

LUTHERWOOD

BY-LAW NUMBER 2012-1

A By-Law relating generally
to the conduct of the affairs of
LUTHERWOOD

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As of May 31, 2012

BY-LAW NUMBER 2012-1**A By-Law relating generally to the conduct of the affairs of
*LUTHERWOOD***

WHEREAS the Corporation was amalgamated by Letters Patent issued under the Act and dated the 1st day of December, 1998.

AND WHEREAS it is considered expedient to enact a new General By-Law relating generally to the conduct of the affairs of the Corporation, and which repeals all former By-Laws of the Corporation;

BE IT THEREFORE ENACTED as a By-Law of the Corporation as follows:

1. INTERPRETATION**1.1 Meaning of Words**

In this By-Law and all other By-Laws and resolutions of the Corporation unless the context otherwise requires:

- 1.1.1 the singular includes the plural;
- 1.1.2 the masculine gender includes the feminine;
- 1.1.3 "Act" means the *Corporations Act*, R.S.O. 1990, Chapter C.38, and any statute amending or enacted in substitution therefor, from time to time;
- 1.1.4 "Board" means the Board of Directors of the Corporation;
- 1.1.5 "Board Policy" means any policy approved from time to time by the Board;
- 1.1.6 "By-Law" or "By-Laws" means this By-Law and any other By-Law of the Corporation that may be in force;
- 1.1.7 "Committee" means any Committee established by the Board pursuant to Article 10;
- 1.1.8 "Corporation" means LUTHERWOOD;
- 1.1.9 "Director" means a person who has been elected to the office of Director in accordance with Article 4, or appointed to fill a vacancy in the office of Director in accordance with section 4.1;
- 1.1.10 "documents", includes deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property, real or personal, immovable or movable, agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of shares, bonds, debentures or other securities and all paper writings;
- 1.1.11 "Executive Officers" means the persons who hold the offices enumerated in section 8.1;
- 1.1.12 "Member" means a person who has been admitted as a Member in accordance with Article 3;
- 1.1.13 "Resident" means any person who is a resident of Luther Village on the Park or any other seniors' facility or a client of any seniors' program that Lutherwood or any of its affiliates may own or operate in the future;

1.1.14 "Special Resolution" means a resolution passed by the Directors and confirmed with or without variation by at least two-thirds (2/3) of the votes cast at a General Meeting of the Members of the Corporation called for that purpose.

1.2 Corporations Act Terms

All terms defined in the Act have the same meanings in this By-Law and all other By-Laws and resolutions of the Corporation.

2. HEAD OFFICE

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

3. MEMBERSHIP

3.1 Composition

There shall be one (1) class of membership in the Corporation, consisting of those persons who are from time to time the Directors of the Corporation, each of whom shall cease to be a Member immediately upon ceasing to be a Director, without further action or formality.

3.2 Voting

Each Member shall be entitled to vote in any proceedings of the Corporation, as further provided in section 7.5.

3.3 Transfer of Membership

Membership in the Corporation is not transferable.

3.4 Revocation of Membership

Any Member may be expelled from the Corporation for cause by a two-thirds (2/3) vote taken by ballot of the Members present and eligible to vote at an Annual or other General Meeting of Members.

3.5 Termination of Membership

A membership in the Corporation automatically terminates upon the happening of any of the following events:

- 3.5.1 if a Member, in writing, resigns as a Member of the Corporation;
- 3.5.2 if the person ceases to be a Director of the Corporation;
- 3.5.3 if a Member dies; or
- 3.5.4 if a Member is expelled from the Corporation pursuant to section 3.4.

3.6 Liability of Members

Members shall not, as such, be held answerable or responsible for any act, default, obligation or liability of the Corporation or for any engagement, claim, payment, loss, injury, transaction, matter or thing relating to or connected with the Corporation.

4. BOARD OF DIRECTORS

4.1 Board

Subject to the provisions of any Special Resolution changing the number of Directors, the affairs of the Corporation shall be managed by a Board composed of thirteen (13) Directors, who shall hold office pursuant to section 5.2. Any criteria for Board composition or eligibility of Directors shall be as determined from time to time by Board Policy or approved by By-Law.

4.2 Election of Directors

Directors shall, subject to the provisions of section 4.3, be elected in the manner set out in Article 5 and each of whom, subject to the provisions of the Letters Patent and the Supplementary Letters Patent, shall hold office until the third Annual Meeting after election to office or until the successor of the Director has been elected and qualified.

4.3 Qualifications

Each Director shall:

- 4.3.1 not be a Resident;
- 4.3.2 automatically become upon election of the person as, and thereafter remain throughout the term of office, a Member of the Corporation who is qualified by the terms of this section 4.3 to hold office;
- 4.3.3 be at least eighteen (18) years of age;
- 4.3.4 not be an undischarged bankrupt or a mentally incompetent person;
- 4.3.5 hold such other qualifications as determined from time to time by Board Policy or approved by By-Law.

If a person ceases to be qualified by the terms of this section 4.3 to hold office, the person thereupon ceases to be a Director, and the vacancy so created may be filled in the manner prescribed by section 4.5.

4.4 Quorum

A quorum for the transaction of business at meetings of the Board shall be the smallest whole number that is not less than a majority of the number of members of the Board, and no business shall be transacted at any meeting unless the requisite quorum is present at the commencement of such business.

4.5 Vacancies

So long as a quorum of the Directors remains in office, a vacancy on the Board may be filled for the unexpired term by the Directors. If no quorum of Directors exists, the remaining Directors shall forthwith call a General Meeting of Members to fill the vacancies on the Board.

4.6 Removal of Directors

The Members entitled to vote may, by resolution passed by at least two-thirds (2/3) of the votes cast at a General Meeting of which notice specifying the intention to pass the resolution has been given, remove any Director before the expiration of the term of office, and may, by a majority of the votes cast at that meeting, elect any person in the place and stead of the person removed for the remainder of term of the removed Director. The Director being considered for removal shall not be entitled to cast a vote on the question.

4.7 Remuneration of Directors

The Directors of the Corporation shall serve as such without remuneration. Directors shall, however, be entitled to receive reimbursement for reasonable expenses incurred in carrying out their duties on behalf of the Corporation.

4.8 Responsibility for Acts

The Directors, while in office, shall not be under any duty or responsibility in respect of any contract, act or transaction whether or not made, done or entered into in the name or on behalf of the Corporation, except such as shall have been submitted to and authorized or approved by the Board.

5. ELECTION OF THE BOARD

5.1 Election in Rotation

Subject to the provisions of the Act, Directors shall be elected by the Members entitled to vote and shall retire in rotation. At the first meeting of Members called for the election of Directors following the passage of this By-Law, the Board shall be elected in the following manner:

- 5.1.1 three (3) Directors shall be elected for three (3) years;
- 5.1.2 three (3) Directors shall be elected for two (2) years; and
- 5.1.3 four (4) Directors shall be elected for one (1) year.

Subsequently, any Director whose term of office has expired shall then be elected for a term ending at the third Annual Meeting following the Director's election.

5.2 Term of Office

The term of office of Director shall be three (3) years, to expire at the third Annual Meeting following election.

5.3 Re-Election

A Director, if otherwise qualified, is eligible for election for three (3) consecutive full three (3) year terms, and thereafter is not eligible for re-election until a period of eleven (11) months has elapsed from the date of retirement of such Director.

Provided however that this section 5.3 shall not apply so as to prevent any person who is an Executive Officer to continue to serve as a Director for the remainder of the traditional cycle, if any, of service in offices then in progress.

5.4 Elections

At each Annual Meeting a number of Directors equal to the number of Directors retiring shall be elected for the term of office established in section 5.2.

5.5 Nominations

Candidates for the office of Director shall include:

- 5.5.1 the slate of candidates for office proposed by the Nominating Committee, or if there is no Nominating Committee, by the Executive Committee (if any); and
- 5.5.2 the persons whose names are put in nomination by written notice delivered to the Secretary by any Member entitled to vote at any time before the close of business on the twentieth (20th) day prior to the date of the meeting of Members at which the election of Directors is held.

5.6 Election Method

Where:

- 5.6.1 the number of candidates nominated is equal to the number of offices to be filled, the secretary of the meeting shall cast a single ballot electing that number of candidates for the offices; and
- 5.6.2 the number of candidates nominated is greater than the number of offices to be filled, the election shall be by ballot.

5.7 Forms

The Board may prescribe the form of nomination paper and the form of a ballot.

6. MEETING OF DIRECTORS

6.1 Calling Meetings

Meetings of the Board and of the Executive Committee (if any) may be held at any place within or outside Ontario, as designated in the notice calling the meeting. Meetings of Board may be called by the Chair of the Board, Vice-Chair, Secretary or any two (2) Directors.

6.2 Notice of Meetings

Subject to the provisions of section 6.3, notice of Board meetings shall be given to each Director by one of the following methods:

- 6.2.1 by telephone, facsimile, email or other electronic method not less than two (2) days before the meeting is to take place; or
- 6.2.2 by prepaid letter post not less than ten (10) days before the meeting is to take place, the giving of which shall be in accordance with section 17.1.

The statutory declaration of the Secretary or Chair of the Board that notice has been given pursuant to this By-Law shall be sufficient and conclusive evidence of the giving of such notice. No formal notice of a meeting is necessary if all the Directors are present or if those absent have signified their consent to the meeting being held without notice and in their absence.

6.3 Regular Meetings

The Board may appoint one or more days in each year for regular meetings of the Board at a place and time named; no further notice of the regular meetings need be given. The Board shall hold a meeting within seven (7) days following the Annual Meeting of the Corporation for the purpose of organization, the election and appointment of Officers and the transaction of any other business.

6.4 Meetings by Electronic Conference

If all persons who are members of the Board or a Committee (as the case requires) consent thereto generally or in respect of a particular meeting and each has adequate access, such persons may participate in a meeting of the Board or Committee by means of such conference telephone or other communications facilities as permit all persons participating in the meeting to hear each other, and a person participating in such a meeting by such means is deemed to be present at the meeting.

Provided that at the outset of each such meeting, and whenever votes are required, the chair of the meeting shall call roll to establish quorum, and shall, whenever not satisfied that the proceedings of the meeting may proceed with adequate security and confidentiality, unless a majority of the persons present at such meeting otherwise require, adjourn the meeting to a predetermined date, time and place.

6.5 Voting

Each Director shall have one (1) vote on all questions arising at any meeting of the Board. Questions arising at any meeting of the Board shall be decided by a majority vote. In the case of an equality of votes, the question shall be deemed to have been lost. At all meetings of the Board, every question shall be decided by a show of hands unless a ballot on the question is required by the chair or requested by any Director. A declaration by the chair that a resolution has been carried and an entry to that effect in the minutes is conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the resolution.

6.6 Written Resolutions

Subject to the Act, a resolution in writing, signed by all the Directors entitled to vote on that resolution at a meeting of Directors or Committee of Directors, is as valid as if it had been passed at a meeting of Directors or Committee of Directors called, constituted and held for that purpose.

7. MEETINGS OF THE MEMBERS

7.1 Annual Meeting

The Annual Meeting of the Members shall be held each year within Ontario, at a time, place and date determined by the Board, for the purpose of:

- 7.1.1 hearing and receiving the reports and statements required by the Act to be read at and laid before the Corporation at an Annual Meeting;
- 7.1.2 electing such Directors as are to be elected at such Annual Meeting;
- 7.1.3 appointing the auditor and fixing or authorizing the Board to fix the remuneration therefor; and
- 7.1.4 the transaction of any other business properly brought before the meeting.

7.2 General Meeting

The Board may at any time call a General Meeting of Members for the transaction of any business, the general nature of which is specified in the notice calling the meeting. A General Meeting of Members may also be called by the Members as provided in the Act.

7.3 Notice of Meetings

Notice of the time, place and date of meetings of Members and the general nature of the business to be transacted shall be given at least ten (10) days before the date of the meeting to each Member (and in the case of an Annual Meeting to the auditor of the Corporation) by sending notice by any one of the methods set out in section 17.1.

7.4 Quorum

A quorum for the transaction of business at meetings of the Members shall be a majority of all of the Members of the Corporation entitled to vote, and present in person or represented by proxy (with at least two (2) persons present in person), and no business shall be transacted at any meeting unless the requisite quorum is present at the commencement of such business;

7.4.1 Provided however that where:

- 7.4.1.1 less than a majority, but two (2) or more, persons are present in person after one-half hour after the commencement time specified in the notice calling the meeting of Members; and

- 7.4.1.2 the business transacted is limited to the selection of a chair and a secretary for the meeting, the recording of the names of those present, and the passing of a motion to adjourn the meeting with or without specifying a date, time and place for the resumption of the meeting,

then two (2) persons present in person constitute a quorum.

7.5 Voting by Members

Each Member entitled to vote on any matter proposed for consideration shall have one (1) vote on all questions arising at any meeting of the Members. Unless otherwise required by the provisions of the Act or the By-Laws of the Corporation, all questions proposed for consideration at a meeting of Members shall be determined by a majority of the votes cast by Members entitled to vote. In the case of an equality of votes, the question shall be deemed to have been lost.

7.6 Proxies

Every Member entitled to vote at meetings of Members may by means of a proxy appoint a person who need not be a Member, as nominee for the Member, to attend and act at the meeting in the manner, to the extent and with the power conferred by the proxy. A proxy shall be in writing, and any notice calling a meeting of Members shall include a form of proxy, or a reminder of a voting Member's right to use a proxy. A proxy shall be executed by the Member entitled to vote or the attorney of the Member authorized in writing, or, if the Member is a body corporate, under its corporate seal or by an officer or attorney thereof duly authorized, and ceases to be valid one year from its date. Subject to the requirements of the Act, a proxy may be in such form as the Board from time to time prescribes or in such other form as the chair of the meeting may accept as sufficient, and shall be deposited with the secretary of the meeting before any vote is called under its authority, or at such earlier time and in such manner as the Board may prescribe.

7.7 Show of Hands

At all meetings of Members every question shall be decided by a show of hands unless otherwise required by a By-Law of the Corporation or unless a ballot is required by the chair or requested by any Member entitled to vote. Upon a show of hands, every Member entitled to vote, or proxyholder for a Member entitled to vote, present in person shall have one (1) vote. Whenever a vote by show of hands has been taken upon a question, unless a ballot is requested, a declaration by the chair that a resolution has been carried or lost by a particular majority and an entry to that effect in the minutes of the Corporation is conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the motion.

7.8 Chair

In the absence of the Chair of the Board or the Vice-Chair, the Members entitled to vote present at any meeting of Members shall choose another Director as chair and if no Director is present or if all the Directors present decline to act as chair, the Members present shall choose one of their number to be chair.

7.9 Ballots

If at any meeting a ballot is requested on the election of a chair or on the question of adjournment, it must be taken forthwith without adjournment. If a ballot is requested on any other question, it shall be taken in the manner and either at once or later at the meeting or after adjournment as the chair directs. The result of a ballot shall be deemed to be the resolution of the meeting at which the ballot was requested. A request for a ballot may be withdrawn at any time prior to the taking of the ballot.

7.10 Adjournments

Any meeting of Members may be adjourned to any time and from time to time, and any business may be transacted at any adjourned meeting that might have been transacted at the original meeting from which the adjournment took place. No notice is required of any adjourned meeting.

7.11 Written Resolutions

Subject to the Act, a resolution in writing, signed by all the Members entitled to vote on that resolution at a meeting of Members or Committee of Members, is as valid as if it had been passed at a meeting of Members or Committee of Members called, constituted and held for that purpose.

8. OFFICERS

8.1 Executive Officers Named

There shall be the following Executive Officers:

- 8.1.1 a President, who shall be known as the Chair of the Board, elected by and from among the members of the Board;
- 8.1.2 a Vice-Chair, elected by and from the members of the Board;
- 8.1.3 a Secretary and a Treasurer (or a Secretary-Treasurer), who may but need not be Directors, appointed by the Board; and
- 8.1.4 such other Officers as are provided in this Article 8.

8.2 Term of Office of Executive Officers

The Chair of the Board shall hold office for a three (3) year term and shall be eligible for re-election as provided in section 5.3. Any other Executive Officer who is also a Director shall hold office for a period of one (1) year. Each term of office shall expire at the relevant Annual Meeting following election or appointment. Any Executive Officer who is not a Director shall be appointed by the Board and shall hold office at the pleasure of the Board, or pursuant to terms of employment. Any Executive Officer may hold more than one office, except the Chair of the Board shall not be entitled to also hold the office of the Vice-Chair.

8.3 Remuneration of Executive Officers

Any Executive Officer who is a Director shall not be entitled to remuneration for acting as such, but shall be entitled to reimbursement for reasonable expenses incurred in carrying out their duties.

8.4 Election/Appointment of Executive Officers

Executive Officers shall be elected or appointed by resolution of the Board at the first meeting of the Board following the Annual Meeting of Members at which the Directors are elected.

8.5 Chair of the Board

The Chair of the Board shall, when present, preside at all meetings of the Board, the Executive Committee and the Members. The Chair of the Board shall, if there shall be no Chief Executive Officer in office, supervise the affairs and operations of the Corporation, sign all documents requiring the signature of the Chair of the Board, and have the other powers and duties from time to time prescribed by the Board or Executive Committee (if any) or incident to the office.

8.6 Vice-Chair

During the absence or inability to act of the Chair of the Board, the duties and powers of the office may be exercised by the Vice-Chair (or if more than one, by the Vice-Chairs in order of seniority). If a Vice-Chair exercises any of those duties or powers, the absence or inability to act of the Chair of the Board shall be presumed with reference thereto. The Vice-Chair shall also perform the other duties from time to time prescribed by the Board or Executive Committee (if any) or incident to the office.

8.7 Secretary

The Secretary shall act as secretary of each meeting of the Corporation, the Board or Executive Committee (if any); shall attend all meetings of the Board and of the Executive Committee (if any) to record all facts and minutes of those proceedings in the books kept for that purpose; shall give all notices required to be given to Members and to Directors; shall be the custodian of the corporate seal of the Corporation, if any, and of all books, papers, records, correspondence and documents belonging to the Corporation; and shall perform the other duties from time to time prescribed by the Board or Executive Committee (if any) or incident to the office.

8.8 Treasurer

The Treasurer shall keep or cause to be kept full and accurate accounts of all receipts and disbursements of the Corporation in proper books of account; shall deposit all moneys or other valuable effects in the name and to the credit of the Corporation in the bank or banks from time to time designated by the Board or Executive Committee (if any); shall disburse the funds of the Corporation under the direction of the Board or Executive Committee (if any), taking proper vouchers therefor; shall render to the Board or Executive Committee (if any), whenever required, an account of all transactions as Treasurer and of the financial position of the Corporation; shall co-operate with the auditors of the Corporation during any audit of the accounts of the Corporation; and shall perform the other duties from time to time prescribed by the Board or Executive Committee (if any) or incident to the office.

8.9 Chief Executive Officer

The Board may, following such procedures and criteria as determined from time to time by Board Policy or approved by By-Law, appoint a Chief Executive Officer who shall, subject to the direction of the Board and/or the Chair of the Board supervise and control the operations of the Corporation. The Chief Executive Officer shall have the right to receive notice of, to attend, to speak (but not to vote) at all meetings of the Board, any Committee of the Board (including the Executive Committee) and the Members of the Corporation, except those meetings where the terms of employment, compensation or performance of the Chief Executive Officer are discussed.

8.10 Delegation of Duties

Except as may otherwise be required by law, any officer may delegate the duties of the office to another person; provided, however, that the delegating Officer remains responsible for such duties.

8.11 Board Appoint Other Officers

The Board may from time to time appoint such other Officers as it considers expedient, to hold office at the pleasure of the Board, the duties and remuneration of whom shall be such as the terms of their engagement call for or the Board prescribes.

8.12 Holding More Than One Office

Except for the offices of Chair of the Board and the Vice-Chair, a person may be nominated or selected for, elected or appointed to, and hold, more than one office (in particular and without limitation, the offices of Secretary and Treasurer).

8.13 Removal from Office

Any Officer may be removed by resolution of the Board at a meeting of which notice of intention to present such resolution has been given to all Directors.

9. EXECUTIVE COMMITTEE

9.1 Composition

The Board, whenever it consists of more than six (6), may from time to time elect from among themselves an Executive Committee consisting of such number of members, not less than three (3), as the Board may by

resolution determine. The Chair of the Board shall be ex officio the chair of the Executive Committee. Each member of the Executive Committee shall serve during the pleasure of the Board and, in any event, only so long such member shall be a Director. The Board may fill vacancies in the Executive Committee by election from among its number. If and whenever a vacancy shall exist in the Executive Committee, the remaining members may exercise all its powers so long as a quorum remains in office.

9.2 Powers

During the intervals between the meetings of the Board, the Executive Committee shall possess and may exercise (subject to any regulations which the Board may from time to time impose) all the powers of the Board in the management and direction of the affairs and business of the Corporation in such manner as the Executive Committee shall deem to be in the best interests of the Corporation in all cases in which specific directions shall not have been given by the Board.

9.3 Meetings of the Executive Committee

Meetings of the Executive Committee shall be held at any time and place determined by such Committee provided that written notice of any such meeting shall be given in the same manner and within the same time frame for meetings of the Board, as set out in section 6.2. No error or omission in giving notice of any meeting of the Executive Committee or any adjourned meeting of the Executive Committee 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.

9.4 Procedures

Subject to sections 9.5, 9.6 and 9.7 and to any regulations imposed from time to time by the Board, the Executive Committee shall have power to fix its quorum at not less than a majority of its members and may fix its own rules of procedure from time to time. The Executive Committee shall keep minutes of its meetings in which shall be recorded all action taken by it, and at least a summary thereof shall be submitted to the Board at least annually.

9.5 Quorum

No business may be transacted by the Executive Committee except at a meeting of its members at which a quorum of the Executive Committee is present.

9.6 Place of Business

Meetings of the Executive Committee may be held at the head office of the Corporation or at any other place within or outside Ontario as specified in the notice calling the meeting.

9.7 Other Directors Present

Each Director shall be entitled to speak but not to vote at any meeting of the Executive Committee at which the Director is present. However, no Director who has not been elected to the Executive Committee shall be entitled to notice of any meeting of the Executive Committee, and the presence of such Director shall not be included for the purpose of calculating a quorum.

10. COMMITTEES

10.1 Standing Committees

There shall be a Nominating Committee and a Finance and Audit Committee. There may be such other Standing Committees and for such purposes as the Board may determine from time to time by resolution. The Board shall also determine the terms of reference of any Standing Committee from time to time.

10.2 Ad Hoc Committees

There may be such Ad Hoc Committees and for such purposes as the Board may determine from time to time by resolution. The existence of each such Ad Hoc Committee shall be terminated automatically upon:

- 10.2.1 the delivery of its report;
- 10.2.2 the completion of its assigned task; or
- 10.2.3 a resolution to that effect of the Board or Executive Committee by which it was constituted;

whichever first occurs.

- 10.2.4 Provided however that, in the case of termination pursuant to subsection 10.2.2, the Board may by resolution continue such Ad Hoc Committee.

10.3 Nominating Committee

The Nominating Committee shall:

- 10.3.1 prepare a slate of one (1) or more candidates for each office which will be vacant and for which an election is to be held at or after the Annual Meeting; and
- 10.3.2 make recommendations to the Board of names of persons to fill vacancies in office or on the Board or on Committees that occur throughout the year.

In considering candidates for each office, the Nominating Committee shall take into account such qualifications for office as determined from time to time by Board Policy or approved by By-Law.

10.4 Finance and Audit Committee

The Finance and Audit Committee shall advise the Board with respect to all the financial aspects of the Corporation's operations, including making recommendations to the Board regarding the annual and periodic budgets and financial statements of the Corporation, as well as the activities of the auditor.

10.5 Rules Governing Committees

Except as otherwise provided by By-Law of the Corporation, all Committees other than the Executive Committee are subject to the following:

- 10.5.1 the chair and members shall be appointed by the Board;
- 10.5.2 at least one member of the Board shall be appointed to serve on each Committee;
- 10.5.3 a member of a Committee shall serve for a term ending at the commencement of the Annual Meeting of Members following appointment, and is eligible for reappointment for one or more additional terms;
- 10.5.4 each Committee shall meet at least annually, and more frequently at the will of its chair or as required by its terms of reference, and as requested by the Board;
- 10.5.5 each Committee shall be responsible to, and report after each meeting to the Board;
- 10.5.6 subject to any rules established by the Board, each Committee may establish its own rules of procedure and may appoint subcommittees.

11. INSURANCE AND PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

11.1 Insurance

The Corporation shall purchase and maintain appropriate liability insurance for the benefit of the Corporation and each person acting or having previously acted in the capacity of a Director, Officer or any other capacity at the request of or on behalf of the Corporation, which insurance shall include:

11.1.1 property and public liability insurance;

11.1.2 Directors' and Officers' insurance;

and may include

11.1.3 such other insurance as the Board sees fit from time to time;

with coverage limits in amounts per occurrence, with an aggregate maximum limits and with insurers, all as deemed appropriate by the Board from time to time.

The Corporation shall ensure that each Director, Officer or other person is added as a named insured to any policy of Directors and Officers insurance maintained by the Corporation.

No coverage shall be provided for any liability relating to a failure to act honestly and in good faith with a view to the best interests of the Corporation.

It shall be the obligation of any person seeking insurance coverage or indemnity from the Corporation to co-operate fully with the Corporation in the defence of any demand, claim or suit made against such person, and to make no admission of responsibility or liability to any third party without the prior agreement of the Corporation.

11.2 Directors and Officers Liability Exclusion

Absent the failure to act honestly and in good faith in the performance of the duties of office, and save as may be otherwise provided in any legislation or law, no present or past Director or Officer of the Corporation shall be personally liable for any loss or damage or expense to the Corporation arising out of the acts (including wilful, negligent or accidental conduct), receipts, neglects, omissions or defaults of such Director or Officer or of any other Director or Officer or employee, servant, agent, volunteer or independent contractor arising from any of the following.

11.2.1 insufficiency or deficiency of title to any property acquired by the Corporation or for or on behalf of the Corporation;

11.2.2 insufficiency or deficiency of any security in or upon which any of the monies of or belonging to the Corporation shall be placed out or invested;

11.2.3 loss or damage arising from the bankruptcy or insolvency of any person, firm or corporation including any person, firm or corporation with whom or which any monies, securities or effects shall be lodged or deposited;

11.2.4 loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with monies, securities or other assets belonging to the Corporation;

11.2.5 loss, damage or misfortune whatever which may occur in the execution of the duties of the Director's or Officer's respective office or trust or in relation thereto; and

11.2.6 loss or damage arising from any wilful act, assault, act of negligence, breach of fiduciary or other duty or failure to render aid of any sort.

11.3 Pre-Indemnity Considerations

Before giving approval to the indemnities provided in section 11.4 herein, or purchasing insurance provided in section 11.1 herein, the Board shall consider:

- 11.3.1 the degree of risk to which the Director or Officer is or may be exposed;
- 11.3.2 whether, in practice, the risk cannot be eliminated or significantly reduced by means other than the indemnity or insurance;
- 11.3.3 whether the amount or cost of the insurance is reasonable in relation to the risk;
- 11.3.4 whether the cost of the insurance is reasonable in relation to the revenue available; and
- 11.3.5 whether it advances the administration and management of the property to give the indemnity or purchase the insurance.

11.4 Indemnification of Directors, Officers and Others

Every person (in this section referred to as a “protected person”), including the respective heirs, executors and administrators, estate, successors and assigns of the person, who:

- 11.4.1 is a Director; or,
- 11.4.2 is an Officer of the Corporation; or
- 11.4.3 is a member of a Committee; or
- 11.4.4 has undertaken, or, with the direction of the Corporation is about to undertake, any liability on behalf of the Corporation or any Corporation controlled by the Corporation, whether in the person's personal capacity or as a Director or Officer or employee or volunteer of such corporation;

shall be indemnified and saved harmless (including, for greater certainty, the right to receive the first dollar payout, and without deduction or any co-payment requirement) to a maximum limit per claim made as established by the Board of Directors from time to time, from and against all costs, charges and expenses which such protected person sustains or incurs:

- 11.4.5 in or in relation to any demand, action, suit or proceeding which is brought, commenced or prosecuted against such protected person in respect of any act, deed, matter or thing whatsoever, made, done or permitted or not permitted by such protected person, in or in relation to the execution of the duties of such office or in respect of any such liability; or,
- 11.4.6 in relation to the affairs of the Corporation generally,

save and except such costs, charges or expenses as are occasioned by the failure of such protected person to act honestly and in good faith in the performance of the duties of office.

Such indemnity will only be effective:

- 11.4.7 upon the exhaustion of all available and collectible insurance provided to Directors by the Corporation inclusive of whatever valid and collectible insurance has been collected; and
- 11.4.8 providing the Director has carried out all duties assigned to him which are subject of the claim in complete good faith so as to comply with the conditions of the insurance policy concerning entitlement to coverage.

The Corporation shall also, upon approval by the Board from time to time, indemnify any such protected person, firm or corporation in such other circumstances as any legislation or laws permit or require.

Nothing in this By-Law shall limit the right of any person, firm or corporation entitled to indemnity to claim indemnity apart from the provisions of this By-Law to the extent permitted by any legislation or law.

12. EXECUTION OF DOCUMENTS

12.1 Cheques, Drafts, Notes, Etc

All cheques, drafts or orders for the payment of money and all notes and acceptances and bills of exchange shall be signed by the Officer or Officers or person or persons and in the manner from time to time prescribed by the Board.

12.2 Execution of Documents

Documents requiring execution by the Corporation may be signed by any two (2) of the Chair of the Board, Vice-Chair, Chief Executive Officer, if any, the Secretary, the Treasurer (or Secretary-Treasurer) or any one (1) of the foregoing together with any one (1) Director, and all documents so signed are binding upon the Corporation without any further authorization or formality. The Board may from time to time appoint any Officer or Officers or any person or persons on behalf of the Corporation, either to sign documents generally or to sign specific documents. The corporate seal of the Corporation shall, when required, be affixed to documents executed in accordance with the foregoing.

12.3 Books and Records

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

13. BANKING ARRANGEMENTS

13.1 Board Designate Bankers

The Board shall designate, by resolution, the Officers and other persons authorized to transact the banking business of the Corporation, or any part thereof, with the bank, trust company, or other corporation carrying on a banking business that the Board has designated as the Corporation's banker, to have the authority set out in the resolution, including, unless otherwise restricted, the power to,

- 13.1.1 operate the Corporation's accounts with the banker;
- 13.1.2 make, sign, draw, accept, endorse, negotiate, lodge, deposit or transfer any of the cheques, promissory notes, drafts, acceptances, bills of exchange and orders for the payment of money;
- 13.1.3 issue receipts for and orders relating to any property of the Corporation;
- 13.1.4 execute any agreement relating to any banking business and defining the rights and powers of the parties thereto; and
- 13.1.5 authorize any Officer of the banker to do any act or thing on the Corporation's behalf to facilitate the banking business.

13.2 Deposit of Securities

The securities of the Corporation shall be deposited for safe keeping with one or more bankers, trust companies or other financial institutions to be selected by the Board. 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 and such authority may be general or confined to specific instances. The institutions which may be so selected as custodians of the Board shall be fully protected in acting in accordance with the directions of the Board and shall in no event be liable for the due application of the securities so withdrawn from deposit or the proceeds thereof.

14. BORROWING BY THE CORPORATION**14.1 General Borrowing Authority**

Subject to the limitations set out in the By-Laws or in the Letters Patent or Supplementary Letters Patent of the Corporation, the Board may,

- 14.1.1 borrow money upon the credit of the Corporation;
- 14.1.2 limit or increase the amount to be borrowed;
- 14.1.3 issue debentures or other securities of the Corporation;
- 14.1.4 pledge or sell such debentures or other securities for such sums and at such prices as may be deemed expedient; and
- 14.1.5 secure any such debentures, or other securities, or any other present or future borrowing or liability of the Corporation, by mortgage, hypothec, charge or pledge of all or any currently owned or subsequently acquired real and personal, movable and immovable, property of the Corporation, and the undertaking and rights of the Corporation.

Provided that, except where the Corporation borrows on the security of its real or personal property, its borrowing power shall be limited to borrowing money for current operating expenses.

14.2 Specific Borrowing Authority

From time to time the Board may authorize any Director, Officer, employee of the Corporation or any other person to make arrangements with reference to the money so borrowed or to be borrowed and as to the terms and conditions of the loan thereof, and as to the security to be given therefor, with power to vary or modify such arrangements, terms and conditions and to give such additional security as the Board may authorize, and generally to manage, transact and settle the borrowing of money by the Corporation.

15. FINANCIAL YEAR**15.1 Financial Year Determined**

The financial year of the Corporation shall terminate on the last day of March in each year or on such other date as the Board may from time to time by resolution determine.

16. AUDITOR**16.1 Appointment by Members**

The Members entitled to vote shall at each Annual Meeting appoint an auditor to audit the books of the Corporation, to hold office until the next Annual Meeting, provided that the Directors may fill any casual vacancy in the office of the auditor. The remuneration of the auditor shall be fixed by the Members entitled to vote or by the Board, if authorized to do so by the Members entitled to vote.

17. NOTICE**17.1 Method of Notice**

Except where otherwise provided in this By-law, notice shall be validly given if given by telephone, or if in writing:

- 17.1.1 by prepaid letter post;

17.1.2 by facsimile;

17.1.3 by e-mail; or

17.1.4 by other electronic method.

addressed to the person for whom intended at the last address shown on the Corporation's records; or in lieu of the foregoing whenever the number of Members is not less than one hundred (100);

17.1.5 by posting such notice on the Web Site maintained by the Corporation.

Any such notice shall be deemed given:

17.1.6 in the case of telephone, at the time of the telephone call;

17.1.7 in the case of letter post, on the third day after mailing;

17.1.8 in the case of posting on the Web Site, on the date of posting; and

17.1.9 in all other cases, when transmitted.

17.2 Computation of Time

In computing the date when notice must be given under any provision of the By-Laws requiring a specified number of days' notice of any meeting or other event, the date of giving the notice is, unless otherwise provided, not included.

17.3 Omissions and Errors

The accidental omission to give notice of any meeting of the Board, a Committee or Members or the non-receipt of any notice by any Director or Member or by the auditor of the Corporation or any error in any notice not affecting its substance does not invalidate any resolution passed or any proceedings taken at the meeting. Any Director, Member or the auditor of the Corporation may at any time waive notice of any meeting and may ratify and approve any or all proceedings taken thereat.

18. BY-LAWS AND AMENDMENTS, ETC.

18.1 Enactment

By-Laws of the Corporation may be enacted, repealed, amended, altered, added to or re-enacted in the manner contemplated in, and subject to the provisions of, the Act.

19. REPEAL OF PRIOR BY-LAWS

19.1 Repeal

Subject to the provisions of sections 19.2 and 19.3 hereof, all prior By-Laws, resolutions and other enactments of the Corporation inconsistent in either form or content with the provisions of this By-Law heretofore enacted or made are repealed.

19.2 Exception

The provisions of section 19.1 shall not extend to any By-Law or resolution heretofore enacted for the purpose of providing to the Board the power or authority to borrow.

19.3 Proviso

Provided however that the repeal of prior By-Laws, resolutions and other enactments shall not impair in any way the validity of any act or thing done pursuant to any such repealed By-Law, resolution or other enactment.

20. EFFECTIVE DATE**20.1 Effective on Passing**

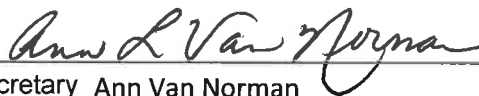
This By-Law shall come into force when enacted by the Board in accordance with the Act.

ENACTED as a By-Law of the **LUTHERWOOD** and sealed with the corporate seal this 18th day of June, 2012.



Chair of the Board William R. Allen

Signed March 24, 2017



Secretary Ann Van Norman

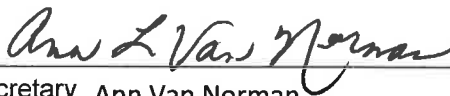
CONFIRMED by the Members in accordance with the *Corporations Act* (Ontario) on the 18th day of June, 2012.



Chair of the Board William R. Allen

Signed March 24, 2017

certified March 24, 2017



Secretary Ann Van Norman