

BY-LAW NUMBER 2

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

MARKHAM CHINESE BAPTIST CHURCH

(the "Corporation" or the "Church")

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WHEREAS the Corporation is now subject to new legislation for corporations without share capital in the province of Ontario, and the directors deem it necessary and desirable to enact a new operating by-law;

THEREFORE, the Corporation repeals By-law Number 1 and any other extant operating by-laws of the Corporation.

AND THEREFORE, BE IT ENACTED that the following operating by-law is enacted as By-law Number 2 of the Corporation:

ARTICLE 1. INTERPRETATION

1.01 Definitions. In this By-law and all other By-laws of the Corporation, unless the context otherwise requires:

- (a) "Act" means the Ontario Not-For-Profit Corporations Act, 2010, SO 2010, c 15 including the Regulations made pursuant to the Act, and any statute or regulations that may be substituted, as amended from time to time;
- (b) "articles" means the original or restated articles of incorporation or articles of amendment, amalgamation, continuance, reorganization, arrangement, or revival of the Corporation;
- (c) "Board" means the Board of Directors of the Corporation and "director" means a member of the board;
- (d) "by-law" means this By-law and any other By-laws of the Corporation as amended and which are, from time to time, in force and effect;
- (e) "Church" and "Corporation" means Markham Chinese Baptist Church and can be used interchangeably;
- (f) "meeting of members" or "members assembly" includes an annual meeting of members or a special meeting of members; "special meeting of members" includes a meeting of any class, or classes of members and a special meeting of all members entitled to vote at an annual meeting of members;
- (g) "member" means a member of the Corporation as defined by the Act.
- (h) "Ordinary resolution" means a resolution passed by a majority of not less than 50% plus 1 of the votes cast on that resolution;
- (i) "Regulations" means the regulations made under the Act, as amended, restated or in effect from time to time; and
- (j) "Special resolution" means a resolution passed by a majority of not less than two-thirds (2/3) of the votes cast on that resolution.

1.02 Interpretation. Unless otherwise specified in this By-laws, all terms contained in this By-law that are defined in the Act shall have the meanings given to such terms in the Act. Words importing the singular include the plural and vice versa, and words importing one gender include all genders. The Chinese version of this By-law, if available, is for reference only. In all interpretation, the English version of the By-law shall be used.

- 1.03 Severability.** The invalidity or unenforceability of any provision of this By-law shall not affect the validity or enforceability of the remaining provisions of this By-law. If any of the provisions contained in the By-laws are inconsistent with those contained in the Articles or the Act, the provisions contained in the Articles or the Act, as the case may be, shall prevail.

ARTICLE 2. MEMBERS

- 2.01 Classes.** Subject to the Articles, there is one class of membership in Corporation.
- 2.02 Corporate Membership.** A Corporation may not be a member.
- 2.03 Rights and Voting.** Members are entitled to notice of meeting for all Members Meeting. They are entitled to vote on all matters.
- 2.04 Additional Rights.** All members shall have access to all facilities of the Church and can participate in its various functions and activities and must not interfere with the right of peaceful worship and enjoyment of the other members in attendance. Members may attend as observers in Board of Directors Meetings at the discretion of the Chair of the Board.
- 2.05 Eligibility for Membership.** Those Christians who have satisfied the following requirements may be eligible for membership in this Church:
- (a) Given satisfactory evidence of regeneration by undergoing baptism, whether by immersion or sprinkling, or by giving Christian testimony and witness if unable to be baptized due to health reasons;
 - (b) Living a consistent Christian life;
 - (c) Willing to subscribe to the Constitution of the Church, including the By-laws, Statement of Faith and the Covenant;
 - (d) Have attended the Church service of public worship for at least three consecutive months.
- 2.06 Application for membership.** Those Christians who are eligible for membership under 2.05, by baptism from this Church or transfer from another church, may apply for membership. All applicants shall have their character examined by two (2) members of the Pastors and Deacons

Committee. Upon recommendation by the Pastors and Deacons Committee and acceptance by vote of the Board of Directors, they shall become members.

- 2.07 Term.** The term of membership shall automatically renew annually, subject sections 2.09, 2.10, 2.11, and any policies of the Church.
- 2.08 Non-transferability.** Membership in the Church is generally not transferable. Members who wish to have their membership transferred to other churches or mission churches of this Church may request such a letter from the Pastors and Deacons Committee. All reasons for refusal of issue of such letter shall be related to the applicant. List of transferred-out members shall be announced to the Board of Directors and at the Members Assembly.
- 2.09 Suspension.** Upon recommendation of the Pastors and Deacons Committee and approved by the Board of Directors, those members whose behaviour is being alleged to be contradictory to the teaching of the Bible may have their membership suspended until conclusion of an investigation by the Pastors and Deacons Committee, upon which the Pastors and Deacons Committee shall recommend to either resume or terminate the membership.
- 2.10 Termination.** Membership in the Corporation terminates automatically upon any of the following:
- (a) The resignation of a Member, via a written statement issued to the Board of Directors;
 - (b) The conclusion of the process set out in 2.09;
 - (c) The death of a Member; or
 - (d) The revocation of membership.
- 2.11 Revocation.** Subject to the discipline process in Article 10 and any relevant policies of the Corporation, a member's membership may be revoked by special resolution of the Board of Directors.

2.12 Member Attendance. An updated database of membership shall be maintained by Secretary of the Board of Directors. The Pastors and Deacons Committee, assisted by appropriate ministries or committee, shall review the membership database regularly. Those members that have not attended the Church for a period of twelve months, or a longer period as determined by the Pastors and Deacons Committee, shall be put in a review list. The Pastors and Deacons Committee may notify, by writing or email those members on this review list of their impending termination in accordance with section 2.10. For such a purpose, writing shall mean postal correspondence to the last known address. Members receiving such a notice and not responding within two calendar months advising their intention to stay shall lose their membership. The list of church members who have been removed shall be announced to the Board of Directors and at the Members Assembly. Individuals who have had their membership terminated in this way may apply again for membership.

2.13 Member Assignments. Church congregants and members are to be assigned to one of the four congregations (divisions) distinguished by language / dialect (Cantonese, English, Mandarin) and age group (Young Life). The assignment shall be set according to policies created and administered by the Board. For greater clarity, such assignment shall not affect any of the members' rights under the Act, Articles or Bylaws.

ARTICLE 3. DIRECTORS/BOARD

3.01 Board/Directors. Subject to the Articles, the affairs of the Corporation shall be managed by a Board of Directors, the number of which shall be a minimum of 9 and maximum of 15, or as otherwise fixed from time to time by special resolution of the Members.

3.02 Qualifications. Each Director shall be:

- (a) a Member of the Corporation;
- (b) an individual at least 18 years of age;
- (c) not have the status of a bankrupt;

- (d) not found incapable of managing property under any statute, or declared incapable by any court;
- (e) not an ineligible individual in the meaning of s. 149.1 of the Income Tax Act.
- (f) Must be persons of exemplary character and spiritual maturity who daily seek to meet the qualifications of an overseer as taught in 1 Timothy 3:1-13 and Titus 1:5-9.

3.03 Appointment of Directors. Directors are elected by the Members according to the Church's nominations policy. The nominations policy will be created and administered by the Board. **The Senior Pastor or his/her delegate and Treasurer serve as *ex-officio* Directors without the right to vote at Board meetings, so long as both Senior Pastor (or his/her delegate) and Treasurer meet the qualifications in 3.02 and are approved by member's resolution. The Treasurer' voting right in the board is limited to any motions related to the financial matter of the church**

3.04 Term. Term of a Director shall be two years. A Director may be re-elected up to a total of eight consecutive years of service.

3.05 Removal. **Subject to the discipline process in Article 10 and any relevant policies of the Corporation,** a Director may be removed by special resolution of the Members.

3.06 Termination. A Director ceases to be a director the Corporation upon:

- (a) The expiration of the Director's term;
- (b) The termination of membership in the Corporation;
- (c) The resignation of the Director via a written statement issued to the Board of Directors;
- (d) The Director becoming ineligible under article 3.02 or under the Act;
- (e) The removal of the Director pursuant to article 3.05.

3.07 Filling a Vacancy. A vacancy may be filled by ordinary resolution of the Members Assembly. A Director who is elected to fill a vacancy holds office until the next annual meeting, at which time they are subject to election by the members.

- 3.08 Remuneration.** Directors serve without compensation. However, Directors are entitled to receive reimbursement for reasonable expenses incurred in carrying out their duties as Directors.

ARTICLE 4. MEETINGS OF MEMBERS

- 4.01 Annual Meeting.** The annual meeting of the Members shall be held on a day and at a place within Ontario fixed by the Board. The general church membership, at its business meetings of the members, is the highest governing body of this Church. The meetings shall be called and chaired by the Chair of the Board of Directors, or his/her delegate.
- 4.02 Notice.** Notice of the time and place for the holding of a meeting of the Members shall be given in the manner provided in Article 11 of this By-law to every Member of the Corporation, the Directors, and the auditor or person who has been appointed to conduct a review engagement between 21 and 42 days before the meeting is to take place. Notice of meeting shall normally be sent by email. Members may request alternative notice of meeting, if provided in the Act.
- 4.03 Business.** The business transacted at the annual meeting shall include:
- (a) receipt of the agenda;
 - (b) receipt of the minutes of the previous annual and subsequent special meetings;
 - (c) consideration of the financial statements;
 - (d) report of the auditor or person who has been appointed to conduct a review engagement;
 - (e) reappointment or new appointment of the auditor or a person to conduct a review engagement for the coming year;
 - (f) election of Directors (every other year); and
 - (g) such other or special business as may be set out in the notice of meeting.
- 4.04 Discretionary General Meetings.** There may be discretionary General Members Meetings to approve the regular financial report, discuss ministry

report of past reporting period and plans for the upcoming period, and to approve other matters as from time to time brought to the Members Assembly. The general meeting will be called by the chair of the Board of Directors. **The quorum shall be 10% of the members.**

- 4.05 Extra-ordinary Meeting.** The Chair and any two Directors may call an extra-ordinary Meeting for the transaction of any business specified in the notice of meeting. Alternatively, 10% of members may request an extra-ordinary meeting in writing to the Chair of the Board of Directors. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting if convened by the requisition of members shall be dissolved; otherwise, it shall stand adjourned to the same day in the following week, at the same time and place. If, at the adjourned meeting, a quorum is not present, any motion to be approved will require an affirmative vote by at least three-quarter (3/4) of the members present, the latter number being not less than three times the total count of the elected members of the Board of Directors.
- 4.06 Record Date.** The record date to determine which Members are entitled to vote is the day before notice of meeting is issued.
- 4.07 Online Meetings.** Meetings may be held in a hybrid format or a fully digital remote format, providing that the conferencing technology to be used permits all participants to communicate with each other adequately, and that conferencing technology provides a privacy and security that is satisfactory to the Board. Members who participate in a meeting via conferencing technology are deemed to be present at the meeting.
- 4.08 Attendance.** Those entitled to be present at meetings of Members are:
- (a) The Members of the Corporation entitled to vote;
 - (b) The Directors of the Corporation; and
 - (c) Other persons entitled to attend by the Act, the Articles, or the By-laws.
- Other persons may be admitted by the invitation of the Chair.
- 4.09 Quorum.** A quorum for the transaction of business at meetings of the Members is 10% of the total number of members. Quorum is required for

each question considered by the Members. If quorum is lost during a meeting, the Chair shall continue the meeting.

4.10 Chair. In the absence of the Chair, the Members present and entitled to vote may elect another Director to act as chair of the meeting.

4.11(a) Voting of Members – Annual or General meetings. Unless the Act, the Articles, or the By-law specifically provide otherwise, such as those prescribed in 4.11(b), all business arising at any Annual or discretionary general meetings are determined by a majority of the votes cast. Votes will generally be taken in the following manner:

- Each Member shall be entitled to one vote at any Member's meeting
- By a show of hands: Except as otherwise provided in the By-laws of the Church (such as 4.11(b) below) or the Act, or in properly approved policies or guidelines as from time to time issued by the Church, all motions shall be decided by a simple majority of votes cast. In the case of a tie vote, the vote or the motion is lost. And for greater certainty, under no circumstances, no one including the Chair, shall have the right or authority to cast a tie-breaker vote. The Chair may require a written ballot and shall not have a second vote.
- An abstention shall not be considered a vote cast.
- Before or after a show of hands has been taken on any question, the chair of the meeting may require, or any Member may demand, a written ballot. A written ballot so required or demanded shall be taken in such a manner as the chair of the meeting shall direct.

4.11(b) Voting of Members - extraordinary items

Extraordinary business matters such as those prescribed below are required be considered in Extraordinary Members' Meeting described in 4.05 and will require a quorum of 30% of voting members, voting by secret ballot with a majority exceeding (that is, not equal to or less than) three-quarter (3/4) of the valid votes cast, excluding abstain votes:

- (a) motions on purchasing, selling or mortgaging or real property;
- (b) motions on changes to the Articles, Bylaws or Constitution;

- (c) motions on dissolution of the corporation;
- (d) motions on borrowing amount in excess of \$1 million from any financial institution, corporation or individual;
- (e) motions on any major contract in excess of \$1 million; or
- (f) motions on reorganization and amalgamation with another corporation.

4.12 Declaration to confirm. A declaration that a resolution has been carried or not carried in accordance with the needed majority as stipulated above, and an entry to that effect in the minutes of the corporation, shall be admissible in evidence as prima facie proof of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

4.13 Ballot. Any Member present and entitled to vote on a question may request that the vote on said question be taken by secret ballot. The ballot is taken in the manner determined by the chair of the meeting.

4.14 Written Resolutions. A written resolution signed by all Members entitled to vote on that resolution is valid in lieu of a meeting of Members.

4.15 Rules. The Rules of Meeting, generally adapted from the Roberts Rule of Order and as from time to time updated by the Church, shall be referred to for conducting of business meetings.

5 MEETINGS OF DIRECTORS

5.1 Calling of Meeting. Meetings of the Board may be called with due notice by the Chair or any two Directors.

5.2 Regular Meetings. The Board may fix the place and time of regular Board meetings and send a copy of the resolution fixing the place and time of such meetings to each Director, and no other notice shall be required for any such meetings.

5.3 Notice of Meetings. Notice of the time and place for the holding of a meeting of the Board shall be given in the manner provided in Article 11 of this By-law to every Director of the Corporation not less than seven days before the date that the meeting is to be held. Notice of a meeting is not necessary if all the Directors are present, and none objects to the holding

of the meeting, or if those absent have waived notice or have otherwise signified their consent to the holding of such meeting.

5.4 Online Meetings. Meetings may be held in a hybrid format or a fully remote format, providing that the conferencing technology to be used permits all participants to communicate with each other adequately, and that conferencing technology provides a privacy and security that is satisfactory to the Board. Directors who participate in a meeting via conferencing technology are deemed to be present at the meeting.

5.5 Chair. The Chair shall preside at Board meetings. In the absence of the Chair, the Directors present shall choose one of their number to act as the Chair.

5.6 Quorum. A quorum for the transaction of business at meetings of the Board is a majority of Directors. Quorum is required for each question considered by the Board. If quorum is lost during a meeting, the Chair shall adjourn the meeting.

5.7 Voting. Unless the Act, the Articles, or the By-laws provide otherwise, all questions are determined by a majority of the votes cast. Votes are generally taken by show of hands unless the chair of the meeting requires a different format. In the case of tie, the vote is lost.

6 OFFICERS

6.1 Officers. The Board of Directors shall appoint a Chair from among its number. The Board may appoint such other Officers and agents as it deems necessary, and who shall have such authority and shall perform such duties as the Board may prescribe from time to time. There shall generally be the following Officers:

- (1) **Chair.** The Chair is responsible for facilitating meetings of Directors and meetings of members. The Chair shall be a Director.
- (2) **Secretary.** The Secretary is responsible for keeping the Corporation's corporate records. The Secretary need not be a director.

(3) **Treasurer.** The Treasurer shall keep an accurate account of all monies received and disbursed, carry out the banking business in the name of the Church, pay all the current accounts such as utilities, salaries, fuel and taxes without requiring a vote by the church members. Other expenditures shall be pre-approved by the Board of Directors and, where deemed necessary, by the Members Assembly. The Treasurer, or his/her delegate as authorized by the Board of Directors, shall prepare quarterly and annual financial statements for the congregation, and shall supply necessary financial records to any internal or external auditors auditing the church books. All receipts and disbursements shall be handled by the Treasurer and the Accountant who shall issue period financial statements to church members.

6.2 Responsibilities. Officers shall be responsible for the duties assigned to them by the Board from time to time, including any such duties as may be enumerated in a policy of the Board enacted to this effect.

6.3 Term. An Officer shall serve for two years and shall cease to hold office upon their resignation or upon ordinary resolution of the Board.

7 COMMITTEES OF THE BOARD OF DIRECTORS

7.1 Committees. Subject to the limitations on delegation set out in the Act, the Board may establish any committee it determines necessary for the execution of the Board's responsibilities. The Board shall determine the composition and terms of reference for any such committee. The Board may dissolve any committee by resolution at any time.

7.2 Authority of the Board. Subject to the Act, the Articles, and the By-laws, the Board may from time to time establish policies, procedures, rules, and regulations pertaining to the affairs of the Corporation.

7.3 Permanent Committees. The Pastors and Deacons Committee is a permanent committee subject to the authority of the Board.

8 PROTECTION OF DIRECTORS AND OFFICERS

8.1 Protection. No Director, Officer or committee member of the Corporation is to be liable for the acts, neglects or defaults of any other Director, Officer, committee member or employee of the Corporation or for joining in any receipt or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by resolution of the Board or for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the money of or belonging to the Corporation shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or Corporation with whom or which any moneys, securities or effects shall be lodged or deposited or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of his or her respective office or trust provided that they have:

- (1) complied with the Act and the Corporation's articles and By-laws; and
- (2) exercised their powers and discharged their duties in accordance with the Act.

9 CONFLICTS OF INTEREST

9.1 Disclosure. A Director who is in any way directly or indirectly interested in a contract or transaction, or proposed contract or transaction, with the Corporation shall make the disclosure required by the Act. Except as provided by the Act, no such Director shall attend any part of a meeting of Directors or vote on any resolution to approve any such contract or transaction.

9.2 Policy. The Board of Directors may enact a policy on conflicts of interest, which shall be binding on all Directors.

10 DISCIPLINE

10.1 Disciplinary action. Upon 15 days' written notice to a Member, the Board of Directors may pass a resolution authorizing disciplinary action up to and

including the termination of Membership for violating any provision of the articles, By-laws, or the Corporation's policies. Such notice shall set out the reasons for the disciplinary action or termination of Membership.

10.2 Written statement. The Member receiving the notice shall be entitled to give the Board a written submission opposing the disciplinary action or termination not less than 5 days before the end of the 15-day period.

10.3 Decision. The Board shall consider the written submission of the Member before making a final decision regarding disciplinary action or termination of Membership.

11 NOTICE

11.1 Notice.

- (1) Any notice required to be sent to any Member or Director or to the auditor or person who has been appointed to conduct a review engagement shall be provided by telephone, delivered personally or sent by prepaid mail, facsimile, email, or other electronic means to any such Member or Director.
- (2) Notice to Members and Directors shall be sent to the last known address as shown in the records of the Corporation.
- (3) Notice to the auditor or the person who has been appointed to conduct a review engagement shall be sent to its business address.
- (4) Notice may be waived or the time for the notice may be waived or abridged at any time with the consent in writing of the person entitled to such notice.

11.2 Computation of time. Where a given number of days' notice or notice extending over any period is required to be given, the day of service or posting of the notice shall not, unless it is otherwise provided, be counted in such number of days or other period.

11.3 Error. No error or accidental omission in giving notice of any Board meeting or any Members' meeting shall invalidate the meeting or make void any proceedings taken at the meeting.

12 MANAGEMENT OF THE CORPORATION

- 12.1 Seal.** The seal of the Corporation, if any, shall be in the form determined by the Directors.
- 12.2 Fiscal Year.** The financial year of the Corporation shall be the calendar year, or such other date as the Board may from time to time by resolution determine.
- 12.3 Financial Contributions.** This Church shall trust in God for all its financial needs. All offerings shall be voluntarily given by Christians and shall not be obtained by any manner which is contrary to Biblical principles.
- 12.4 Church Property.** The Church shall have the power to receive, either by gift or purchase, and to hold such real, personal, or mixed property as is authorized by the laws of the province of Ontario and is deemed necessary to fulfil the purpose and to carry out the business of the church, and shall have the power to dispose of such property by mortgage, deeds or otherwise. All such property shall be held in the name of the Church.
- 12.5 Banking.** The Board shall by resolution from time to time designate the bank in which the money, bonds or other securities of the Corporation shall be placed for safekeeping.
- 12.6 Borrowing.** The Members may, by ordinary resolution, permit the Directors to from time to time to:
- (1) borrow money on the credit of the Corporation;
 - (2) issue, reissue, sell, pledge or hypothecate debt obligations of the Corporation; and
 - (3) mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Corporation, owned or subsequently acquired, to secure any debt obligation of the Corporation.
- 12.7 Execution of Documents.** Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by the Corporation may be signed by any two of its Officers or Directors. In addition, the Board may from time to time direct the manner in which and the person by whom a particular document or type of document shall be

executed. Any Director or Officer may certify a copy of any instrument, resolution, by-law or other document of the Corporation to be a true copy thereof.

12.8 Annual Financial Statements. The Corporation may, instead of sending copies of the annual financial statements and other documents required to be sent to the Members, may publish a notice to its members stating that such documents are available to the Members on request and free of charge at the registered office, by mail, or by email.

12.9 Dissolution. Upon the dissolution of the Church and after satisfying the interests of its creditors in all its debts, obligations and liabilities, its remaining property shall be distributed to a Canadian body corporate that is a registered charity under the *Income Tax Act* (Canada) with similar purposes to its own, the Crown in right of Ontario, the Crown in right of Canada, an agent of either of those Crowns or a municipality in Canada.

13 AMENDMENT

13.1 These bylaws shall not be amended unless approved by a two-thirds majority of the membership of the members at an annual meeting or at a meeting called specifically for such purpose.

ENACTED at a duly constituted meeting of the Directors and confirmed by the Members this __ day of _____, 2024.

IN WITNESS WHEREOF the following Officers of the Corporation affix their signature here below:

Chair

Secretary