employee of this Association or any other person who has undertaken or is about to undertake any duties or perform any act or deed for or on behalf of this Association, or any company or association or other person or entity associated with or controlled by it, and their heirs, executors, assigns and administrators, and their estates and effects respectively, (the "Indemnified") shall from time to time be indemnified and saved harmless out of the funds of this Association from and against:
  - i) subject to Subsection (ii) below, all costs, charges and expenses whatsoever which such Indemnified sustains or incurs in or about any action, suit or proceedings which is brought, or which is threatened to be brought, commenced or prosecuted against such Indemnified in respect of any act, deed, matter or thing whatsoever made, done or permitted by such Indemnified on behalf of this Association or any company or association or other person or entity associated with or controlled by this Association, and
  - ii) all other costs, charges and expenses which the Indemnified incurs or sustains in or about or in relation to the matters giving rise to the claim for indemnity, except such costs, charges or expenses as are occasioned by the wilful misconduct, neglect or default of the Indemnified.

28. **VACANCIES** - To fill a vacancy occasioned by the death, resignation, incapacity or disability of an Officer or Director,

- a) the Board may appoint a Member in good standing to serve out the remainder of the term of the Officer or Director replaced.
- b) If there is not a quorum of Directors, the Directors then in office shall call a special meeting of Members to fill the vacancy and, if they fail to call a meeting or if there are no Directors then in office, the meeting may be called by any Member.

29. **POWER TO SUSPEND**

- a) The Board may suspend or ask for the resignation of any Officer or Director (whether elected or otherwise) of this Association for conduct which, in its judgement, does not support the goals or objectives of this Association or for other just cause.

- b) The Members may, by ordinary resolution passed at a special meeting of members, remove any Director from office before the expiration of the Director's term and may elect a qualified individual to fill the resulting vacancy for the remainder of the term of the Director so removed, failing which such vacancy may be filled by the Board.
30. **DISSENT** - A Director or Officer resigning on principle, or who is removed or asked to resign, may submit written reasons for resigning, or for opposing removal if a meeting is called for that purpose. This Association shall thereupon give notice to the Members of the statement, advising them that the statement is available on request.

## ELECTIONS

### 31. **NOMINATIONS**

- a) There shall be a Nominating Committee composed of the Executive Committee.
- b) The role of the Nominating Committee is to assure that at least one qualified and suitable candidate is available for each position, and to the extent practical or possible in the circumstances nominate more than one candidate for each post to be elected.
- c) The Nominating Committee shall meet prior to the Annual Meeting of Members of this Association and shall submit its report to that meeting.
- d) Nominations for Directors and Officers must be made in writing (except for nominations made at the Annual Meeting by parties other than the Nominating Committee), and the willingness and the qualification of the persons nominated to stand for election must be proven to the satisfaction of the presiding Officer, at the time of making the nomination.
- e) Where there is only one nomination for any Office, the person nominated shall be declared elected by acclamation.
- f) Additional nominations may be made by Members from the floor at the Annual Meeting of Members, if duly seconded, and accepted by an eligible candidate.

### 32. **POLL**

- a) When there are more nominations for the Board than vacancies, a vote shall be taken by Secret Ballot under supervision of the Chief Electoral Officer. The election of Directors shall be held at the Annual Meeting of Members of this Association or under procedures as approved by the Board.
- b) a simple plurality of votes shall determine the result of any election.
- c) Immediately on the close of nominations, the Chief Electoral Officer shall prepare as many Ballots as there are persons entitled to vote, which Ballot shall list the candidates and cause the same to be made available to those entitled to vote.
- d) All Ballots shall be marked by the Chief Electoral Officer in such a way as to ensure that when returned it can be identified as a legitimate Ballot, but in such a way to ensure a Secret Ballot as well.
- e) At the same time the Chief Electoral Officer shall appoint scrutinizers to assist in the distribution, collection, verification and counting of all Ballots used in the election.
- f) Subject to what is set out in this By-Law relating to voting, any Member of this Association shall be entitled to vote in person for any Candidate for election, and to vote in person at any Meeting of Members of this Association.
- g) The Immediate Past President of this Association, or if such Officer is unable or unwilling to act, then the preceding Past President of this Association shall act as the Chief Electoral Officer of this Association, or failing either of such persons such other person as the Executive Committee may appoint.

## MEETING OF MEMBERS

33. **ANNUAL MEETING OF MEMBERS** - The Annual Meeting of Members of this Association shall be held at a time and place as the Board may decide. In addition to any other matters which may come before the Meeting, the Annual Meeting shall consider the following matters:
- a) A report by the President summarizing the activities and issues from the just completed year of this Association.
  - b) a report by the First Vice-President summarizing the activities and issues to be dealt with in the coming year.
  - c) Hearing of the report of the Treasurer.
  - d) The approval of the financial statements of this Association for the most recent fiscal year, having been previously reviewed by an independent Chartered Accountant.
  - e) The approval of the most recent financial statements of this Association.
  - f) **The appointment of an independent Chartered Accountant.**
  - g) The consideration of any changes to be made to this By-Law.
  - h) Such other matters as may come before the Meeting, including Nominations
  - i) Motions to adjourn.
34. **PARTICIPATION** - At the Annual Meeting of Members or any Special Meeting of Members of this Association, all Members of the Board, all Officers, the Auditor and Solicitor of this Association, and any Member of this Association, shall be entitled to attend and participate in the said Meeting, but voting is restricted to those so entitled.
35. **SPECIAL MEETINGS** - Special Meetings of this Association shall be held at a time and place as determined by the Board or upon a request in writing signed by:
- i) a majority of the Board, or
  - ii) at least two thirds of the Members of this Association provided that a notice specifying the matters to be dealt with at such meeting is also given at the same time as the request is delivered.

The request shall be delivered to the Executive Officer of this Association, or if none to the person carrying on the functions of the Executive Officer of this Association, which person shall forthwith cause a Meeting to be held and shall give at least 30 days' notice to all Members of this Association of the said Special Meeting and the matters to be discussed at that Meeting in the manner set out above. The said Meeting shall be held within 45 days of delivery of the request.

## COMMITTEES

36. **EXECUTIVE COMMITTEE**
- a) The Executive Committee shall assume all of the authority of the Board between Meetings of the Board with the exception of the authority to amend the Constitution and the By-Laws and shall conduct the affairs of this Association in accordance with this Association's Constitution, By-Laws and Policies.
  - b) The Executive Committee shall consist of the Officers as defined in this By-Law, together with the Executive Officer.
  - c) Meetings may be called by the President, a Vice-President or any two Executive Committee Members at any time.
  - d) The quorum shall be a simple majority of Members, exclusive of the Executive Officer.
37. **RESOLUTIONS COMMITTEE** - The Resolutions Committee shall consist of the Executive Committee or its delegate and be responsible for the presentation of resolutions annually to the Members of this Association based upon proposals submitted by the membership.

38. **STANDING COMMITTEES** - The Board may appoint Standing Committees on an annual basis. Those Standing Committees, if established, may address various subjects as the Board sees fit.
39. **COMMITTEES GENERALLY**
- a) In addition to the Standing Committees of this Association, the Board may appoint such special committees from among the membership for such purposes as may seem necessary and expedient.
  - b) A Past President's Committee may be formed by the Board and shall have the power to perform special functions, requiring experience in Association affairs, and serve in an advisory capacity to the Board.
  - c) All committees shall be governed by the provisions set out in this By-Law, in the absence of a specific provision attaching to such body.
  - d) All committees shall meet upon the call of the Chair or other presiding Officer or at the call of the President, the Board, or at least twenty-five percent (25%) of the Members of the body.
  - e) Except where specified in the terms of reference of a committee, all Chairs of committees shall be appointed by the Board or the Executive Committee.
  - f) The Terms of Reference relating to any committees shall be established and amended as necessary by the Board, and any such provisions shall have the effect of superseding the provisions of this By-Law where there is a conflict. Where there is no conflict, such body shall be governed by the provisions of this By-Law.
  - g) Unless otherwise determined by the Board, all committees shall report regularly to the Executive Officer, and prepare written reports for consideration by the Board.
  - h) No Member serving on any committee, including the Executive Committee, shall receive any remuneration for their services and under no circumstances shall receive income for personal benefit. Provided however that the Directors may provide that Members may be reimbursed from time to time for their out-of-pocket disbursements incurred on behalf of this Association in accordance with Association policy from time to time.
  - i) The Board shall be authorized to establish and disband committees.
  - j) Any committee member is subject to the same disclosure requirements as is imposed on a Director and set out in this by-law.

## PROCEDURES FOR MEETINGS

40. **NOTICES**
- a) Twenty-one (21) days' notice shall be given of any regular meeting of the Board, unless all Members of the Board consent to the calling of the meeting on such shorter notice or without notice as the case might be. Such consent may be obtained either before or after the meeting.
  - b) Notice of an adjourned Board meeting is not required if the time and place of the adjourned meeting is announced at the original meeting.
  - c) The Board may appoint a day or days in any month or months for regular meetings of the Board at a place and hour to be named. A copy of any resolution of the Board fixing the place and time of such regular meetings of the Board shall be sent to each Director immediately after being passed, but no other notice shall be required for any such regular meeting.
  - d) Notice of a general or special Meetings of Members of this Association shall be given to each Member at least thirty (30) days prior to such meeting and shall include a draft agenda of items for consideration. Such notice shall be sufficiently given if sent to each Member.

- e) Except as otherwise required by law or by this By-Law, any written notice required for a meeting of the Members, of the Board or of a committee, or any other notice required by this By-Law, may be delivered by fax, e-mail or similar electronic means. If the notice is for a meeting to be held by teleconference or by other electronic means, the notice should so state, and ask whether the recipient consents to the specific means of communication. If more than twenty-five percent (25%) of the eligible participants reply that they withhold consent, then it will be deemed that the meeting has not obtained the minimum percentage of participants needed to approve the holding of the meeting in this way.
- f) Notice of a meeting of members at which special business is to be transacted shall state the nature of that business in sufficient detail to permit the Member to form a reasoned judgment on the business and provide the text of any special resolution or by-law to be submitted to the meeting.
- g) The accidental omission to give any notice to any Member, Director, and Officer, Member of a committee or auditor, or the non-receipt of any notice by any such person or any error in any notice not affecting its substance shall not invalidate any action taken at any meeting to which the notice pertained.

41. **CONDUCT OF MEETINGS GENERALLY** - Except as otherwise required by law,

- a) A meeting of the Board or of a committee, may be conducted by teleconference or by other electronic means that permit the participants to communicate adequately with each other and which provide equal access to the technology to be used.
- b) Wherever this By-Law refers to a person being "present", such reference shall include persons who are participating by teleconference or other such electronic means. The Chair of the meeting shall ask the participants to identify themselves by voice, and any person whose participation is so noted shall be counted for the purpose of quorum. Voting shall normally be by voice votes, except where the meeting agrees to dispense with same, or where the Chair chooses to call for a show of hands or a ballot.
- c) Except where otherwise specified in these By-laws, a quorum shall be present when the Chair or other official presiding Officer is present together with at least one half of the Members of the committee. For the purpose of determining quorum at the Board or Executive Committee, a Director or Officer or Committee Member may be present in person, or by teleconference and/or by other electronic means.
- d) At any meeting, if a quorum is present at the opening of the meeting, the meeting may proceed with business even if a quorum is not present throughout the meeting.
- e) The meetings of the Board, of the Executive Committee, and of all Standing Committees, are open to the membership except where the Chair, with the consent of the meeting, declares that the subject-matter warrants that the meeting (or portion thereof) be held *in camera*.
- f) At the Board and the Executive Committee, a resolution in writing, signed by all those entitled to vote on that resolution at a meeting, shall be as valid as if it had been passed at the meeting. A copy of every such resolution in writing shall be kept with the minutes of the proceedings of the Directors or Executive Committee.
- g) Except as otherwise specified in these By-laws, *Roberts Rules of Order* shall govern all meetings conducted by this Association.

42. **BOARD MEETINGS**

- a) Meetings of the Board may be called by the President, a Vice-President or any two (2) Directors at any time; provided that for the first organization meeting following incorporation, such meeting may be called by any Director or incorporator.
- b) Provided that a quorum of Directors is present, a newly elected Board may, without notice, hold its first meeting immediately following the meeting of members at which such Board is elected.
- c) Special meetings of the Board may be called, upon seven (7) days clear notice by telephone or other electronic means either by:
  - i) The President, or

- ii) A group consisting of not less than twenty per cent (25%) of the Directors.
  - d) Subject to Section 40, meetings of the Board may be held at the registered office of this Association or at any other place as the Board may determine. The Board shall meet as often as is required to administer the affairs of this Association.
  - e) Such other experts, advisors, or other persons as the President may request or approve shall also be entitled to attend meetings of the Board.
  - f) For any meeting of the Board, the quorum shall be a simple majority of the Board Members.
43. **DECLARATIONS OF INTEREST** – a Director shall disclose in writing to this Association or request to have entered in the minutes of meetings of the Board or of the Executive Committee, the nature and extent of any interest that the Director has in any material contract or material transaction whether made or proposed, with this Association if the director:
- i) is a party to the contract or transaction,
  - ii) is a Director or officer, or an individual acting in a similar capacity, of a party to the contract or transaction or
  - iii) has a material interest in a party to the contract or transaction.
- Disclosure shall be timely, and a Director so having an interest in a contract or transaction shall not vote on any resolution to approve the contract or transaction.
44. **VOTING**
- a) Except where otherwise specified by law or these By-laws, all matters shall be determined by a simple majority vote.
  - b) No provisions for voting by mail or proxy shall be made.
45. **MEMBERS' RESOLUTIONS**
- a) A Member entitled to vote at an Annual Meeting may submit to this Association notice of any matter that the Member proposes to raise at the Meeting (a "Resolution") and shall be received by the association prior to the issuance of the notice of meeting.
  - b) If so requested by the Member, this Association shall include the Resolution in the notice of Meeting and, shall also include a statement by the Member in support of the Resolution and the name and address of the member.

## FINANCES

46. **SELF-SUPPORTING** - This Association shall be self-supporting and derive its budget requirements entirely from its Members and such other sources as are approved by the Board.
47. **FISCAL YEAR** - The fiscal year of this Association shall be from November 1<sup>st</sup> to October 31<sup>st</sup>.
48. **REVIEW OF FINANCIAL STATEMENTS**
- a) There shall be an annual review of this Association's financial statements by an independent Chartered Accountant, and this, together with a report from the Treasurer, shall be submitted to the Annual Meeting of Members
  - b) The Annual Meeting of Members shall appoint an independent Chartered Accountant to examine all books of account, vouchers and other financial records and report thereon to this Association.
49. **SIGNING AUTHORITY**
- a) The Board shall designate those Officers or staff members whose signatures shall be required on all cheques drawn on any bank account of this Association.

- b) The Seal shall be affixed to all documents where required or authorized. Such documents shall require the signature of any two of the Officers of this Association, being at the time of passing of this By-Law the following: President, First Vice-President, Second Vice-President, Treasurer, Immediate Past President and Executive Officer or, when the Office of Executive Officer is vacant, the Acting Executive Officer.
- c) Members of the staff and signing persons authorized to handle this Association's funds may be bonded, at the expense of this Association, in such amount as the Board shall determine.

50. **BANKING**

- a) The banking business of this Association shall be transacted at such bank, trust company or other firm or Association carrying on a banking business as the Board may authorize from time to time by resolution. The banking business or any part of it shall be transacted by an officer or officers of this Association and/or other persons as the Board may by resolution from time to time authorize.
- b) Membership fees and other monies collected by this Association shall be placed in a depository selected by the Board and shall be disbursed as the Board may direct.

51. **BORROWING** - The Directors may from time to time borrow money upon the credit of this Association on cheques, promissory notes, bills of exchange or otherwise in such amounts and subject to such terms as may be considered advisable; and may assign, transfer, convey, hypothecate, mortgage, charge or pledge any property of this Association, real or personal, moveable or immovable, present or future, including book debts, unpaid calls, rights, power, undertakings, franchises and this Association's own debentures as security for the fulfilment of any liabilities or obligations present or future, of this Association and may empower any person or persons to sell by private or public sale, assign, transfer or convey from time to time any such property, and may sign, make, draw, accept, endorse, execute and deliver on behalf of and in the name of this Association all such cheques, promissory notes, bills of exchange, drafts, acceptances, orders for the payment of money, warehouse receipts, bills of lading, agreements to give security, assignments, transfers, conveyances, hypothecs, mortgages, pledges, securities and other agreements, documents and instruments as may be necessary or useful in connection with the borrowing of money by another business of this Association.

52. **BOOKS AND RECORDS**

- a) The Books and Records of this Association include: this Association's incorporating documents; By-laws; Minutes of Members' meetings; Minutes of Committee meetings; Members' resolutions; Committee resolutions; debentures, notes or other evidence of indebtedness (secured or unsecured); Directors; Officers; Members; accounting records; Minutes of Directors' meetings; and Directors' resolutions.
- b) Any such Member may make such copies as the Member sees fit at the cost of the Member. The right to inspect shall not extend to any personnel files or confidential files without the written permission of the President.
- c) Any Member of this Association may inspect any Books and Records of this Association on reasonable notice at the Offices of this Association during normal business hours.
- d) Access to this Association's Books and Records may be only for ascertaining or participating in the affairs of this Association.
- e) This Association shall take reasonable precautions to prevent loss or inaccuracies in the above Records.

53. **STAFF**

- a) As directed by the Executive Committee, the Executive Officer shall be empowered to employ a staff adequate to carry on the business of this Association at such rates of compensation deemed fair and proper, within the limitations of the annual budget. Such expenditures in excess of the annual budget must be approved by the Executive Committee, subject to confirmation by the Board.
- b) As directed by the Executive Committee any staff member or employee of this Association may be removed by the Executive Officer whenever, in his/her judgement, it is deemed that his/her action best serves the interests of this Association. Any such removal shall be without prejudice to the contract rights, if any, of the person so removed.

54. **AMENDMENTS AND DISSOLUTION**

- a) This By-law may be adopted, repealed or amended by special resolution of a regular (or special) general meeting called for this purpose. Notice of the meeting shall be given to each of the members at least thirty (30) days prior to the meeting, and shall include a copy of the proposed amendments.
- b) This By-Law shall continue in force until a By-Law repealing or amending it shall have been validly passed and confirmed.
- c) No change in any provision of this By-Law shall have the effect of invalidating any act or thing done under any predecessor of this By-Law.
- d) Upon winding up, amalgamation or dissolution of this Association, all assets and accumulated revenue after satisfaction of debts or liabilities, are to be transferred to an organization with similar objectives, and such funds shall be used for promoting its objectives.



**Appendix A**  
**DISCIPLINARY PROCEDURES**  
**WATERLOO REGION HOME BUILDERS' ASSOCIATION**



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WHEREAS the Association has adopted a Code of Ethics which the Association wishes to enforce through the following Disciplinary Procedures, which form an integral part of the Bylaws of this Association:

## ARTICLE 1

**DEFINITIONS** - In this By-law and all other by-laws and resolutions of this Association, unless the context otherwise requires:

In this By-law, the following terms have the meanings set out hereunder:

- **"Appeal"** means: the appeal referred to in Article 17 hereof.
- **"Appeal Hearing"** means: the appeal hearing referred to in Article 19 hereof.
- **"Complaint"** means: a complaint referred to in Article 5 hereof.
- **"Decision"** means: a decision of the Ethics Committee under Article 16 hereof.
- **"Disciplinary Procedures"** means:
  - i) revocation of the membership of a Member, with or without a right to re-apply for membership from and after a specified date;
  - ii) refusal to renew the membership of a Member with or without a right to re-apply for membership from and after a specified date;
  - iii) suspension of the membership of a Member, upon such terms and for such period as either the Ethics Committee or the Board of Directors in their absolute discretion may determine;
  - iv) placing the Member on probation, upon such terms and for such period as either the Ethics Committee or the Board of Directors in their absolute discretion may determine;
  - v) issuing a reprimand or warning to the Member concerned; or
  - vi) sending a copy of the Decision of the Ethics Committee to Tarrion Warranty Corporation or any other appropriate body or authority.

**"Improper Conduct"** means:

- i) the failure by a Member to abide by the Bylaws, Rules, Regulations, or Code of Ethics of the Association;
- ii) professional negligence or incompetence; or
- iii) any other conduct by a Member, which in the opinion of the Ethics Committee or the Board of Directors does not become a Member of the Association or is injurious to the character and interests of the Association.

**"Member(s)"** means: the members from time to time of the Association.

**"Probation"** means: that the Member concerned continues to enjoy the rights and privileges of membership in the Association, subject to any terms imposed by either the Ethics Committee or the Board of Directors.

**"Suspension"** means: that the Member concerned is not entitled to enjoy the rights and privileges of membership in the Association for the period of the suspension, subject to any terms imposed by either the Ethics Committee or the Board of Directors.

**All other terms in these Disciplinary Procedures have the same meaning as in the Association's By-laws**

## Article 2: General

A Member of the Association may be subject to Disciplinary Procedures as a consequence of Improper Conduct by that Member, in the manner set out in this By-law.

## Article 3: Establishment of Ethics Committee

The Board of Directors shall establish, and, on an annual basis or such other basis as determined by the Board of Directors in its sole discretion, appoint Members of the Association to the Ethics Committee. The Ethics Committee shall be composed of at least five (5) Members who broadly represent the membership of the Association and who include at least one builder. Where vacancies occur on the Ethics Committee, the Board of Directors shall appoint such further Members as are necessary. Three Members of the Ethics Committee shall constitute a quorum.

## Article 4: Powers of the Ethics Committee

The Ethics Committee has the power:

- a) to consider and/or investigate Complaints from Members of the Association or from the general public concerning alleged improper conduct of Members;
- b) to, on its own motion or at the request of the Executive Officer or the Board of Directors, consider and/or investigate any allegation of Improper Conduct of Members;
- c) to provide notice to the Member concerned, in accordance with this By-law; and
- d) to conduct meetings in accordance with this By-law;
- e) to make a decision as to whether a Member has engaged in Improper Conduct and to impose Disciplinary Procedures; and
- f) to do such further and other acts as are required by this By-law or as are necessary or incidental to the powers set out in sub-sections (a) to (e) of Article 4 hereof.

## Article 5: Complaint in Writing

Where a Complaint is made by a Member of the Association or by the public, the Ethics Committee shall act only upon receipt of the Complaint in writing and signed by the complainant, setting out the nature of the alleged Improper Conduct and particulars in support of the Complaint (hereinafter referred to as the "Complaint").

## Article 6: Initial Review of Complaint

Upon receipt of a Complaint, the Executive Officer shall send a full copy of the Complaint together with the name of the person submitting the Complaint to the Member concerned by registered mail, together with a letter affording the Member concerned twenty (20) days after the notice has been sent in which to reply in writing to the Complaint.

All Complaints alleging a breach of the Code of Ethics shall be referred by the Executive Officer to the Ethics Committee.

## Article 7: Ethics Committee to Deal with Complaint

The Ethics Committee, in its sole discretion, shall meet to review a Complaint, and/or to impose Disciplinary Procedures. The Ethics Committee, in its sole discretion, may dismiss the Complaint at a meeting without requiring the Member concerned to be present. In the event of deliberations that may result in Disciplinary Procedures being imposed against a Member, notice shall be given to attend a meeting of the Ethics Committee as outlined in Article 9 of this By-law.

## Article 8: Complaint Against Member of Ethics Committee

Where the Member concerned is a member of the Ethics Committee, or is associated with or employed by a Member of the Ethics Committee, such Member of the Ethics Committee shall not be entitled to consider and/or investigate the Complaint. If, as a result of such disentanglement, a quorum of the Ethics Committee is not possible, the Board of Directors shall appoint such special Members of the Ethics Committee as are necessary to constitute a quorum. Any special Members of the Ethics Committee shall cease being Members of said committee as soon as the matter has been determined.

## Article 9: Notice of Complaint

Where a Complaint is referred to the Ethics Committee, the Ethics Committee shall send, by ordinary mail and registered mail to the Member concerned, particulars of the Complaint, alerting the Member that there could be serious consequences for his membership and/or disciplinary action, together with a notice requiring the Member to attend a Hearing of the Ethics Committee to be held no sooner than thirty (30) days after the notice has been sent (the "Hearing").

## Article 10: Notice of Improper Conduct

The Ethics Committee may consider and/or investigate any matter on its own motion, or at the request of the Board of Directors, and, if warranted, shall schedule a Hearing to consider any matter by giving notice thereof in writing by ordinary mail and registered mail to the Member concerned, providing particulars of the alleged Improper Conduct, alerting the Member that there could be serious consequences for his membership and/or other disciplinary action, and requiring the Member to attend the Hearing of the Ethics Committee to be held on a date no sooner than thirty (30) days after the notice has been sent by registered mail.

## Article 11: Conduct of Hearing of the Ethics Committee

A Hearing of the Ethics Committee in respect of a Complaint or matter referred to the Ethics Committee (the "Hearing") shall be conducted in the following manner:

- a) the Chairman of the Ethics Committee shall fully and completely present the nature and details of the Complaint and any information received as a result of the investigation;
- b) the Member, either orally or in writing, shall be afforded an opportunity to make full response to the particulars of the Complaint;
- c) the members of the Ethics Committee may ask questions of the Member in respect of the particulars of the Complaint;
- d) no matter other than the specific Complaint of which particulars have been given to the Member shall be addressed or considered at the Hearing; and

- e) the Member shall not be entitled to appear with counsel.

#### Article 12: Powers of the Ethics Committee at Hearing

At a Hearing, the Ethics Committee has the power, subject to the requirements of this By-law, to proceed in such a manner as in its absolute discretion it sees fit, and is not bound by the rules of evidence or other legal rules. Without limiting the generality of the foregoing, the Ethics Committee has the power:

- a) to summon before it any Member and to require the production by any Member of such documents and records as the Ethics Committee may request;
- b) to specify who may or may not attend the Hearing during the presentation of evidence or argument;
- c) to exclude cross-examination;
- d) to adjourn the hearing from time to time; and
- e) to receive evidence other than under oath.

#### Article 13: Failure of Member to Attend

Where the Member concerned fails to attend a Hearing of the Ethics Committee after having been sent the required notice as set out in Articles 9 or 10 hereof, the Ethics Committee may proceed to consider and determine the Complaint or other matter in the absence of the Member. In lieu of the Member's presence, written representations from the Member concerned shall be accepted and considered by the Ethics Committee as part of its deliberations

#### Article 14: Ethics Committee to Make Determination

The Ethics Committee shall consider all the information supplied and submissions made at the aforesaid Hearing and determine whether, in its opinion, the Member has engaged in Improper Conduct and impose such Disciplinary Procedure as the Ethics Committee deems advisable.

#### Article 15: Deferment of Disciplinary Procedures

The Ethics Committee has the power to defer any Disciplinary Procedures against a Member, pending compliance by that Member with any conditions the Ethics Committee, at its absolute discretion may impose.

#### Article 16: Decision of the Ethics Committee

The Ethics Committee shall render a Decision in writing stating:

- a) whether it has found Improper Conduct, and if so, the nature of the Improper Conduct so found;
- b) Disciplinary Procedures, if any, imposed by the Ethics Committee; and
- c) any other matter, which the Ethics Committee at its absolute discretion deems advisable.

The Decision of the Ethics Committee shall be approved by a majority of the members of the Ethics Committee in attendance at the Hearing in respect of the Ethics Committee decision.

## Article 17: Right of Appeal to Board of Directors

Within five (5) business days of the Hearing, the Member concerned shall be provided with the Decision of the Ethics Committee. The Member shall be given notice that he has the right to appeal the Decision of the Ethics Committee to the Board of Directors, and that he may exercise that right by notifying the Ethics Committee, in writing, within twenty (20) days after the Decision has been sent to him that he wishes to make written submissions to the Board of Directors and/or to attend the Board of Directors meeting to make oral submissions (the "Appeal"). Both the Decision of the Ethics Committee and the notice contemplated by this By-law shall be sent to the Member concerned by ordinary mail and registered mail.

## Article 18: Final Decision

If the Member concerned fails to appeal the Decision of the Ethics Committee to the Board of Directors within the time prescribed by this By-law, the Decision of the Ethics Committee shall become final and binding for the Member concerned.

## Article 19: Appeal Hearing By Meeting of Board of Directors

Where the Member concerned appeals the Decision of the Ethics Committee to the Board of Directors, the Member shall send a submission in writing by registered mail to the Board of Directors (to the attention of the Executive Officer) as to why the Decision should not be upheld, and may, if the Member so requests, also appear at an Appeal Hearing before the Board of Directors without legal counsel to make an oral submission to the Board of Directors.

Where an Appeal is made by a Member for a review of the Decision of the Ethics Committee, the Chairman of the Ethics Committee or his/her designate shall appear before the Board of Directors and provide the Board of Directors with a copy of the Ethics Committee Decision, a copy of any written document filed with the Ethics Committee and shall also give the Board of Directors an oral summary of the reasons for the Decision.

At the Appeal Hearing, the Board of Directors has the same powers as those conferred upon the Ethics Committee under Article 12. Despite Section 7.01 of By-Law No. 1 of the Association, the Board of Directors also has the power upon a two-thirds (2/3) majority vote of those members of the Board of Directors in attendance at the Appeal Hearing, to make any decision, as in its absolute discretion, it sees fit, concerning whether the Member has engaged in Improper Conduct and what, if any, Disciplinary Procedures should be taken, which may include action more or less severe than that imposed by the Ethics Committee. Without limiting the generality of the foregoing, the Board of Directors has the right at the Appeal Hearing to adopt or vary the Decision of the Ethics Committee as it sees fit, including the right to direct the Ethics Committee to conduct a new hearing.

## Article 20: Final Board Decision

The decision of the Board of Directors at the Appeal Hearing shall be final and binding upon the Member concerned.

## Article 21: No Written Response

The Member shall not be entitled to written reasons for the decision of the Appeal made by the Board of Directors, other than to summarize the Complaint and to state what Disciplinary Procedures or other action if any, is being imposed.

## Article 22: Complaint Against Member of Board

Where a Complaint or related matter is with respect to a Member who is also a member of the Board of Directors, or is associated with or employed by a member of the Board of Directors, such member of the Board of Directors shall not be entitled to attend or vote at a Hearing, an Appeal Hearing or any other meeting of the Ethics Committee or the Board of Directors concerning a Complaint or related matter.

## Article 23: Ethics Committee Members Cannot Vote at Board Meeting

No member of either the Ethics Committee who investigated, considered or determined a Complaint or a particular matter shall be entitled to vote at any meeting or Hearing (including, without limitation, an Appeal) at which that Complaint or matter is considered by the Board of Directors.

## Article 24: Breach of Probation or Suspension of Terms

Where a Member has been suspended or placed on probation on certain terms, the breach of any such terms by the Member also constitutes Improper Conduct within the meaning of this By-law, and shall be taken into consideration by the Ethics Committee in determining whether the membership of that Member should be revoked or any other Disciplinary Procedures taken.

## Article 25: No Re-Application of Membership

If a Member resigns from the Association before a pending Complaint or related matter is resolved, that Member may not subsequently reapply for membership.

## Article 26: Forfeiture of Interest

Upon resignation, termination, or revocation of membership in the Association or the refusal of the Association or failure by a Member to renew the membership, the Member concerned shall have no further interest in or claim to any assets of the Association, including dues and assessments.