

BY-LAW NO. 1

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

The Chartered Institute of Management Accountants, Canada Inc.

(the "**Corporation**")

BE IT ENACTED as a by-law of the Corporation as follows:

DEFINITIONS

1. In this by-law of the Corporation, unless the context otherwise requires:
 - a. "**Act**" means the *Canada Not-for-profit Corporations Act* 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. "**CIMA**" means the Chartered Institute of Management Accountants of United Kingdom, the parent entity of the Corporation;
 - f. "**Class A Member**" means the Class A member of the Corporation;
 - g. "**Class B Members**" means the Class B members of the Corporation;
 - h. "**Fundamental Changes**" has the meanings prescribed thereto under Section 197 of the Act;
 - i. "**meeting of members**" includes an annual meeting of members or a special meeting of members;
 - j. "**members**" means members of the Corporation, including all Class A and Class B Members;

- k. “**ordinary resolution**” means a resolution passed by a majority of not less than 50% plus 1 of the votes cast on that resolution;
 - l. “**Regulations**” means the regulations made under the Act, as amended, restated or in effect from time to time;
 - m. “**special meeting of members**” includes a special meeting of any class or classes of members other than an annual meeting of members; and
 - n. “**special resolution**” means a resolution passed by a majority of not less than two-thirds (2/3) of the votes cast on that resolution.
2. In the interpretation of this by-law, words in the singular include the plural and vice-versa, words in one gender include all genders, and “person” includes an individual, body corporate, partnership, trust and unincorporated organization. Other than as specified in Section 1 above, words and expressions defined in the Act have the same meanings when used in this by-law.

MEMBERSHIP

- 3. Subject to the Articles, there shall be two classes of members in the Corporation, namely, Class A and Class B Members. CIMA, being the parent entity of the Corporation, shall be the sole Class A Member of the Corporation. The board of directors of the Corporation, may, by resolution, approve the admission of Class B Members of the Corporation. Class B Members may also be admitted in such other manner as may be prescribed by the board by resolution. Each member shall have one vote with respect to any resolution he is entitled to vote on at a meeting of members.
- 4. As set out in the Articles, the Class A Member shall have the right to be convened, to attend and to vote at all members' meetings held by the Corporation to pass resolutions in respect of all proposed Fundamental Changes of the Corporation and to approve the appointment of the auditors and the board of directors of the Corporation nominated by the Class B Members.
- 5. Class B Membership in the Corporation shall be limited to members of CIMA who are individuals residing in Canada. As set out in the Articles, the Class B members shall have the rights of access to review the financial statements of the Corporation and the rights to be convened, to attend and to vote at annual members' meetings for the sole purpose of (i) nominating the board of directors of the Corporation and (ii) nominating the auditors of the Corporation. Notwithstanding the foregoing, the Class B members shall have the right to vote separately as a class as permissible under the applicable provisions of the Act with respect to any proposed amendments to the Articles and/or by-law of the Corporation that may adversely or prejudicially affect the existing rights of the Class B members.
- 6. The registered students of the branch shall be those registered students of CIMA who have an official address in Canada and who may have been permitted to take part in the activities of the branch subject to such local rules as the board shall from time to time prescribe.

7. Any Class B Member that ceases to be a member of CIMA will cease to be a member of the Corporation.
8. None of the Class B Members has any claim upon or interest on the funds of the Corporation. In the event of dissolution of the Corporation, property of the Corporation remaining on liquidation will be distributed to the Corporation's Class A Member.
9. The income and property of the Corporation shall be applied solely towards the promotion of its objects as set forth in the Articles and no Member shall as such have any personal claim on any of the said income or property.
10. Pursuant to subsection 197(1) (Fundamental Change) of the Act, a special resolution of each applicable class of members is required to make any amendments to the by-law if those amendments affect membership rights and/or conditions described in paragraphs 197(1)(e), (h), (l) or (m).

MEMBERS' MEETINGS

11. The annual or special meeting of members shall be held at any place in Canada as the board of directors may determine and on such day as the said directors shall appoint. The annual members' meeting of members shall be held not later than 30 June in each calendar year. A duly appointed representative or agent of the Class A Member may attend the meeting in person, or by means of a telephonic, an electronic or other communication facility that permits him/her to communicate adequately with other attendees of the meeting. The Class A Member may also vote for the resolutions in connection of such meeting in writing or by proxy.
12. At every annual members' meeting, in addition to any other business that may be transacted, the report of the Board, the accounts and the report of the auditors shall be presented and considered by members and auditors appointed for the ensuing year. A duly appointed representative or agent of the Class A Member present in person, by proxy or attending by telephonic, electronic or other communication facility and twenty-five Class B Members present in person shall constitute a quorum for any annual members' meeting. Where a quorum is not met, the annual members' meeting shall be postponed for four weeks and at that subsequent meeting, whatever be the number of members present, the business to be transacted at the annual members' meeting shall be proceeded with. Subject to the terms of the Articles, the members may consider and transact any business either special or general at any meeting of members.
13. The board of directors shall have power to call, at any time, a meeting of members of the Corporation. The board of directors shall call a special meeting of members on written requisition of Class B Members carrying not less than 15% of the voting rights or by the Class A Member. A duly appointed representative or agent of the Class A Member present in person, by proxy or attending by phone or other teleconferencing means and twenty-five Class B Members present in person shall constitute a quorum.

14. The directors may fix by way of resolution, a record date for any meeting of members for any of the following purposes:
 - a. determining members entitled to receive notice of a meeting of members;
 - b. determining members entitled to vote at a meeting of members; and/or
 - c. determining members for any other purposes;provided that such record date shall be between 21 to 60 days before the meeting date.
15. If no record date is fixed by the directors, the record date for the determination of members entitled to receive notice and to vote at a meeting of members is at the close of business on the day immediately preceding the day on which the notice is given.
16. A minimum of twenty one (21) day and a maximum of sixty (60) day's written notice shall be given to each voting member of any annual or special meeting of members. Notice of any meeting where special business will be transacted shall contain sufficient information to permit the member to form a reasoned judgement on the decision to be taken.
17. In the event that the Corporation has more than 250 members, the Corporation may provide notice of meeting to its members by publication:
 - a. at least once in each of the three weeks immediately before the day on which the meeting is to be held in one or more newspapers circulated in the municipalities in which the majority of the members of the Corporation reside as shown by their addresses in the register of members; or
 - b. at least once in a publication of the Corporation that is sent to all its members, during a period of 21 to 60 days before the meeting date.
18. Subject to the terms of the Articles, each member present at a meeting shall have the right to exercise one vote.
19. The Chair of any meeting of members shall be the chair of the board, or in his/her absence, the deputy-chair of the board. In the event that the chair of the board and the deputy-chair of the board are absent, the members who are present and entitled to vote at the meeting shall choose one of their number to chair the meeting.
20. A majority of the votes cast by the members present shall determine the outcome in meetings except where the vote or consent of a greater number of members is required by the Act, the Articles or the by-law.
21. No error or omission in giving notice of any annual or general meeting or any adjourned meeting, whether annual or general, of the members of the Corporation shall invalidate such meeting or make void any proceedings taken thereat and any member may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken

or had thereat. For the purpose of sending notice to any member, director or officer for any meeting or otherwise, the address of the member, director or officer shall be his last address recorded with the Corporation.

22. A resolution in writing, signed by all the members entitled to vote on that resolution at a meeting of members, is as valid as if it had been passed at a meeting of members.

BOARD OF DIRECTORS

23. Subject to the Articles, the property and business of the Corporation shall be managed by a board of directors, comprised of a minimum of three (3) directors and a maximum of fifteen (15) directors including the immediate past Chairman and the elected representative for CIMA electoral constituency 18, the Americas if he has a residential or work address in Canada. The number of directors shall be determined from time to time by a majority of the directors at a meeting of the board of directors and sanctioned by an affirmative vote of the Class A Member. Directors must be members of the Corporation.
24. The directors will consist of:
- a. The Chairman;
 - b. Deputy Chairman;
 - c. Vice-Chairman;
 - d. Secretary;
 - e. Treasurer-Chair of Finance Committee;
 - f. The Elected Representative for CIMA electoral constituency 18, the Americas, if he has a residential or work address in Canada;
 - g. Immediate Past Chairman;
 - h. Chair of Member and Student Services;
 - i. Chair of Continuing Professional Development ;
 - j. Chair of Branding and Public Relations;
 - k. Chair of Mentoring Services;
 - l. Chair of any other committees formed by Directors; and
 - m. Up to 4 Members who are members of one or more of the Committees, not to exceed the total number of directors stipulated in paragraph 23 above.

25. Directors shall be appointed for a term of three (3) years by the Class A Member from a pool of candidates each of whom is nominated by an ordinary resolution of the Class B Members at an annual meeting of members in accordance with the nomination process set out in Section 32 below. At the end of the initial term of office, directors are eligible for nomination and appointment for further two terms of two years each.
26. The directors will appoint the officers of the Corporation.
27. A member shall be eligible for appointment as a director, provided that:
 - a. the member is an individual;
 - b. the member is 18 years of age or older;
 - c. the member has not been declared incapable by a court in Canada or in another country;
 - d. the member does not have the status of a bankrupt;
 - e. the member needs to have served in at least one of the committees of the branch;
 - f. no disciplinary order excluding him from membership of CIMA has ever been made; and
 - g. within the period of five years immediately preceding no disciplinary order has been made against the member.
28. Directors will have the obligation of serving in at least one committee of the Corporation.
29. The office of director shall be vacated:
 - a. if at a special meeting of members, a resolution is passed by 75% of the votes by the Class B Members cast in favour of the removal of the director and such resolution is affirmed by the Class A Member;
 - b. if the director is removed by the Class A Member by written resolution;
 - c. if a director has resigned his office by delivering a written resignation to the secretary of the corporation;
 - d. if the director does not attend 3 consecutive board meetings or 50% of the total meetings in a calendar year, whichever occurs earlier.
 - e. if the director lapses his membership with CIMA;
 - f. if the director is found by a court to be of unsound mind;
 - g. if the director becomes bankrupt; or

h. on death;

provided that if any vacancy shall occur, the board of directors by majority vote, may, by appointment, fill the vacancy with a member of the Corporation until the next annual members' meeting.

30. The directors shall serve as such without remuneration and no director shall directly or indirectly receive any profit from his position as such, provided that a director may be reimbursed for reasonable expenses incurred by him in the performance of his duties.
31. A retiring director shall remain in office until the dissolution or adjournment of the meeting at which his retirement is accepted and his successor is elected.
32. An ordinary resolution duly passed by the Class B Members present at the annual members' meeting is required to approve the nomination of a member for appointment to the board of directors by the Class A Member. The secretary shall send out a notice inviting all eligible members (as defined in Section 27) for nomination at least 75 days prior to the annual members' meeting. Each invitation shall be in writing, and shall specify the name and membership number of the eligible member invited. Consent by any eligible member to be a candidate for nomination shall be in writing and shall be delivered in person, by mail or electronically, including without limitation by e-mail, to the secretary. Such consent must be received by the secretary not less than 45 days prior to the members' meeting at which approval of nominees by an ordinary resolution of the Class B Members will be sought. Voting for the ordinary resolution approving such nomination by the Class B Members may be conducted by a show of hands or by ballots, as Chair of the meeting may decide. The appointment of directors by Class A Member from a pool of candidates nominated by the Class B Members in accordance with the forgoing procedure shall be evidenced by a written resolution duly signed by the Class A Member.

POWERS OF DIRECTORS

33. The directors of the Corporation may administer the affairs of the Corporation in all things and make or cause to be made for the Corporation, in its name, any kind of contract which the Corporation may lawfully enter into and, save as hereinafter provided, generally, may exercise all such other powers and do all such other acts and things as the Corporation is by its charter or otherwise authorized to exercise and do. Any contracts longer than one year are limited to contracts to raise sponsorship revenue.
34. The directors shall have power to authorize expenditures on behalf of the Corporation from time to time. The Chairman or the treasurer will need to be one of the persons authorizing expenditure and one of them needs to be a signatory to any contracts signed on behalf of the Corporation.
35. The board of directors may appoint such agents (not including employees) as it shall deem necessary from time to time and such persons shall have such authority and shall perform such duties as shall be prescribed by the board of directors at the time of such appointment.

DIRECTORS' MEETINGS

36. Meetings of the board of directors may be held at any time and place to be determined by the directors provided that 48 hours written notice of such meeting shall be given, other than by mail, to each director. Notice by mail shall be sent at least 14 days prior to the meeting. There shall be at least one (1) meeting per year of the board of directors. No error or omission in giving notice of any meeting of the board of directors or any adjourned meeting of the board of directors of the corporation shall invalidate such meeting or make void any proceedings taken thereat and any director may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat. Each director is authorized to exercise one (1) vote. Resolutions shall be determined by majority vote.
37. The quorum shall constitute the lesser of 8 directors or two thirds of the appointed directors. Any meeting of the board of directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the by-laws of the corporation.
38. 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.
39. The board of directors may appoint such agents as it shall deem necessary from time to time and such persons shall have such authority and shall perform such duties as shall be prescribed by the board of directors at the time of such appointment.

LOCAL CHAPTERS AND AFFILIATIONS

40. The board of directors may authorize the formation of local "Chapters" at the provincial or territorial level or appoint local representatives in any part of Canada and may disband such Chapters or remove such local representatives. The board of directors may from time to time make and vary rules and regulations for the governance, operation and control of Chapters. Chapters shall have no authority to act on behalf of, or bind the Corporation and will not enter into contracts or agreements affecting the Corporation.

ADVISORY BOARD

41. There may be an advisory board composed of members who shall be appointed by the board of directors. The advisory board shall exercise such powers as are authorized by the board of directors. Any advisory board member may be removed by a majority vote of the board of directors. Advisory board members shall receive no remuneration for serving as such, but are entitled to reasonable expenses incurred in the exercise of their duty.
42. Meetings of the advisory board shall be held at any time and place to be determined by the members of such board provided that forty-eight (48) hours written notice of such meeting

shall be given, other than by mail, to each member of the board. Notice by mail shall be sent at least 14 days prior to the meeting. Two members of such board shall constitute a quorum. No error or omission in giving notice of any meeting of the advisory board or any adjourned meeting of the advisory board of the Corporation shall invalidate such meeting or make void any proceedings taken thereat and any member of such board may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat.

INDEMNITIES TO DIRECTORS AND OTHERS

43. Every director of the corporation and their heirs, executors and administrators, and estate and effects, respectively, 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 which such director, sustains or incurs in or about any action, suit or proceedings which is brought, commenced or prosecuted against him, or in respect of any act, deed, matter or thing whatsoever, made, done or permitted by him, in or about the execution of the duties of his office or in respect of any such liability; and
 - b. all other costs, charges and expenses which he sustains or incurs in or about or in relation to the affairs thereof,

except such costs, charges or expenses as are occasioned by his own negligence or willful wrongdoing, and provided that such individual has acted honestly and in good faith with a view to the best interests of the Corporation.

44. A director shall advise the President of CIMA in writing promptly upon receiving identification of the commencement, or threatened commencement, of any suit or other legal proceeding against the Corporation.

OFFICERS

45. The officers of the Corporation shall be a Chairman, deputy Chairman, vice-Chairman, secretary and treasurer and any such other officers as the board of directors may determine by resolution.
46. Officers of the Corporation shall be appointed by resolution of the board of directors at the first meeting of the board of directors following an annual meeting of members and will be for a term of two years.
47. The officers of the Corporation shall hold office as per terms specified elsewhere in this document or until their successors are elected or appointed in their stead. Officers shall be subject to removal by resolution of the board of directors at any time. In no event shall the term exceed 2 years unless the directors are unable to find a replacement officer at the end of the term in which case, the term of office may at the director's discretion be extended. Once

a member of the board is appointed to the position of vice Chairman, his term will continue until he ceases to be vice Chairman, notwithstanding the terms of the appointment as specified in this by-law. The vice Chairman will progress to Deputy Chairman and Chairman even if the total terms exceeds 7 years.

48. The Corporation may also have such other officers as the board of directors may determine and the duties of all such other officers shall be determined by the board of directors.

DUTIES OF OFFICERS

49. The Chairman shall have the general and active management of the affairs of the Corporation and shall see that all orders and resolutions of the board of directors are carried into effect.
50. The deputy Chairman shall, in the absence or disability of the Chairman, perform the duties and exercise the powers of the Chairman and shall perform such other duties as shall from time to time be imposed upon him by the board of directors.
51. The treasurer shall have the custody of the funds and securities of the Corporation and shall keep full and accurate accounts of all assets, liabilities, receipts and disbursements of the Corporation in the books belonging to the Corporation and shall deposit all monies, securities and other valuable effects in the name and to the credit of the Corporation in such chartered bank, as may be designated by the board of directors from time to time. He shall disburse the funds of the Corporation as may be directed by proper authority taking proper vouchers for such disbursements, and shall render to the Chairman and directors at the regular meeting of the board of directors, or whenever they may require it, an accounting of all the transactions and a statement of the financial position, of the Corporation. He shall also perform such other duties as may from time to time be directed by the board of directors.
52. The secretary, when in attendance, shall attend all meetings and act as clerk thereof and record all votes and minutes of all proceedings in the books to be kept for that purpose. The secretary shall give or cause to be given notice of all meetings of members and meetings of the board of directors, and shall perform such other duties as may be prescribed by the board of directors or Chairman, under whose supervision the secretary shall be.
53. The duties of all other officers of the Corporation shall be such as the terms of their engagement call for or the board of directors requires of them.

COMMITTEES

54. The board of directors may appoint committees whose members will hold their offices at the will of the board of directors. The directors shall determine the duties of such committees.
55. Subject to the Act, the Articles and by-law of the Corporation, the board of directors may delegate any of their powers to committees consisting of such members as they think fit.

56. The board of directors may from time to time revoke all or any of the powers delegated to any committee and discharge any committee in whole or in part.

NOTICES

57. Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served) pursuant to the Act, the articles, the by-law or otherwise to a member, director, officer or member of a committee of the board or to the public accountant shall be sufficiently given:
- a. if delivered personally to the person to whom it is to be given or if delivered to such person's address as shown in the records of the Corporation or in the case of notice to a director to the latest address as shown in the last notice that was sent by the Corporation in accordance with section 128 (Notice of directors) or 134 (Notice of change of directors) of the Act;
 - b. if mailed to such person at such person's recorded address by prepaid ordinary or air mail;
 - c. if sent to such person by telephonic, electronic or other communication facility at such person's recorded address for that purpose; or
 - d. if provided in the form of an electronic document in accordance with Part 17 of the Act.

A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box; and a notice so sent by any means of transmitted or recorded communication shall be deemed to have been given when dispatched or delivered to the appropriate communication company or agency or its representative for dispatch. The secretary may change or cause to be changed the recorded address of any member, director, officer, public accountant or member of a committee of the board in accordance with any information believed by the secretary to be reliable. The declaration by the secretary that notice has been given pursuant to this by-law shall be sufficient and conclusive evidence of the giving of such notice. The signature of any director or officer of the Corporation to any notice or other document to be given by the Corporation may be written, stamped, type-written or printed or partly written, stamped, type-written or printed.

58. The accidental omission to give any notice to any member, director, officer, member of a committee of the board or public accountant, or the non-receipt of any notice by any such person where the Corporation has provided notice in accordance with the by-law or any error in any notice not affecting its substance shall not invalidate any action taken at any meeting to which the notice pertained or otherwise founded on such notice.

EXECUTION OF DOCUMENTS

59. Contracts, documents or any instruments in writing requiring the signature of the corporation, shall be signed by any two officers one of which must be the Chairman or the treasurer and all contracts, documents and instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. The directors shall have power from time to time by resolution to appoint an officer or officers on behalf of the Corporation to sign specific contracts, documents and instruments in writing.

MINUTES OF BOARD OF DIRECTORS

60. The minutes of the board of directors shall not be available to the general membership of the corporation but shall be available to the board of directors, each of whom shall receive a copy of such minutes.

FINANCIAL YEAR

61. The financial year of the Corporation shall be determined by the board of directors and unless otherwise ordered by the board, shall be the 31st day of December, in each year.

AMENDMENT OF BY-LAW

62. Subject to the Act, the Articles and Section 10 of this by-law, the by-law of the Corporation may be repealed or amended by by-law, or a new by-law relating to the requirements of the Act, may be enacted by a majority of the directors at a meeting of the board of directors and sanctioned by written resolution by the Class A Member.

AUDITORS

63. The Class A Member shall, at each annual meeting, appoint an auditor duly nominated by an ordinary resolution of the Class B Members to audit the accounts and annual financial statements of the Corporation for report to the members at the next annual meeting. The auditor shall 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 board of directors.

BANKING ARRANGEMENT

64. The banking business of the Corporation shall be transacted at such Canadian Chartered bank as the board of directors may designate, appoint or authorize from time to time by resolution. The banking business or any part of it shall be transacted by an officer or officers of the Corporation and/or other persons as the board of directors may by resolution from time to time designate, direct or authorize.

BOOKS AND RECORDS

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

SEVERANCE

66. 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.

RULES AND REGULATIONS

67. Subject to the Act, the Articles and Section 10 of this by-law, the board of directors may prescribe such rules and regulations not inconsistent with this by-law relating to the management and operation of the Corporation as they deem expedient, provided that such rules and regulations shall have force and effect only until a written resolution approving such rules and regulations is obtained from the Class A member, or until the next annual meeting of the members of the Corporation when they shall be confirmed by the Class A Member, and failing such confirmation at such annual meeting of members, shall at and from that time cease to have any force and effect.

Subject to matters requiring a special resolution, this by-law shall be effective when made by the board.

CERTIFIED to be By-Law No. 1 of the Corporation, as approved and enacted by the directors of the Corporation on the 15th day of January, 2013

Amal Ratnayake, Chairman

