

BY-LAW NO. 1

being a by-law relating generally to the transaction
of the affairs of the Tourism Vaughan Corporation

BE IT ENACTED AND IT IS HEREBY ENACTED as a by-law of the Tourism Vaughan Corporation (hereinafter called the "**Corporation**") that:

APPLICABLE LAW

1. As a municipal services corporation the Corporation is subject to legislative requirements beyond those imposed on standard business and not-for-profit corporations. The Corporation is subject to a number of statutes and regulations, including but not limited to the *Corporations Act* (Ontario), the *Municipal Act, 2001* (Ontario) and the Municipal Services Corporations Regulation under the *Municipal Act, 2001* (Ontario Regulation 599/06) or any successor or replacement legislation or regulation. This by-law and the activities of the Corporation shall conform with all applicable law.

INTERPRETATION

2. **Defined Terms.** The following terms shall have the meanings set out after them:

(a) **City:** The Corporation of the City of Vaughan.

(b) **Council:** The City's Mayor and Members of Council.

(c) **Council Resolution:** a resolution of Council reached pursuant to the City's Procedural By-law.

3. **Voting Member's Decisions and Actions.** Unless otherwise specifically provided for in this By-Law, any reference in this By-Law to a decision, determination or election made or vote exercised or action taken by the Voting Member shall reflect the consensus of the Council as memorialized in a Council Resolution.

HEAD OFFICE

4. The head office of the Corporation shall be in the City in the Province of Ontario, and at such place therein as the Directors may from time to time determine.

SEAL

5. The Corporation may have a corporate seal in the form approved from time to time by the Board of Directors and by the Voting Member. If a corporate seal is approved by the Board of Directors and by the Voting Member, the Secretary of the Corporation shall be the custodian of the corporate seal.

DIRECTORS

6. **Number and Quorum.** Until changed by special resolution or supplementary letters patent, the number of the Board of Directors of the Corporation shall be four (4) Directors. A majority of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. Notwithstanding vacancies on the Board of Directors, the remaining Directors may exercise all the powers of the Board of Directors so long as a quorum of the Board of Directors remains in office.

7. **Qualification.** Each Director shall be eighteen (18) or more years of age. No undischarged bankrupt shall be a Director, and, if a Director becomes a bankrupt, he or she thereupon ceases to be a Director.

8. **Election and Term of Office.** The Voting Member will elect Directors at each annual Member's meeting, and the Directors shall be elected to hold office for a term expiring not later than the close of the first (1st) annual Member's meeting following the election.

9. **Resignation.** A Director may resign the office of Director by notice in writing to the Corporation.

10. **Vacancies.** Any vacancy occurring in the Directors may be filled for the remainder of the term of such Director by an individual identified by the Voting Member by way of a Council Resolution.

11. **Removal of Directors.** The Voting Member may remove any Director before the expiration of the term of office and may fill the vacancy of a position of Director caused by any reason for the remainder of such term with an individual identified by the Voting Member by way of a Council Resolution.

12. **Meetings of Directors.** Meetings of the Board of Directors may be held at the head office of the Corporation or at any other place in Ontario. An annual calendar of meeting dates of the Board of Directors shall be posted on the City's website.

Meetings of the Board of Directors shall be regular and open (provided that such meetings may only be closed to the public if the subject matter is of the type listed in subsection 239(2) of the *Municipal Act, 2001* (Ontario) or any successor or replacement legislation).

In addition to scheduled meetings of the Board of Directors, the Chair of the Board or the Vice-Chair of the Board or any two (2) Directors may at any time call a special meeting of

the Board of Directors in order to address a matter of an urgent nature. Notice of such meeting shall be delivered, conveyed by telephone or transmitted by e-mail to:

(a) each Director; and

(b) the Voting Member (through the City Clerk for distribution to the Mayor and Members of Council and, as appropriate, to the public);

not less than twenty-four (24) hours before the meeting is to take place or shall be mailed to:

(c) each Director; and

(d) the Voting Member (through the City Clerk for distribution to the Mayor and Members of Council and, as appropriate, to the public);

not less than forty-eight (48) hours before the meeting is to take place.

After the election of Directors at a Member's meeting, for the first meeting of the Board of Directors to be held immediately following such meeting, or in the case of a Director elected to fill a vacancy on the Board of Directors, for the meeting at which such election is made, no notice of such meeting shall be necessary to the newly elected Director or Directors in order validly to constitute the meeting, provided a quorum of Directors be present.

No error or omission in giving such notice for a meeting of Directors shall invalidate such meeting or invalidate or make void any proceedings taken or had at such meeting and any Director may at any time waive notice of any such meeting and any Director may ratify and approve of any or all proceedings taken or had thereat.

The City Manager (or designate as identified by the City Manager from time to time) shall be entitled to receive all notices of a meeting of the Board of Directors of the Corporation required to be given to the Directors and shall be invited to join all meetings of the Board of Directors, but shall not be entitled to vote thereat.

By invitation of the Board of Directors the Executive Director of the Corporation (or designate as identified by the Executive Director of the Corporation from time to time) may attend meetings of the Board of Directors of the Corporation, but shall not be entitled to vote thereat.

13. **Signed By-Laws and Resolutions in Lieu of Meeting of the Board of Directors.** Any by-law or resolution signed by all the Directors is as valid and effective as if passed at a meeting of the Directors duly called, constituted and held for that purpose.

14. **Voting.** Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes. In case of any equality of votes, the Chair of the meeting shall not have a second or casting vote. All votes at any such meeting shall be taken by ballot if so demanded by any Director present, but, if no demand be made, the vote shall be taken in the usual way by assent or dissent. A declaration by the Chair of the meeting that a resolution has been carried and an entry to that effect in the minutes shall be *prima facie* evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

15. **Remuneration of Directors.** The Directors of the Corporation shall serve without remuneration from the Corporation and no Director shall directly or indirectly receive any profit from the position as such; provided that a Director may be paid by the Corporation reasonable expenses incurred in the performance of the duties as a Director.

16. **Indemnity of Directors and Officers.** Every Director or officer of the Corporation and the heirs, executors and administrators and, estate and effects, respectively of such Director or officer shall from time to time and at all times, be indemnified and saved harmless out of the funds of the Corporation from and against:

- (a) all costs, charges and expenses whatsoever which such Director or officer may sustain or incur in or about any action, suit or proceeding which is brought, commenced or prosecuted against such person, for or in respect of any act, deed, matter or thing whatsoever, made, done or permitted by such person, in or about the good faith execution of the duties of office;
- (b) all other costs, charges and expenses which such person may sustain or incur in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by such person's own wilful neglect or default or conduct outside the course and scope of his or her duties as a Director or officer of the Corporation.

17. **Protection of Directors and Officers.** No Director or officer 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 other act for conformity, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by order of the Board of Directors for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Corporation shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or corporation with whom any moneys, securities or effects of the Corporation shall be deposited, or for any loss, conversion, misapplication or misappropriation of or damage resulting from any dealings with any moneys, securities or other assets belonging to the Corporation or for any loss occasioned by any error of judgment or oversight on such person's part or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of the office or in relation thereto unless the same shall happen by or through such person's own wilful neglect or default or conduct outside the course and scope of his or her duties as a Director or officer of the Corporation.

The Directors may rely upon the accuracy of any statement or report prepared by the Corporation's auditor and shall not be responsible or held liable for any loss or damage resulting from any actions based upon such statement or report.

18. **Business Plans and Budgets.** Subject to Section 26 and any agreement with the Voting Member, the creation and management of business plans and an annual operating budget will be the responsibility of the Board of Directors for provision to the Voting Member (through the City Clerk for distribution to the Mayor and Members of Council) provided that each such budget shall be subject to the Voting Member's approval.

19. **Policies and Procedures.** Subject to Section 26 and any agreement with the Voting Member, the Board of Directors shall prepare corporate policies and procedures or adopt the Voting Member's policies and procedures. The Corporation shall maintain a log of such policies and procedures and shall make them available to the Board of Directors, to the Voting Member and its staff, and to the public.

COMMITTEES AND ADVISORS

20. **Committees.** The Board of Directors may appoint such committees as it, from time to time, considers advisable, provided that the Board of Directors shall appoint a Strategic Advisory Committee.

No committee shall have the power to act for or on behalf of the Corporation or otherwise commit or bind the Corporation to any course of action. Committees shall only have the power to make recommendations to the Board of Directors as the Board may, from time to time, direct. Members of committees shall be appointed by, and hold office at the pleasure of the Board of Directors. Members of committees need not be members of the Board. The chair of each committee shall submit to the Board such reports as the Board may, from time to time, request, but, in any event, each chair shall submit an annual report to the Board at such time as the Board may, from time to time, determine.

21. **Strategic Advisory Committee.** The Strategic Advisory Committee shall be comprised of tourism and hotel industry stakeholders and local business organizations and shall provide the Board of Directors with guidance and expertise related to the development of strategic marketing and business development plans in accordance with terms of reference to be established by the Board.

22. **Advisors.** The Board (subject to the approval of the Voting Member) or the Voting Member may from time to time appoint advisors to serve the Corporation in such positions other than as Officers, with such titles and with such powers and duties and for such terms of service, as the Board (subject to the approval of the Voting Member) or the Voting Member deems advisable.

MEMBERSHIP

23. **Membership.** The membership shall consist of the applicants for the incorporation of the Corporation and, upon its admission as a member by the Board of Directors, the City (upon which admission the membership of the applicants for the incorporation of the Corporation shall terminate).

Upon its admission as a member by the Board of Directors, the City shall be known as Voting Member.

The Voting Member shall be the City and upon passage of this by-law by the initial Board of Directors, such Voting Member shall be deemed to have been admitted by the Board of Directors as the sole Voting Member of the Corporation.

24. **Resignation.** Members may resign by resignation in writing.
25. **Voting.** The Voting Member shall be entitled to one (1) vote on each question arising at any special or general Member's meeting. At such a meeting, the representative of the Voting Member in attendance may vote on:
- (a) procedural matters; and
 - (b) other matters which are neither:
 - (i) fundamental matters; nor
 - (ii) matters specifically addressed elsewhere in this By-Law.

At such a meeting, the representative of the Voting Member in attendance may vote on the matters referred to in (i) and (ii) above to the extent the representative of the Voting Member has been authorized by the City to vote regarding such matters and only in accordance with such authority.

26. **Governance Framework.** The Voting Member may establish a corporate governance framework for decision-making, strategic planning, budget and business plans, and corporate policies.

MEMBER'S MEETINGS

27. **Meetings.** The annual or any special general Member's meeting shall be held at the head office of the Corporation or elsewhere in Ontario as the Board of Directors shall appoint. The Voting Member shall be entitled to be present at a Member's meeting. Any other person may be admitted at the invitation of the Chair of the meeting or with the consent of the meeting.
28. **Signed Resolutions in Lieu of Member's Meetings.** Any resolution signed by the Voting Member is as valid and effective as if passed at a Member's meeting duly called, constituted and held for that purpose.
29. **Agenda and Notice.** At every annual Member's meeting, in addition to any other business that may be transacted, the report of the Board of Directors, the financial statements and the report of the auditor shall be presented and a Board of Directors elected for the ensuing year. The Voting Member may consider and transact any business either special or general without any notice thereof at any Member's meeting. The Voting Member shall be entitled to call at any time a special general Member's meeting.
30. **Error or Omission in Notice.** No error or omission in giving notice of any annual or general Member's meeting or any adjourned meeting, whether annual or general, shall invalidate such meeting or make void any proceedings taken thereat and the Voting Member may at any time waive notice of an such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat.
31. **Adjournment.** Any Member's meetings may be adjourned to any time and from time to time and such business may be transacted at such adjourned meeting as might have been

transacted at the original meeting from which such adjournment took place. No notice shall be required of any such adjournment. Such adjournment may be made notwithstanding that no quorum is present.

32. **Quorum and Voting.** A quorum for the transaction of business at any Member's meeting shall consist of the Voting Member. At all Member's meetings every question shall be decided by the vote of the Voting Member in accordance with Section 25.

OFFICERS

33. **General.** The officers shall be a Chair of the Board (who shall be the President for the purposes of the *Corporations Act*), a Vice-Chair of the Board, and a Secretary as appointed by the Voting Member, and a Treasurer in accordance with Section 34. The Voting Member may appoint such other officers as the Voting Member may from time to time determine. Subject to Section 15 and subject to the approval of the Voting Member, the Board of Directors may fix the remuneration to be paid to officers, agents, servants, and employees.

34. **Treasurer.** The City Treasurer (or designate as identified by the City Treasurer from time to time) shall be the Treasurer of the Corporation.

35. **Vacancy.** A vacancy occurring from time to time in these offices may be filled by the Voting Member with an individual identified by the Voting Member by way of a Council Resolution. One (1) person may hold more than one (1) office except that of Chair of the Board and Secretary, and any person who holds both the office of Secretary and Treasurer, may be known as the Secretary-Treasurer.

36. **Duties of Chair of the Board and Vice-Chair of the Board.** The Chair of the Board shall, when present, preside at all Member's meetings and meetings of the Board of Directors. The Chair of the Board of Directors with the Secretary or other officer appointed by the Board of Directors for the purpose, shall sign all by-laws. The Chair of the Board shall perform such other duties as may from time to time be determined by the Voting Member. During the absence or inability of the Chair of the Board, the Chair of the Board's powers and duties may be exercised by the Vice-Chair of the Board, or such other Director as the Voting Member may from time to time appoint for the purpose and if the Vice-Chair of the Board or such other Director shall exercise any such duty or power, the absence or inability of the Chair of the Board shall be presumed with reference thereto.

37. **Secretary.** The Secretary shall give or cause to be given all notices required to be given to Members, Directors and the auditor, shall attend all meetings of the Board of Directors and all Member's meetings and shall enter or cause to be entered in books kept for that purpose minutes of all proceedings at such meetings. shall be the custodian of all books, papers, records, documents and other instruments belonging to the Corporation and shall perform such other duties as may from time to time be determined by the Voting Member.

38. **Treasurer.** The Treasurer shall keep full and accurate accounts of all receipts and disbursements of the Corporation in proper books of account and shall deposit all moneys or other valuable effects in the name and to the credit of the Corporation in such bank or banks as may from

time to time be designated by the Voting Member, shall disburse the funds of the Corporation under the direction of the Board of Directors, and shall render to the Board of Directors at the regular meetings thereof whenever required an account of all of transactions as Treasurer, and of the financial position of the Corporation and shall also perform such other duties as may from time to time be determine by the Voting Member.

39. **Duties of Executive Director.** The executive director, subject to the authority of the Board of Directors and the supervision of the Chair of the Board, shall be charged with the general management and supervision of the affairs and operations of the Corporation. The executive director shall perform all duties incidental to the office and shall have such other powers and duties as may from time to time be assigned by the Board of Directors.

40. **Other Officers.** The duties of all other officers shall be such as the terms of their appointment call for or the Voting Member requires of them. Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant, unless the Voting Member otherwise directs.

41. **Variation of Duties.** The Voting Member may from time to time, vary, add to or limit the powers and duties of any officer or officers.

42. **Agents and Attorneys.** The Board of Directors shall have power from time to time to appoint agents or attorneys for the Corporation with such powers of management or otherwise (including the power to subdelegate) as may be thought fit.

43. **Term of Office.** The term of office of each officer (other than the Treasurer) shall be such as the terms of their appointment provide, provided that the Voting Member may remove any officer and appoint a successor to serve for the remainder of the term with an individual identified by the Voting Member by way of a Council Resolution.

CONFLICTS OF INTEREST – DIRECTORS, OFFICERS AND ADVISORS

44. **Municipal Conflict of Interest Act.** The Directors and officers of the Corporation shall be deemed to be members for the purposes of the *Municipal Conflict of Interest Act* (Ontario) or any successor or replacement legislation.

45. **Conflicts of Interest.** A Director, officer or advisor who has a real or perceived direct or indirect interest in a contract, act, transaction, or proposal with the Corporation, whether direct or indirect, shall disclose their interest to the Board of Directors.

Where a Director has disclosed a conflict of interest with the Corporation the Director shall not debate or vote on the matter that is the subject of the conflict.

Where an officer or advisor has disclosed a conflict of interest with the Corporation the officer or advisor shall not advise on the matter that is the subject of the conflict.

Subject to compliance with the law, and subject to compliance with the conflict of interest provisions in this by-law, no contract or arrangement entered into by or on behalf of the Corporation in which a Director is directly or indirectly interested shall be voided or voidable and

no Director shall be liable to account to the Corporation or its Members or creditors for any profit realized from any contract or arrangement by reason of any fiduciary relationship.

Where a Director has failed to comply with the conflict of interest provisions of this by-law and where a contract or arrangement has been entered into with the Corporation, the contract may be deemed to be voided or voidable and the Director may be liable to account to the Corporation or its Members or creditors for any profit realized from the contract or arrangement by reason of a fiduciary relationship.

The Board of Directors in its discretion may submit any contract, act, transaction, or proposal with the Corporation for approval or ratification by the Voting Member and, subject to the provisions of the *Corporations Act*, any such contract, act, transaction, or proposal that shall be approved or ratified or confirmed by the Voting Member shall be valid and binding upon the Corporation.

A Director, officer or advisor who has a real or perceived direct or indirect interest in a contract, act, transaction or proposal with the City shall disclose this to the Board of Directors.

When any City employee or any individual appointed by the City who is carrying out his or her duties with respect to City business or with respect to the Corporation in the capacity as a Director or officer of the Corporation, such City employee or individual appointed by the City shall not be deemed to have a conflict of interest.

Where a Director, officer or advisor has disclosed a conflict of interest with the City the person shall not debate, vote or advise the Corporation on the matter, nor shall the Director, officer or advisor lobby, advise or make recommendations to, Council on the matter that is the subject of the conflict.

AUDITOR AND AUDITS

46. **Auditor.** The external auditor for the Voting Member shall be the external auditor for the Corporation, and shall have all of the rights and powers of an auditor provided under the *Municipal Act, 2001*.

47. **Audits.** The Corporation shall be subject to audit by the Voting Member's Internal Auditor (or designate as identified by the Voting Member's Internal Auditor from time to time), as required by the Voting Member.

EXECUTION OF DOCUMENTS

48. **Execution.** Subject to the approval of the Voting Member and this by-law, the Board of Directors shall establish a policy regarding authority to sign in the name and on behalf of the Corporation all instruments in writing and any instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. Subject to the approval of the Voting Member and this by-law, the Board of Directors shall have power from time to time to appoint any other officer or officers or any person or persons on behalf of the Corporation either to

sign instruments in writing generally or to sign specific instruments in writing. Notwithstanding the preceding, prior to the establishment of the policy referred to in the first sentence of this provision, contracts, documents or any instruments in writing requiring the signature of the Corporation shall be signed by any two (2) of the initial Directors of the Corporation, and all contracts, documents and instruments in writing so signed shall be binding upon the Corporation without further authorization or formality.

BORROWING

49. **Borrowing.** Subject to the limitations (if any) set out in the *Corporations Act*, the Letters Patent of the Corporation, this By-law, or any agreement with the Voting Member, and only with the approval of the Voting Member, the Board of Directors may:

- (a) borrow money on the credit of the Corporation;
- (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.

BANKING

50. **Accounts.** The City Treasurer (or designate as identified by the City Treasurer from time to time) shall open and administer a corporate bank account(s) for the Corporation, including making deposits, transfers and issuing cheques as required and as directed by the Corporation.

51. **Signing Authority.** The City Treasurer (or designate as identified by the City Treasurer from time to time) and the City Deputy Treasurer (or designate as identified by the City Deputy Treasurer from time to time) and/or such other persons identified by the Board of Directors and approved by the Voting Member from time to time shall be signing officers of the Corporation with respect to banking matters.

NOTICE

52. **Notice.** Whenever under the provisions of this by-law notice is required to be given, such notice may be given either personally or sent by e-mail or other electronic transmission, or by depositing same in a post office or public letter box, in a post-paid, sealed wrapper addressed to the Director, officer or member at the address, as the same appears on the books of the Corporation. For the purpose of sending any notice, the address of any member, Director or officer shall be the last address as recorded on the books of the Corporation. Whenever under the provisions of this by-law notice is required to be given to the City Clerk or City Manager, such notice may be sent by e-mail to the relevant email address provided from time to time by each of the City Clerk or City Manager. A notice or other document so sent by post shall be deemed to be sent at the time when the same

was deposited in a post office or a public letter box as aforesaid, or if sent by e-mail or electronic transmission shall be deemed to be sent upon transmission.

BOOKS AND RECORDS

53. **Books and Records.** The Directors shall see that all necessary books and records of the Corporation required by this by-law of the Corporation or by any applicable statute or law are regularly and properly kept.

FISCAL YEAR

54. The fiscal year of the Corporation shall terminate on the 31st day of December in each year. The first fiscal year of the Corporation shall terminate on the 31st day of December, 2019.


DISSOLUTION

55. Upon the dissolution of the Corporation, after the payment of all the debts and liabilities of the Corporation, its remaining property shall be distributed and disposed of to The Corporation of the City of Vaughan, as a municipal government and the Voting Member.


INTERPRETATION

56. In all of the by-laws of the Corporation where the context so requires or permits, the singular shall include the plural and the plural singular, the word "person" shall include firms and corporations, and the masculine gender shall include the feminine and neuter gender.

ENACTED this 13 day of January, 2020.



Chair of the Board of Directors



Secretary