



Vancouver Club Bylaws Frequently Asked Questions & Table of Concordance

Dear Members,

On behalf of the Governance Committee and the Board, we thank you for your comments. The majority of comments have been constructive and supportive, and we very much appreciate those who have taken the time to reach out in that manner.

We have prepared a set of Frequently Asked Questions (FAQs) and a Table of Concordance that we hope will assist you in reviewing the Bylaws.

As mentioned, the proposed Bylaws are both about a 50% re-write and about an 85% re-organization. As such, if we tried to track change all changes, about 85% of the proposed bylaws would be tracked. We appreciate that it may make it hard to review each and every change.

It is our hope that the attached FAQs, the Table of Concordance and the Town Hall will lead to a large showing at the Special General Meeting and a successful vote.

We will now turn our attention to answering the currently unanswered questions that we have received from the board@vancouverclub.ca email, and we welcome further questions. We are very happy to have this direct email and hope it becomes a feature of this Board's significant effort for improved transparency.

Thank you for your continued energy and effort on behalf of our special Club.

Sincerely,

Tim Brown & Matt Swanson
Co-Chairs of the Governance Committee

Vancouver Club Bylaws

Frequently Asked Questions

Why are we changing the Bylaws?

In 2015 the updated BC *Societies Act* introduced the concept of a member funded society. At that time our Club adopted the member funded society structure and updated its bylaws (the “Bylaws”). However, the Bylaws that were adopted were, in several instances, non-compliant with the *Societies Act*. This past year the Board asked the Governance Committee to review this issue and propose new bylaws (the “Proposed Bylaws”).

Compliance was not the only focus of the Governance Committee. The Governance Committee approached its task with three additional goals: modernization (but with deep respect for our traditions), transparency and accountability.

Why is this being done at a Special General Meeting (SGM)?

Last year the Club produced and adopted an Elections Framework. This Election Framework increases accountability and establishes rules around the elections process. The Governance Committee, the Elections and Nominations Committee and the Board formally recommended the adoption of this framework under the Bylaws in advance of the June 2022 election. The SGM has been scheduled to ensure this timeline can be achieved.

What is the Composition of the Governance Committee?

The Governance Committee is comprised of seven members: one entrepreneur (Charlsey Dobell); one financial advisor (Michael Matifat); one professor (Dr. Robert Jones); two Chartered Professional Accountants (John Parker and James Ferguson); and three lawyers (Tim Brown, Matthew Swanson and Mark Fancourt-Smith).

The President, Vice-President of the Club and Director of Finance also attended Committee meetings to bring consistency and feedback from management and the remaining committees. In addition, the Membership Committee provided its recommendations with respect to membership issues and the Nominations and Elections Committee provided its recommendations on the AGM and election process.

Was the Governance Committee unanimous in proposing these bylaws to the Board?

Yes! The Governance Committee was very active and engaged. Meetings were well-attended, which led to robust discussion and healthy debate. This led to unanimity on all bylaw changes.

What was the Board’s process for reviewing the Proposed Bylaws?

Each member of the Board has independently reviewed and analyzed the Proposed Bylaws in great detail. Questions and comments from individual Board Members were provided to the Governance Committee and, in turn, the Board convened a meeting with the Chair and Co-Chair of the Governance Committee to further review and comment on the Proposed Bylaws.

Throughout this process, the Board focussed on three things: (i) compliance with the *Societies Act*, (ii) modernization, and (iii) transparency and accountability.

Was the Board unanimous in approving the Proposed Bylaws and recommending them to the Membership?

The Board was unanimous in recommending the Proposed Bylaws to Membership.

What percentage of the Bylaws were rewritten?

Approximately 50% of the current Bylaws were left standing in their existing form. To create a logical flow and clarity there was a significant reorganizing of the order of the bylaws. As a result, a side-by-side viewing will not prove useful to ascertain what changes were made and what stayed the same. A red-lined version would not be helpful due to the movement of sections and would prove to be highly confusing.

The Governance Committee knew from the start that they had a big job ahead of them, even with the help of others, so we focussed our attention of key issues. Where the Governance Committee felt that no change was warranted, even if the existing language was not perfect, we allocated our limited time where we could do the most good. One side effect of this decision included no change to definitions in the current Bylaws that were not capitalized.

Is there a table of concordance?

Yes. A table of concordance is attached to the FAQs.

What are the key changes around compliance?

(A) *The GM on the Board*

Our current Bylaws include the General Manager as a director on the Board. The term of that appointment is not specified and is therefore not compliant with sections 11.1(b) and 11.3 of the *Societies Act*.

Modern governance models separate management from the Board of Directors. Subsequently, the GM has been removed as a director on the Board but will still attend Board meetings to provide updates, advice and direction.

(B) *Discipline*

Our current discipline bylaws lack procedural fairness. The *Societies Act* requires that, before a Member can be disciplined or expelled, the Club must send the Member written notice of the proposed discipline which includes reasons for why the Board is considering the discipline set out. Currently, our Bylaws do not require that reasons be provided to the member in advance of a discipline decision. This renders the current discipline process in our current Bylaws non-compliant and of no force or effect, as per sections 72 and 11.3 of the *Societies Act*.

The Discipline Bylaws have been rewritten to ensure that any Member potentially subject to discipline will be treated fairly and in accordance with the *Societies Act*. You can find these changes in section 19 of the Proposed Bylaws.

(C) *Director Indemnity & Liability*

The current bylaws regarding director indemnity and responsibility were vague, although these bylaws did reference the *Societies Act*. Upon canvassing other clubs, the standard practice was to build the wording of the *Societies Act* with respect to director liability and indemnification into their bylaws. We have adopted this practice, which you can find reflected in section 11.4 of the proposed Bylaws

What are the key changes around modernization?

(A) *Elections*

The elections framework that was implemented last year has been enshrined in our Bylaws. You can find these changes in section 18 of the Proposed Bylaws.

(B) *The composition of the Board*

The General Manager has been removed from the Board. This is consistent with how other Clubs are run and represented a significant compliance issue. It separates the Board's role of determining policy and strategy from Management's role of implementation.

(C) *Eligibility for the Board*

To be eligible to run for the Board, a candidate must be a Member for three years and a Member in good standing for the year prior to the call of the election. You can find these changes in section 18.6 of the proposed Bylaws.

(D) *Board term limits*

Term limits have been shorted to six consecutive years, with an aggregate maximum of twelve years. This puts the Club in line with other clubs and not-for-profit organizations. It ensures greater participation from our Membership in the governance of the Club. You can find these changes in section 11.

(E) *Standing Committees*

Key committees have been made standing committees. This is consistent with most other societies and provides continuity. You can find this change in sections 1.1 (qq) and 15.2 of the proposed Bylaws

(F) *Membership categories*

We have added new membership categories.

- **Corporate** – This class of Membership has been designed to attract executives to the club. This is similar to, but distinct from, the practice of the Terminal City Club and is being proposed to ensure that our Club maintains its competitive advantage over the Terminal City Club. It must be emphasized that **the executive of the corporation/partnership will be the Member**, not the corporation/partnership. You can find this change at section 2.2(m) of the Proposed Bylaws.
- **Mentorship** – This class of Membership is rooted in the tradition of introducing relatives to the Club. The concept has been extended to include long-term mentorship relationships. Mentorship introductions are limited: a member can only make one introduction during their lifetime. The goal in making this change is to expand the way we create legacy. You can find this change at section 6.7 of the Proposed Bylaws.
- **Military** - are members who are in active service or are veterans of active service. The admission of a member in this class is up to the discretion of the Board. The entrance fee may be reduced for this class of member.
- **Spousal** - in the past spouses have enjoyed spousal “privilege”. as quasi-members. As there are other changes affecting spouses in the Club, the Board recommends making this

category a member class. This allows more transparency as to vetting (so that only people approved can join) and allows for more seamless transitioning as described in more detail below.

(G) *Membership transfer at the time of marriage separation*

At the time of a separation, a Spousal Member can elect to become a full member. The goal in making this change is to retain the Spousal Member. You can find this change at section 4.9 of the Proposed Bylaws.

(H) *Parental Leave*

As members take parental leave from work, it is important that we recognize that active participation from the Club will cease. We have lost Members in the past due to this. We would prefer to accommodate Members, rather than lose them. You can find this change at section 2.2 (m) of the Proposed Bylaws.

What are the key changes around transparency and accountability?

(A) *Financial controls*

The Board is committed to operating the Club in a financially responsible manner. The proposal Bylaws implement mandatory financial reporting requirements around operating and capital budgets, long term planning, and negative variances. It is anticipated that this will help to minimize the risk of financial losses in our fiscal year. You can find this change in section 14 of the Proposed Bylaws.

(B) *The Chair of the Finance Committee is added to the Executive*

The Chair of the Finance Committee has been added to the Board Executive of the Club so that the Board Executive is now comprised of the President, Vice-President, Past-President, and the Chair of the Finance Committee. This ensures that fiscal responsibility remains at the forefront of Board Executive level discussions. You can find this change at section 11.1(u) of the Proposed Bylaws.

(C) *Determination of Director conflict of interest*

Under the current bylaws, the only way for a director to be in a conflict of interest is if that director self-determined that they were in a conflict of interest, no matter how obvious the conflict was. There was no way, short of a court order, that a director who was clearly in a conflict of interest in the minds of the other directors, be required to recuse themselves from a decision based on this conflict. In the corporate world, a court application may be feasible, but the Board felt that was not a reasonable requirement for a social club. Under the Proposed Bylaws it becomes possible for a director to be determined to be in a conflict of interest if 75% of all sitting board members (we call it a “**Supermajority**”) determined that was the case. If that is the case, the director in question would then have 30 days to resolve the conflict to avoid being forced to recuse. The Board believes that all directors’ conduct should be above reproach, and this is a good way to make that possible. See Proposed Bylaw 11.1(g) and 11.1(h)(vi).

(D) *Removing a Director*

The current Bylaws were very limited to when a person would cease to be a director. See existing Bylaw 14.12. For example, a person could be expelled from the Club as a Member but still, on the face of the current Bylaws, be allowed to remain a director. The Proposed Bylaw 11.1(f) sets out the situations when a director automatically ceases to be a director and 11.1(h) set outs when the Board Supermajority is required to remove the offending director. Given that a director, other than one appointed to fill a vacancy, was voted in by

the members, the Board wanted to ensure a high threshold was required to remove a person as a director.

Is there additional work that needs to be done?

Yes. One area that has already been identified relates to what appropriate and respectful gestures the Club can offer in the Truth and Reconciliation process.

Along this line the Governance Committee and the Board actively considered whether to include a new category of membership or to expand Honorary Membership to include First Nations and Indigenous leaders and Chiefs. The Chair of our ESG Committee suggested further review, which would include the necessary consultations with impacted parties. As this is an area where the Club wants to ensure that any gestures or policies implemented are received with the respect that they are intended, the Board does not want to rush the process but instead will take the time to make informed decisions to determine what the Club can do that will be most meaningful.

Vancouver Club Bylaws
Table of Concordance
(Based on new section numbers)

Old Section	Description	New Section
I.1	Definitions (only listed new definitions) “Act” “Annual General Meeting” “Board Year” “Board Agreement” “Board Candidate” “Bylaw” or “Bylaws” “Chief Returning Officer” “Complainant” “Complaint” “Disciplinary Proceedings” “Discipline” “Dues and assessments” “Elected Term” “Election” “Executive” “Expulsion” “Financially Tied Friend” “Fine” “General Manager” “Members List” “Metro Vancouver” “Nominee” “Officer” “Ordinary Resolution” “Scrutineer” “Special General Meeting” “Special Resolution” “Standing Committees” “Supermajority” “Suspension” “Undisclosed Conflict of Interest”	I.1 (a) (b) (d) (e) (f) (g) (h) (m) (n) (p) (q) (r) (s) (t) (u) (v) (w) (x) (y) (ff)(v) (gg) (hh) (ii) (jj)(ii) (mm) (nn) (oo) (qq) (rr) (ss) (tt)
I.2	*** Remain numbered the same ***	I.2
	Regular Review	I.3

Old Section	Description	New Section
2.1	Membership	2.1
	Classes of members “Resident Members” “Diplomatic Members” “Associate Members” (substantially amended) “Absentee Members” “Non-Resident Members” “Supernumerary Members” “Reciprocal Members” “Military Members” (new) “Spousal Members” (new) “Parental Leave Members” (new) “Corporate Members” (new)	2.2 (c) (d) (e) (f) (g) (h) (i) (j) (k) (l) (m)
	Subsequently Cancelled Membership Categories	2.3
3.1 - 3.6	*** Remain numbered the same ***	3.1 - 3.6
3.8	Decision of Board as to Acceptance of Membership	3.7
3.9	Membership and Privileges of Members	3.8
3.10	Rejected Candidates	3.9
	Board’s Discretion to Revoke Sponsor Status (re Corporate Members)	3.10
4.1 - 4.2	*** Remain numbered the same ***	4.1 - 4.2
4.3	Associate Members	4.3 (a-b)
4.4 - 4.5	*** Remain Numbered the Same ***	4.4 - 4.5
	Spousal-Resident Membership Changes	4.6
	Spousal Separation/Divorce	4.7 (a-b)
	Termination of Spousal Membership	4.8 (a-b)
	Spouses of Deceased Members	4.9
5.1 - 5.7	*** Remain numbered the same ***	5.1 - 5.7
	Members Not in Good Standing	5.8 - 5.9
6.1 - 6.6	*** Remain numbered the same ***	6.1 - 6.6

Old Section	Description	New Section
	Mentorship	6.7
6.7	Entrance Fee for Spouses	6.8
6.9	*** Remain numbered the same ***	6.9
	One Month Advance Payment of Dues	7.1
7.1	Dues and Assessment Exemptions	7.2
7.2	Amount of Dues and Assessments	7.3
7.6	Use of Club on More Than 25 Days in Any One Quarter	7.4
	Advance Payment of Dues by Sponsors of Corporate Members	7.5
10.1	Cessation of Membership	8.1
10.2	Voluntary Resignation of Membership	8.2
10.2	Reinstatement	8.3
11.1	Effect of Cessation of Membership	9.1
8.1	Payment of Accounts	10.1
8.2	Statements of Indebtedness	10.2
8.3	Cessation of Good Standing	10.3
8.4	Collections	10.4
	Board Discretion to Readmit Former Members	10.5
8.8	Interest on Overdue Accounts	10.6
14	Board Composition and Powers	11.1
14.16	Basic Rules for Directors	11.2
14.17	Conflicts of Interest	11.3
19	Director Liability and Indemnification	11.4
15	Board Meetings	11.5
16	Board Powers	11.6
20.1	Officers of the Club	12.1

Old Section	Description	New Section
14.2	Election of President, Vice President, Secretary and Chair of Finance Committee	12.2
14.1	Immediate Past President	12.3
14.3	Death of President, Vice President, Secretary or Chair of Finance Committee	12.4
	Death of Immediate Past President	12.5
14.15	Actions Taken when No Immediate Past President	12.6
17.1	Removal of President, Vice President, Secretary or Chair of Finance Committee	12.7
20.1	Composition of Executive Committee	12.8
	Duties of Executive Committee	12.9
	Assignment of Particular Projects	12.10
18	General Manager	13
	Operations	14
20	Committees	15
22	Club Records	16
13	Annual General Meeting / Special General Meetings	17
14	Elections to the Board	18
9	Infractions of Bylaws or Rules	19
23	Audit	20
24	Amendment of Bylaws	21
21	Seal	22
25	Dissolution of the Society	23