



It starts with Scouts.

Tout commence
avec les Scouts.

SCOUTS CANADA (NEWFOUNDLAND & LABRADOR) TRUST FOUNDATION INC.
(the "Corporation")

ANNUAL GENERAL MEETING MINUTES

St. John's, NL on Saturday, January 16, 2021.

Attendance: Charlotte Belbin, Raymond Collins, Andrea Cook, Charles Cook, Lawson Dickson, Joel Hatcher, Nicole House, Stephen Loney, Dwain Noel, Chris Pike, Paul Price, Gareth Rowberry, Blair Sparkes, Bruce Templeton, Viki White.

1. Call to Order

- a. The meeting was called to order by Scouter Stephen Loney at 1:59 PM.
- b. Scouter Stephen made a land acknowledgement.
- c. Scouter Stephen also made the following statement for the minutes:

I note for the minutes that we are conducting this meeting virtually by Microsoft Teams. I also note that the *Corporations Act* as requiring us to conduct this meeting in person, although provincial COVID-10 restrictions prohibit us from doing so. Our by-laws require us to conduct annual meetings of the members no later than the end of February annually, so we do not have the option to delay this meeting significantly. All members eligible to vote are present at today's meeting and ask that you indicate your consent to proceed with the business of the annual general meeting in these circumstances.

Unanimous consent given.

2. Approval of the minutes of December 14, 2019 Annual General Meeting & Business Arising

- a. Be it resolved that the Members approve the minutes of the Corporation's December 14, 2019 meeting. (Copy attached.)

Moved by: Charlotte Belbin Seconded by: Nicole House Motion carried

- b. Be it resolved that the Members accept the Corporation's 2018-2019 Financial Statements as presented. (Copy attached.)

Moved by: Charlotte Belbin Seconded by: Viki White Motion carried

3. Election of Directors

Moved that Raymond Collins, Andrea Cook, Janet Kent, Dwain Noel, and Bruce Templeton be elected directors of the Corporation.

Moved by: Andrea Cook Seconded by: Nicole House Motion carried.

4. Resolution ratifying actions of the Board taken since the December 14, 2019 Annual General Meeting

Be it resolved that the Members ratify the directors' actions managing the Corporation's investments from December 14, 2019 to August 31, 2020.

Moved by: Paul Price Seconded by: Viki White

Scouter Bruce Templeton offered the following comments on the management of the Corporation's investments:



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Scouts Canada (Newfoundland & Labrador) Council

1. What is in this for you, the wonderful leaders on this call? The Answer is that your leadership has established a Newfoundland registered company holding the financial and property assets which we all own. The financial assets grew to over \$1 million with the sale of the Paradise building. There are several accounts.
 2. A committee of your executive looked at the Bursary Fund account. It recommended that we set a target of 4% cash flow which would come from dividends, interest and realized capital gains. That seems like a reasonable target with interest rates at all time lows. We set some ethical and social guidelines with our advisor at RBC Dominion Securities and in writing said that we would not own tobacco, armaments, pornography, etc. With those guidelines in place, the advisor went to work.
 3. After we had generated returns of approximately \$40,000 from the three sources, we captured the gains and put the \$41,097.43 in the disbursement account where we bought a short term deposit due December 21st 2021. Next, we waited until the investment account grew again, we took profits and bought a two-year term deposit for \$42,000 due December 12th, 2022. So now your disbursement committee has \$83,646.34 which it knows can be used to provide the scouting dream to our youth and continue to build the motto of our founder that "Scouting is a jolly game to be played in the outdoors." That now can be anywhere in the world. We will continue to manage the account in this manner. Will the market value of the account rise and fall? Of course it will. And when good opportunities come along, we will invest further to achieve our next goal of adding to our ladder of GIC's in the Disbursement account for our youth in 2023 and beyond.
Motion carried.
5. **Resolution to set the maximum number of Directors of the Corporation at five.**
Resolution attached.
Moved by: Charlotte Belbin Seconded by: Gareth Rowberry Motion carried.
6. **Approval of amendments to the Corporation's By-law No. 1.**
Be it resolved that the Members enact By-law No. 1 in the form attached.
Moved by: Viki White Seconded by: Paul Price
Gareth Rowberry moved and Andrea Cooked seconded an amendment to Article 2 of the proposed By-law in the form attached.
Motion carried.
There was no further discussion.
Main motion carried.
7. **Approval of amendments to the Corporation's By-law No. 2, the Bursary Fund By-law.**
Be it resolved that the Members enact By-law No. 2 in the form attached.
Moved by: Paul Price Seconded by: Charlotte Belbin Motion carried
8. **Approval of amendments to the Corporation's By-law No. 3, the General Fund By-Law.**
Be it resolved that the Members enact By-law No. 3 in the form attached.
Moved by: Nicole House Seconded by: Viki White Motion carried.



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9. Presentation of 2019-2020 Financial Statements

Be it resolved that the Members accept the Corporation's 2019-2020 Financial Statements as presented. (Copy attached.)

Moved by: Paul Price

Seconded by: Viki White

Scouter Charles Cook noted that the Corporation incurred a small loss due to investment fee expenses and market losses between during the period March to August 2020. He noted that these losses have been recouped through market gains since the reporting period ended on August 31, 2020.

Motion carried.

Scouter Stephen extended a vote of thanks to Scouter Charles Cook for his work on the financial statements.

10. Appointment of Auditor

Scouter Charles Cook explained the Corporation's options for external reviews of its financial statements. He noted that with the termination of risky aspects of its operation, such as operating the Scout Shop and maintaining a Service Centre to house the Newfoundland and Labrador Council, the directors may wish to assess the proper level of external review, if any.

Be it resolved that the directors review the options for external review of the Corporation's financial statements and recommend what, if any, external review is required at the next annual members meeting.

Moved by: Paul Price

Seconded by: Viki White

Motion carried.

11. Adjournment

Moved by: Viki White

Seconded by: Paul Price

Meeting adjourned at 2:23 PM.



Christopher Pike
Secretary

Minutes

Annual General Meeting Scouts Canada (Newfoundland & Labrador) Trust Foundation Inc. (the "Corporation")

December 14, 2019
55 Karwood Drive, Paradise, NL

1. Call to Order

Called to Order by Joel Hatcher.

Present: Stephen Loney, Joel Hatcher, William Short, Lawson Dickson, Andrea Cook, Viki White, Gareth Rowberry, Tony Hillier, Paul Price, Charles Cook, Bill Hickey, Wilf Thomas, Chris Pike (secretary).

2. Approval of Minutes of 2018 Annual General Meeting

Moved by Blair Sparkes, seconded by Stephen Loney: Carried.

3. Report of Nominating Committee

Be it resolved that Joel Hatcher, Stephen Loney, Bruce Templeton, Blair Sparkes, and Andrea Cook be elected directors of the Corporation.

Moved by Paul Price, Seconded Viki White: Carried.

4. Resolution Ratifying Actions of the Board taken since the last Annual General Meeting:

Be it resolved that the actions taken on behalf of the Corporation by the Directors during the period September 1, 2018 to August 31, 2019 be ratified.

Moved by Stephen Loney, Seconded Andrea Cook: Carried.

5. Appointment of Auditor

Be it resolved that KPMG Chartered Accountants be appointed the auditor of the Corporation for the fiscal period September 1, 2018 to August 31, 2019.

Motion to Table moved by Viki White, Seconded Blair Sparkes: Carried.

6. Other Business

6.1. Financial Statements

Charles Cook reported that he was unable to complete formal financial statements due to the time of the time demands of his work on the sale of Scouts Canada (Newfoundland and Labrador)

Properties Inc.'s building at 55 Karwood Drive, Paradise. He noted that at August 31, 2019, the Corporation held approximately \$40,000 in the General Fund and \$382,000 in the Bursary Fund. Since the Bursary Fund was invested in June 2018, its investment yield has been 3.8%. He said the formal statements will be circulated once he completes them.

6.2. Expanding the pool of Voting Members

Chris Pike reported that the plan to expand the Corporation's pool of Voting Members was deferred because of changes Scouts Canada introduced to Council structures. This item will be brought forward at the 2020 Annual general Meeting.

6.3. Joint Investment Committee

Chris Pike noted that the Corporation's Investment Committee (Chris Pike, Andrea Cook, and Bruce Templeton) has been managing the investment accounts held by the Corporation and Scouts Canada (Newfoundland and Labrador) Properties Inc. (invested funds of \$100). He recommends that once Scouts Canada (Newfoundland and Labrador) Properties Inc. sells its building and increases its investment in its Camp Nor'Wes Fund, the corporations should appoint a joint investment committee with representation from both corporations.

7. Adjournment

Adjourned on motion by Viki White.



Christopher Pike
Secretary
Council Team Lead, Corporate Governance

Financial Statements of

**SCOUTS CANADA
(NEWFOUNDLAND AND
LABRADOR) TRUST
FOUNDATION INC.**

Year ended August 31, 2019
(Unaudited)

Scouts Canada (Newfoundland and Labrador) Trust Foundation Inc.

Statement of Financial Position

August 31, 2019, with comparative information for 2018
(Unaudited)

| | 2019 | 2018 |
|--|------------|------------|
| ASSETS | | |
| Current assets | | |
| Cash | \$ 9,654 | \$ - |
| Accounts receivable | 4,882 | 4,352 |
| Short-term investments (note 2) | 6,341 | 415,328 |
| | 20,876 | 419,680 |
| Long-term investments (note 2) | 409,582 | - |
| | \$ 430,458 | \$ 419,680 |
| LIABILITIES AND UNRESTRICTED NET ASSETS | | |
| Current liabilities | | |
| Accrued liabilities | \$ 23,080 | \$ 15,055 |
| Deposits payable (note 3) | 21,809 | 21,809 |
| | 44,889 | 36,864 |
| Unrestricted net assets | 385,569 | 382,816 |
| | \$ 430,458 | \$ 419,680 |

See accompanying notes to financial statements.

On behalf of the Board

_____ Member _____ Member

Scouts Canada (Newfoundland and Labrador) Trust Foundation Inc.

Statement of Operations and Changes in Net Assets

Year ended August 31, 2019, with comparative information for 2018
(Unaudited)

| | 2019 | 2018 |
|---|------------|------------|
| Revenues | | |
| Donations | \$ 3,475 | \$ 100 |
| Investment income | 9,977 | 2,044 |
| | 13,452 | 2,144 |
| Expenditures | | |
| Investment fees | 1,610 | - |
| Professional fees | 2,000 | - |
| Grants (note 5) | 7,044 | - |
| Bank charges | 46 | - |
| | 10,699 | - |
| Excess (deficiency) of revenues over expenditures | 2,753 | 2,144 |
| Unrestricted net assets, beginning of year | 382,816 | 380,672 |
| Unrestricted net assets, end of year | \$ 385,569 | \$ 382,816 |

See accompanying notes to financial statements.

Scouts Canada (Newfoundland and Labrador) Trust Foundation Inc.

Statement of Cash Flows

August 31, 2019, with comparative information for 2018
(Unaudited)

| | 2019 | 2018 |
|---|-----------|-----------|
| Cash provided by (used in): | | |
| Operations: | | |
| (Deficiency) excess of revenues over expenditures | \$2,753 | \$2,148 |
| Items not involving cash: | | |
| (Increase) decrease in accounts receivable | (530) | (100) |
| (Increase) decrease in due from related party | - | - |
| Increase (decrease) in accounts payable and accrued liabilities | 8,025 | - |
| Transfer of cash to related party | - | - |
| | 10,248 | 2,048 |
| Investing: | | |
| Advances to related party | - | - |
| (Increase) Decrease in short term investments | 408,988 | (357,573) |
| (Increase) Decrease in long term investments | (409,581) | 68,245 |
| | (594) | (289,328) |
| Increase (Decrease) in cash | 9,654 | (287,280) |
| Cash, beginning of year | 0 | 287,280 |
| Cash, end of year | \$ 9,654 | \$ 0 |

See accompanying notes to financial statements.

Scouts Canada (Newfoundland and Labrador) Trust Foundation Inc.

Notes to Financial Statements

Year ended August 31, 2019

(Unaudited)

Scouts Canada (Newfoundland and Labrador) Trust Foundation Inc. (the "Foundation") is a not-for-profit organization incorporated under the laws of the Province of Newfoundland and Labrador. The Foundation is a registered charity and, as such, is exempt from the payment of income tax.

The Foundation holds investments in order to provide sufficient income to make annual grants to Scouts Canada Newfoundland and Labrador Council ("Newfoundland and Labrador Council") for operations and special projects as the Foundation's Board of Directors may approve from time to time. During the year the Foundation revised its investment strategy for providing future support to Scouting activities through distinct Fund accounts, the Bursary Fund and the General Fund, with established guidelines providing for investment decisions and the distribution of income earned annually by each fund.

1. Significant accounting policies:

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The Foundations significant accounting polices are as follows:

(a) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Foundation has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing cost, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Foundation determines if there is a significant adverse change in the expected amount or timing of future

Scouts Canada (Newfoundland and Labrador) Trust Foundation Inc.

Notes to Financial Statements (continued)

Year ended August 31, 2019

(Unaudited)

1. Significant accounting policies (continued):

cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flow, the amount that could be realized from the selling of the financial asset or the amount the Foundation expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future year, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(b) Investments:

Investments classified as current assets are carried at the lower of cost and market value. Other investments are carried at cost less a write-down, if necessary, for any impairment in value which is other than temporary.

(c) Revenue recognition:

The Foundation uses the deferral method for accounting for contributions. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received is reasonably assured. Restricted contributions are deferred and recognized as revenue when the related expenditure is incurred. Investment income is recognized in revenue of the period in which it is earned.

(d) Contributed services:

Volunteers contribute many hours to assist the Foundation in the governance of its operations and programs. Because of the difficulty in assessing the number of hours and their fair value, contributed services are not recognized in the financial statements.

(e) Use of estimates:

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the

Scouts Canada (Newfoundland and Labrador) Trust Foundation Inc.

Notes to Financial Statements (continued)

Year ended August 31, 2019

(Unaudited)

1. Significant accounting policies (continued):

financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

2. Investments:

| | 2019 | 2018 |
|------------------------|------------|------------|
| Short-term investments | \$ 6,341 | \$ 415,328 |
| Long-term investments | 409,582 | 0 |
| | \$ 415,922 | \$ 415,328 |

Short-term and long-term investments include investments in cash, guaranteed investment certificates, common shares and mutual funds. Short-term investments include cash and investments, which have a maturity date within one year of the fiscal year-end date.

3. Deposits payable:

The Foundation holds deposits on behalf of other Scouts Groups that do not have a separate charter to hold assets. Therefore, investment balances are held by the Foundation until such investments are requested to be withdrawn. After a specified period of time, if the funds are not requested, they are invested in the Funds.

4. Financial risks:

The Foundation's financial instruments consist of cash, short term and long-term investments, accrued liabilities and deposits payable. The fair values of financial instruments approximate their carrying values unless otherwise noted. Unless otherwise noted, it is management's opinion that the Foundation is not exposed to significant currency or interest risks.

Scouts Canada (Newfoundland and Labrador) Trust Foundation Inc.

Notes to Financial Statements (continued)

Year ended August 31, 2019

(Unaudited)

4. Financial risks (continued):

(a) Liquidity risk:

Liquidity risk is the risk that the Foundation will be unable to meet its cash requirements in a timely and cost-effective manner. Liquidity requirements are managed by monitoring its cash flows and ensuring that it has sufficient cash and short-term investments to meet its obligation and liabilities.

(b) Credit risk:

Financial instruments which potentially subject the Foundation to credit risk consist primarily of cash, and short term and long-term investments. The Foundation limits the amount of credit exposure with its cash balance by only maintaining cash and investments with major Canadian financial institutions.

5. Grants issued:

During the fiscal year, the Foundation awarded \$7,044 (2018 - \$Nil) to support youth member participation in Scouting programs.

6. Related party transactions:

The Newfoundland and Labrador Council receives significant benefit from the Foundation by virtue of the Council's economic interest in the Foundation.

During the fiscal year, the Foundation awarded \$Nil (2018 - \$Nil) to the Newfoundland and Labrador Council in grants.

Scouts Canada (Newfoundland and Labrador) Trust Foundation Inc.

Notes to Financial Statements (continued)

Year ended August 31, 2019

(Unaudited)

6. Related party transactions (continued):

During the fiscal year, the Foundation awarded \$Nil (2018 - \$Nil) to Scouts Canada (Newfoundland and Labrador) Properties Inc., an organization under common control.

Included in trade receivables at year end is \$4,770 (2018 - \$4,352) owing from Scouts Canada (Newfoundland and Labrador) Properties Inc. for donations received and directed to the Foundation.

Included in accrued liabilities at year end is \$23,080 (2018 - \$15,050) owing to Scouts Canada (Newfoundland and Labrador) Properties Inc. for expenses incurred on behalf of the Foundation.

Members' Resolution

Scouts Canada (Newfoundland and Labrador) Trust Foundation Inc. (the "Corporation")

- WHEREAS:** Section 422(1) of the Corporations Act (RSNL 1990, c.C-36, the "Act") provides the Corporation may have no fewer than three directors.
- AND WHEREAS:** Section 279(1)(m) of the Act allows the Corporation to amend its Articles of Incorporation by special resolution to increase or decrease the number of directors or the minimum or maximum number of directors;
- AND WHEREAS:** Section 2(ee) of the Act defines a special resolution as one passed by a majority of not less than $\frac{2}{3}$ of the votes cast by the members who voted;
- AND WHEREAS:** The Corporation's Articles of Incorporation do not set a minimum or maximum number of directors;
- AND WHEREAS:** The Corporation's Directors recommend setting a minimum number and maximum number of directors to facilitate recruiting directors and organizing the Board;

THEREFORE, BE IT RESOLVED THAT

1. The Corporation's Articles of Incorporation be amended to set the minimum number of Directors of the Corporation at three and maximum number of Directors of the Corporation at five.



SCOUTS CANADA (NEWFOUNDLAND & LABRADOR) COUNCIL

PROPOSED BY-LAW AMENDMENT

Redefining Members of the Corporations and Strengthening Governance Practices

December 19, 2020

Scouts Canada (Newfoundland and Labrador) Properties Inc.
and
Scouts Canada (Newfoundland and Labrador) Trust Foundation Inc.
(the "Corporations")

To: Directors and Members of the Corporations
All Group Commissioners
All Crew Presidents
All Company Presidents
Guildmasters

OBJECT

The Members of the Corporations elect the Boards of Directors that govern them and set their policy direction, guided by Scouts Canada policies and procedures. Scouts Canada has abolished some of the positions used in the Corporations' By-laws to designate the individuals who are entitled to vote in those elections, which are conducted at their annual general meetings. This proposal addresses those changes. The Corporations also propose to clarify that the Council Commissioner and the Council Youth Commissioner are their operating officers. As well, they propose to make it easier to recruit directors from outside the Council Team and, as necessary or appropriate, Scouting generally.

RATIONALE

Scouts Canada is committed ensuring fair and open representation of its membership at its governance meetings. To this end, it elects Voting Representatives annually to represent each Council's ordinary members at these meetings. The Scouts Canada's Voting Representatives then elect the Board of Governors at its annual general meeting. By making the changes proposed in this paper, the Newfoundland and Labrador Council and the Corporations will create a pool of voting members that is more representative of the Council's membership to serve similar functions.

The Corporations operate within Scouts Canada's governance structure to further Scouting interests in Newfoundland and Labrador. The Corporations' officers put the policy direction set by the Boards of Directors into operation. The Council Commissioner and the Council Youth Commissioner are the lead volunteers of the Council. It follows from this that they should also be the operating officers of the

Corporations. The Corporations are also committed to implement best governance practices. Enhancing their ability to recruit directors from a deeper pool furthers this goal.

PROPOSAL

When the Corporations were incorporated, the members entitled to vote at meetings included their executive committees and designated Area, Regional, and Provincial officer holders. Subsequent By-law amendments gave voting status to members nominated by the Council Commissioner and certain office holders. A 2017 By-law amendment designated specific Commissioners and Youth Commissioners as the voting representatives of the Corporations. Since 2017 Scouts Canada has abolished many of those Commissioner roles.

Until earlier this year, Scouts Canada called the individuals entitled to vote at its governance meetings "Voting Members". Scouts Canada now calls those individuals "Voting Representatives". The provincial legislation governing the Corporations uses "Member" in the context Scouts Canada has chosen to use "Voting Representative". For this reason, the Corporations have chosen to adopt "Member" to refer to the individuals entitled to vote at their governance meetings and participate in other aspects of their governance.

The Corporations propose to designate as its Members, the Council Commissioner and Council Youth Commissioner, its directors, the Groups Commissioners who lead each Group in the province, and Guild representatives. Youth (*i.e.* program participants) have guaranteed representation as voting representatives in the national model. To ensure youth representation in the pool of Members, the Corporations propose that the Presidents of each Rover Crew and Venturer Company also serve as Members of the Corporations. The Corporations believe the Groups that own or manage real estate have unique interests in their governance. Each of these Groups will be empowered to appoint a Member. The proposed changes in membership structure necessitates amending the definition of "Members" in the By-laws.

Good governance principles require a board of directors collectively to have skills in disciplines including business management, law, accounting, and asset management. To facilitate recruiting candidates to fill corporate needs, the Corporations will cease the practice of drawing directors principally from the Council Team. They will also amend the By-laws to require an open call for nominations to serve on the Boards of Directors. Doing so will make it easier to identify suitable candidates from outside the Council Team and outside of Scouting to join the Boards.

At a February 7, 2019 Karwood town hall meeting, Guildmaster Bill Hickey raised several governance issues. He also noted that given the historical development of the Council's real estate and investment assets, Guild members a significant attachment to and interests in these assets He argued that, for this reason, the 44th BP Guild ought to have a reserved seat or seats on the Corporations' Boards of Directors.

At its Annual General Meeting on October 21, 2020, the 44th BP Guild unanimously passed the following resolution:

Be it resolved, that the Guild request that the Newfoundland and Labrador Council of Scouts Canada reserve for a representative of the 44th BP Guild, one seat on each of the Boards of Directors for the Scouts Canada (Newfoundland and Labrador) Trust Foundation Inc. and the Scouts Canada (Newfoundland and Labrador) Properties Inc.. The 44th BP Guild's representative shall be elected at the Annual General Meeting of that body.

The Corporations have considered the Guild's resolution but have decided not to propose reserving seats on their respective Boards for any individual office holder or a representative of any Scouting

ADDITIONAL BACKGROUND INFORMATION

constituency. The Council Commissioner has advised the Guild accordingly. Nevertheless, it should be noted that nothing in the proposed process will prevent Guild members from standing for election to the Boards.

The Corporations also propose to more clearly reflect that they operate within the framework of Scouts Canada's governance structure by designating the Council Commissioner and Council Youth Commissioner as the operating officers of the Corporation.

Several housekeeping changes are also proposed in the attached draft amendment:

- Apply inclusive, gender non-specific language
- Clarify that a person who chairs a meeting or committee has the right to break tie votes
- Specifically authorize videoconference meetings
- Eliminate duplicated provisions
- Eliminate the office of Honourary Solicitor
- Align By-law provisions with our corporate practices

DRAFT ATTACHED

Drafts of proposed amendments to

- Scouts Canada (Newfoundland and Labrador) Properties Inc. By-law No. 1 and
- Scouts Canada (Newfoundland and Labrador) Trust Foundation Inc.

are attached.

Respectfully submitted,
Chris Pike
Team Lead, Corporate Governance

ADDITIONAL BACKGROUND INFORMATION

PROPOSED MEMBERSHIP STRUCTURE

This chart illustrates how Members would be distributed through the current Council membership as of April 2020. The Directors will not necessarily be Members because of an office they hold in Scouts Canada. For that reason, Directors are excluded from this chart.

| Group | GC | Vent | Crew | Camp | Guild | Ex Officio | Total |
|----------------------------|----|------|------|------|-------|------------|-------|
| 1st Bay Roberts | 1 | | | | | | 1 |
| 1st Carbonear | 1 | | | | | | 1 |
| 1st CBS | 1 | | 1 | 1 | | | 3 |
| 1st Cowan Heights | 1 | | | 1 | | | 2 |
| 1st Fogo Harbour Lions | 1 | | | | | | 1 |
| 1st Goulds | 1 | | | | | | 1 |
| 1st Happy Valley | 1 | | | | | | 1 |
| 1st Lab West | 1 | | | | | | 1 |
| 1st Macpherson | 1 | 1 | | 1 | | | 3 |
| 1st Mount Pearl Lions | 1 | | | 1 | | | 2 |
| 1st Paradise | 1 | 1 | | 1 | | | 3 |
| 1st Pasadena | 1 | | | | | | 1 |
| 1st Portugal Cove | 1 | | | | | | 1 |
| 1st RNC Police Venturers | 1 | 1 | | | | | 2 |
| 1st St. John's East | 1 | 1 | 1 | | | | 3 |
| 1st Topsail | 1 | 1 | | | | | 2 |
| 1st Torbay | 1 | 1 | | | | | 2 |
| 1st United, Gander | 1 | 1 | | | | | 2 |
| 2nd Stephenville | 1 | | | 1 | | | 2 |
| 3rd St. Anthony | 1 | | | | | | 1 |
| 4th Clarenville | 1 | | | | | | 1 |
| 4th Grand Falls | 1 | 1 | | | | | 2 |
| 5th Marystown | 1 | | | | | | 1 |
| 44th Baden-Powell Guild | | | | | 1 | | 1 |
| 124th Baden-Powell Guild | | | | | 1 | | 1 |
| Council Commissioner | | | | | | 1 | 1 |
| Council Youth Commissioner | | | | | | 1 | 1 |
| | 23 | 8 | 2 | 6 | 2 | 2 | 43 |

ARTICLE II OF SCOUTS CANADA'S BY-LAW NO. 2

See <https://www.scouts.ca/resources/bpp/bylaw.html> for authoritative text

- a. **Categories of Membership**—Membership in the Corporation shall be divided into three categories. Persons within such categories are referred to herein individually as a “Member” and collectively as the “Members”. The categories are as follows:
- (1) **Ordinary Members**—Ordinary Members shall be entitled to receive notice of, in the manner set forth in Article III, and attend, but not vote at all meetings of Members. An Ordinary Member shall be any person who subscribes to the mission and principles of the Corporation, who pays the membership and national insurance fee established from time to time by the Board (or has such fees paid for him) and who falls into one of the following categories:
 - (a) any Youth registered with the Corporation for the purpose of participating in the programs offered by the Corporation;
 - (b) any person registered with the Corporation providing volunteer services to assist in the administration, development, management, or delivery of the programs offered by the Corporation;
 - (c) any member of a BP Guild not otherwise registered as an Ordinary Member of the Corporation; and
 - (d) any employee, as defined in the “Scouts Canada Personnel Policy” of the Corporation.
 - (2) **Honorary Officers and Members**— The Voting Members may elect as an Honorary Officer or Honorary Member of the Corporation any person they may deem suitable. The number of Honorary Officers shall not at any time exceed twelve (12).
 - (3) **Voting Members**—Voting Members of the Corporation shall be:
 - (a) three (3) representatives, one of whom must be a Youth Member from each Council, elected annually by each such Council;
 - (b) the Members of the Board;
 - (c) one (1) representative from the Salvation Army Scout Association, appointed by such Association;
 - (d) three (3) representatives from L'Association des Scouts du Canada, appointed by L'Association des Scouts du Canada;
 - (e) one (1) representative from the Canadian Council of BP Guilds, appointed by the Canadian Council of BP Guilds; and
 - (f) all Honorary Officers.

Comments

Voting Members are elected annually under the Election of Voting Members Policy in a general election in which all registered members aged 14 and older are eligible to vote. Scouts Canada uses the terms “voting member” and “voting representative” interchangeably.

HISTORY OF INCORPORATED BODIES (A.K.A. PROPERTY SOCIETIES)

Scouts Canada's property societies were originally intended to standardize the property holding practices. In October 1962, P.O. & R. rule 385 was approved:

Real and personal property owned or held for the purposes of a provincial council or any division of group within the provincial council or any division or group within the provincial council area, shall be held, at the option of the provincial council, in the name of the Boy Scouts of Canada, or by any trust company designated by the provincial council, or by a company which is owned or completely controlled by the provincial council and is incorporated for the purpose of holding property at the instance of the provincial council with the approval of the president and honorary counsel for the National Council.

Subsequent changes saw the rule moved to Section II, Organization, Provincial and Territorial Councils, Duties (iv), and reworded as follows:

Arrange for all property, real or personal, acquired for the purpose of the provincial council or of an division or group within the provincial council area to be held in the name of the Corporation or the provincial council or by any trust company designated by the provincial council or by any

ADDITIONAL BACKGROUND INFORMATION

company which is owned or completely controlled by the provincial council and is incorporated for the sole purpose of holding property;

When By-Law No.2 was developed in 2003, the connection with the property societies appears to have been lost.

Even though the formal connection has been lost, the Corporation have continued to operate within Scouts Canada's governance framework. This history explains why the Corporation's by-laws have, since they were incorporated, required approval of the Board of Governors.

ROLE OF MEMBERS

The Corporations intend to adopt the policies and procedures developed (and in development) by Scouts Canada to engage its voting representatives.

Scouts Canada's current position paper is attached. The role of voting representatives as defined in this document is not a part of Scouts Canada's By-laws. The Corporations are satisfied to use the same approach. Doing so will avoid the need to adjust the By-laws as the Member role evolves. The Corporations will adopt by Directors resolutions the Scouts Canada policies and procedures respecting its Voting Representatives as their policies and procedures respecting Members.

The Corporations do not have the financial means to fund Member travel to attend governance meetings, so meetings of the Members will be conducted by teleconference or videoconference.



It starts with Scouts.

Tout commence
avec les Scouts.

May 2020

Board of Governors Position Paper and Recommendations: Evolving the Role of the Council Voting Representative

1. Introduction

As a result of feedback from Board Members and interest expressed by some Council Voting Representatives who represent the Ordinary Members of Scouts Canada (Council Voting Representatives, or CVR's) in increasing their level of engagement, the relevance of their contribution, their ability to execute their role, and creating better mechanisms for understanding the interests of the constituents they are meant to represent, the Board of Governors began work to consider the issues and develop a plan to address them. Work began at the February 2020 Board meeting and since that time, there have been several Board discussions to dissect the issues and develop a plan to move forward.

The Board agreed to the following principles that are intended to guide the approach with voting members:

- **Engagement** – The Ordinary Members of Scouts Canada (primarily Youth and Scouters within a Council) should feel that there is a mechanism that leads to their voice being heard in the governance of Scouts Canada, not just because they are told so, but rather, because one actually exists.
- **Respect for Prior Decision Making** – The current Board recognized that previous boards adopted our current democratic process for good reasons, after extensive deliberation and that due consideration should be given to the context in which the model was developed. They agreed to take the time to fully understand the historical context prior to making broad changes to the approach.
- **Effectiveness is Critical** – Any considered changes need to be operationally feasible. Not just from a governance perspective, but also from an operations perspective. We should avoid changes that create undue administrative overhead and burden.
- **Genuine** – Any changes made must not just be an artifact that sounds good, but should actually lead to real democracy, improved engagement, and better outcomes for Scouts Canada.

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- **Open and Transparent** – The process we undertake to complete this review of what the role is and should be must be open and transparent to all who are interested. It must be a grounded and genuine way to talk about what we are trying to achieve and should be communicated to all voting members.
- **Iterative** - If we don't get it exactly right, we agree to monitor and keep tweaking it until it is optimal.
- **Scope of Role** – The role of the Council Voting Representative should be meaningful, participating as a key element in our governance. That role must fit with all the other elements of the governance model.

As an outcome of the discussions of the group, the following was adopted by the Board at its meeting on May 20, 2020.

2. Role of Council Voting Representatives

An important element worth reinforcing is that clarity and consistency of understanding of the role is critical. Improved clarity will help address any situation where some members of Scouts Canada have a different view or desire regarding what the role of the CVR is. This role must fit into the broader context of accountabilities and responsibilities of management (both staff and volunteer) and of the Board of Governors. It is critically important that we not introduce any ambiguity or overlap in the model.

The role of the Council Voting Representative is to:

- Broadly represent the interests of all Ordinary Members, especially Ordinary Members from the Council they represent, as we conduct the business of the corporation
- Vote to select three members from among their ranks (including one Youth member) that will participate as members of the Nominating Committee.
- Ensure that items prescribed by the bylaws of Scouts Canada happen. This includes the election of Board of Governors members as recommended by the Nominating Committee, voting on the approval of resolutions tabled by the Board of Governors that modify the by-laws of the organization, approval of the recommendation of the Audit Committee regarding the appointment of auditors for the following year, voting to receive reports from management, the Vice-Chair Finance, Audit Committee and management, etc.
- Bring forward important issues to the Board of Governors and/or Management. Although it is expected that all voting members fulfill their role in an appropriate way, it was felt that imposing any direct restrictions on the nature of the issues that can be raised to the Board by CVRs would be unwise and unnecessary.
- On occasion, propose resolutions for consideration at an AGM. Such resolutions may include resolutions asking that the Board of Governors consider making changes to By-laws or policies of Scouts Canada.

- Act as a safeguard against a Board acting egregiously, by being able to vote against, in conjunction with other voting members, the recommendation of the nominating committee and voting in conjunction with other voting members to approve alternative nominations, thereby replacing the Board with another that would act in the interests of Scouts Canada.

It is equally important to define what the role is not. Council Voting Representatives do not:

- Directly involve themselves in setting policy or procedures for Scouts Canada
- Present resolutions that themselves modify the by-laws of the organization. Such changes require a Resolution by the Board of Governors and must be passed at a special meeting by a two third majority of all voting members
- Over-ride the Board of Governors on strategy and governance issues
- Over-ride management on operational issues
- Replace the existing management hierarchies that exist to deal with issues, resolve disputes, etc.
- Act to represent highly local or narrow interest groups to the detriment of the majority of Scouts Canada's Ordinary Members or the organization.

3. Engaging Council Voting Representatives During and Outside of the AGM

As we work on ensuring that the CVRs have a genuinely meaningful role in the democratic governance of Scouts Canada, it is important that we recognize that the AGM itself has, by its nature, a prescriptive agenda and operating model. There is not a lot of flexibility available for turning it into something that it isn't. Its core agenda is prescribed by corporate law and by the bylaws of Scouts Canada. As such, when working on ensuring that the role of CVR is meaningful, it is important to look to the opportunities that can be taken advantage of from a variety of activities; both during the AGM, and those that might happen outside the actual AGM, for example during a national conference.

Not taking advantage of the chance for engagement presented when we gather together with CVRs would be a missed opportunity. It is recommended that we hold a session prior to the AGM specifically to engage CVRs and facilitate interaction among them, creating a chance to address issues, improve communication and build mutual understanding and relationships. As the AGM continues to be held in concert with the annual Scouters Conference, there is a great opportunity to engage CVRs as active participants in a more significant way than has happened in the past. This can have a secondary benefit of giving the organization the ability to assess CVRs and, where appropriate, encourage them to participate in other ways at the national level, perhaps as members of the National Leadership Team, Board members, committee members, etc.

In order to properly represent the interests of their stakeholders, CVRs are encouraged to leverage existing ways for them to effectively connect with the local Ordinary Members that they

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are supposed to represent. This should include participation in local social media mechanisms, council events, and other opportunities. Their role will be better communicated to their constituent members and Ordinary Members will be encouraged to reach out to the CVRs if they have any issues or concerns that they would like to discuss.

It is also important for CVRs to be confident that they are broadly representing the interests of Ordinary Members and not just a local or vocal minority, the ability for CVRs to interact with the other CVRs across the country outside the AGM will be created using the Scouts Canada Exchange/SharePoint platform.

In order to create the ability for CVR's to have an effective mechanism to bring forward important issues to the Board of Governors and management, opportunities for them to engage with Board members and management in a meaningful way must be created. They will be clearly given permission and encouragement to contact Board members and management with issues they would like to discuss, as such, they will be provided with the relevant contact information to engage in dialogue as required. We will not be placing limitations on the topics that CVRs can raise, but Board members and management will be clear on the types of topics that they should be referring elsewhere in the organization to be addressed. CVRs are encouraged to work with local management, and in particular their Council Key 3 as a first choice for local and operational topics.

Board members will also be clear and transparent around the nature of the interactions they can have with individual CVRs so as not to mis-represent their role as an individual member of the Board to never appear to be making commitments or taking positions on behalf of the Board.

4. Process to Elect and Onboard Voting Members

There is an opportunity to better publicize the process across all councils so that more Ordinary Members are aware and may therefore consider standing for the role. It is also critical that Council Voting Representatives receive sufficient and consistent orientation when they are appointed so that they can begin fulfilling their role as quickly as possible. An enhanced onboarding process will be developed.

5. Funding for Attending AGM by Council Voting Representatives

If it is true that the level of engagement with CVRs should increase, we must find ways to reduce the barriers to in person attendance. Personal cost has been a barrier to participation in the past and it has been decided to eliminate that barrier.

There will be funding provided to cover the costs of attendance of CVRs at the AGM and voting member session in person. Recognizing that there will always be some voting members that may

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be unable to attend in person, remote participation will continue to be possible for the AGM and will also be made available for any CVR specific meetings that are planned

6. Recommendations Approved by the Board

The following is a summary of the recommendations approved by the Board on May 20, 2020

1. Improve the method of creating clarity for the role of Council Voting Representative by clearly articulating what the role entails and what it does not. Do this as part of the election process to ensure consistency among deputy elections officers, and reinforce it once Council Voting Representatives have been elected for their term
2. Ensure that CVRs specifically understand that they have permission and are encouraged to contact Board members and members of management to raise and discuss important issues related to the organization
3. Provide contact information for Board members, key management personnel and a Scouts Canada email distribution list to facilitate the ability to contact all other voting members
4. Incorporate content on CVRs and appropriate levels of engagement into the new Board member orientation session each year
5. Incorporate a session specifically targeted at engaging CVRs into the agenda prior to the AGM. The Governance Committee of the Board will be responsible for planning and executing this with the necessary staff support
6. Set expectations that CVRs be engaged in local activities like Scouter Conferences, social media channels, events, etc. and should be actively working with the Council Key 3 teams to understand their stakeholders' interests and issues and leverage existing communications tools to maximize interactions with Ordinary Members
7. Leverage all existing communication tools to better publicize the Voting Member Election process when it is underway
8. Implement a funding approach to support in person attendance of all/more CVRs
9. Communicate the expected changes to all current Voting Members as soon as possible

**Proposed amendment to the motions to enact new governance by-laws for
Scouts Canada (Newfoundland & Labrador) Properties Inc.
Scouts Canada (Newfoundland & Labrador) Trust Foundation Inc.**

Moved by:

Seconded by:

That Article 2 of the proposed by-law be amended as follows:

1. Add new paragraph 2.01 as follows:

A person is qualified to serve as a member of the Corporation if they are a registered member of Scouts Canada as defined in Article II.a.1.a. or Article II.a.1.b., of Scouts Canada By-law No. 2.

2. Renumber proposed paragraphs 2.01, 2.02, and 2.03 to 2.02, 2.03, and 2.04 respectively.

3. Add paragraph Article 2.05

A Member who ceases to be a registered member of Scouts Canada under Article II.a.1.a. or Article II.a.1.b., of Scouts Canada By-law No. 2 shall immediately cease to be a Member of the Corporation.

4. Renumber proposed paragraphs 2.04, 2.05, and 2.06 to 2.06, and 2.07, and 2.08 respectively.

5. Change the references to paragraph "2.01" in proposed paragraphs 2.03 (to be re-numbered paragraph 2.04) and paragraph 4.01 to paragraph "2.02".

BY-LAW No. 1

SCOUTS CANADA (NEWFOUNDLAND & LABRADOR) TRUST FOUNDATION INC.

(the "Corporation")

A by-law relating to the transaction of the business and affairs of Scouts Canada (Newfoundland & Labrador) Trust Foundation Inc., hereinafter called "the Corporation".

NOW THEREFORE the Corporation, by its Members and Directors, hereby enacts the following by-law:

Article 1. DEFINITIONS

1.01 In this By-law, the following terms shall have the respective meanings set out below unless the context otherwise specifies or requests:

- a) "Act" means the *Corporations Act*, RSNL 1990 c.C-36, as amended, and includes any Act or Acts substituted therefor,
- b) "By-law" means this By-law,
- c) "Council" means the Newfoundland and Labrador Council of Scouts Canada,
- d) "Council Commissioner" means the person duly appointed to that office by Scouts Canada,
- e) "Council Youth Commissioner" means the person duly appointed to that office by Scouts Canada,
- f) "Directors" means the directors elected or appointed pursuant to Article 5 of this By-law,
- g) "Governance Officers" means the persons elected or appointed pursuant to Article 7 of this By-law,
- h) "Members" means the persons elected or appointed pursuant to Article 2 of this By-law,
- i) "Operating Officers" means the persons elected or appointed pursuant to Article 8 of this By-law,
- j) "Scouts Canada" means the corporation incorporated under the *Scouts Canada Act*, S.C. 2007, c.38, as amended, and includes any Act or Acts substituted therefor, and
- k) "Youth" means a youth member as defined in By-law No. 2 of Scouts Canada who is a registered member of the Newfoundland and Labrador Council of Scouts Canada.

Article 2. MEMBERS

2.01 A person is qualified to serve as a member of the Corporation if they are a registered member of Scouts Canada as defined in Article II.a.1.a. or Article II.a.1.b., of Scouts Canada By-law No. 2.

- 2.02 The Members of the Corporation are the persons who hold the following offices on October 15 annually in the Newfoundland and Labrador Council of Scouts Canada:
- a) the Council Commissioner,
 - b) the Council Youth Commissioner,
 - c) the Directors of the Corporation,
 - d) the Group Commissioner of each Group chartered by the Council,
 - e) a person designated by each Baden-Powell Guild chartered by the Canadian Fellowship of Baden-Powell Guilds to operate in Newfoundland and Labrador;
 - f) the President of each Rover Crew in the Council or a member of the Crew elected by the Crew,
 - g) the President of each Venturer Company in the Council or a member of the Company elected by the Company, and
 - h) a person designated by each Group named in Schedule A of this By-law.
- 2.03 In the event that two or more persons share the office of Council Commissioner, Council Youth Commissioner, Group Commissioner, Guildmaster, Crew President, or Company President, the persons who share an office shall decide who shall exercise the vote attached to it.
- 2.04 A Member holds office until they cease to hold the office or designation listed in paragraph 2.02.
- 2.05 A Member who ceases to be a registered member of Scouts Canada under Article II.a.1.a. or Article II.a.1.b., of Scouts Canada By-law No. 2 shall immediately cease to be a Member of the Corporation.
- 2.06 A Member may resign their office by filing written notice of their intention to do so with the Secretary.
- 2.07 A Member shall be deemed to have resigned their membership upon leaving the office which qualified them for membership.
- 2.08 The Members may revoke a Member's membership privileges for cause on a $\frac{2}{3}$ majority vote at a special meeting call for that purpose. When calculating the majority required to be pass a resolution under this paragraph, the number of Members shall be rounded up to the next higher whole number.

Article 3. MEETINGS OF THE MEMBERS

- 3.01 The Members may hold meetings in person or by telephone or by any other telecommunication or videoconferencing facility provided that all Members participating in the meeting can hear each other.

- 3.02 The Members shall meet annually within 180 days of the end of the Corporation's financial year at a time designated by the Directors, provided that no more than 15 months shall elapse between such meetings.
- 3.03 At annual meetings, the Directors shall present to the Members a report on the affairs of the Corporation for the previous year, including
- a) a financial statement of the Corporation,
 - b) the auditor's report thereon, if any, as required by the Act,
 - c) a report the state and condition of the Corporation's affairs,
 - d) the election of Directors, and,
 - e) such other information or reports relating to the Corporation's affairs as the Directors may determine.
- 3.04 The Chair may call special meetings of the Corporation. In the Chair's absence or in the event of the Chair inability to act, the Vice-Chair may call special meetings.
- 3.05 Five Members may requisition a special meeting of the Members by submitting a written request to the Secretary stating the object of the meeting.
- 3.06 Upon the receipt of such requisition, the Directors shall convene a special meeting of the Members. If a requisitioned meeting is not convened within 21 days, any five Members, may convene a meeting within 90 days from the date of the original requisition.
- 3.07 The Members, the Directors, and the auditor, if any, shall receive 14 days' notice of meetings. The notice shall include:
- a) the place of the meeting or electronic access information for the meeting,
 - b) the day and the hour of meeting, and,
 - c) the agenda for the meeting, including the text of any special resolution on the agenda.
- 3.08 The failure to receive notice by any person entitled to receive it shall not invalidate the proceedings or any resolution passed at any such meeting of the Members.
- 3.09 No business shall be transacted at any meeting of the Members unless a quorum of 30% of the complement of Members is present or represented by proxy at the commencement of such business. When calculating the quorum, the calculated number of Members required to be present in person and by proxy shall be rounded up to the next whole number.
- 3.10 If a quorum is not present within one hour from the time appointed for the meeting of the Members requisitioned by the Members, it shall stand adjourned to the same day in the following week at the same time and place. The meeting is deemed dissolved if at such adjourned meeting, a quorum of Members is not then present.

- 3.11 If neither the Chair nor Vice-Chair is present or able to act as chair then the Members present shall choose a Director as chair. If no Director is present or if all the Directors present decline to act as chair then the Members present shall choose a Member to be chair.
- 3.12 At a meeting of the Members, the chair shall, in the event of a tie vote on any motion, have a casting vote in addition to their personal vote.
- 3.13 The chair may, with the consent of the meeting, adjourn any meeting of the Members from time to time and from place to place. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which adjournment took place.
- 3.14 The chair shall declare all motions and resolutions carried or lost. Unless the chair or any eight Members present and entitled to vote at the meeting demand a poll, the entry of the chair's declaration in the Corporation's book of proceedings is presumptive proof of that fact.
- 3.15 The chair may determine the manner of taking a poll at such time and place and either at once or after an interval or adjournment or otherwise as the chair may direct. The person who demands a poll may withdraw the demand. The chair shall resolve any dispute that occurs over the admission or rejection of a vote, and such determination made in good faith shall be final and conclusive. A meeting shall not be adjourned while a poll demanded on the election of the chair or on any question of adjournment is pending. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business.
- 3.16 The chair shall count the votes cast in a poll and declare the motion or resolution carried or lost. The entry of the chair's declaration in the Corporation's book of proceedings is presumptive proof of that fact.

Article 4. MEMBERS' VOTING RIGHTS

- 4.01 Except where this By-law specifically states otherwise, each person who is qualified to be a Member of the Corporation under two or more sub-paragraphs of paragraph 2.02 of this By-law shall, notwithstanding their multiple qualifications for Member status, have only one vote at meetings of the Corporation.
- 4.02 Subject to paragraphs 4.03, 4.04, and 4.05 Members who are unable to attend a meeting of the Members may give another Member a proxy to cast their vote.
- 4.03 If a Member who represents a Venturer Company is unable to attend a meeting of the Members, they may give a proxy to cast their vote to another member of their Company or to a Member who represents another Venturer Company.
- 4.04 If a Member who represents a Rover Crew is unable to attend a meeting of the Members, they may give a proxy to cast their vote to another member of their Crew or to a Member who represents another Rover Crew.
- 4.05 If a Member who represents a Baden-Powell Guild is unable to attend a meeting of the Members, they may give a proxy to cast their vote to another member of their Guild or to a Member who represents another Guild.

- 4.06 A Member who gives a proxy shall file notice that they have done so to the Secretary at least 24 hours prior to the start of the meeting for which the proxy is effective. A notice of proxy may be delivered electronically or by paper and shall bear the signature of the Member giving it.
- 4.07 The Members shall vote by voice, a show of hands, or secret ballot as determined by the chair unless this By-law specifically provides otherwise.

Article 5. DIRECTORS

- 5.01 Subject to the Articles of Incorporation, the Directors shall manage the affairs of the Corporation.
- 5.02 The Members shall elect the Directors at the Corporation's annual meeting.
- 5.03 The Directors shall exercise all powers of the Corporation which are not by this By-law or otherwise by law expressly assigned to the Members.
- 5.04 No regulation made in a meeting of the Members shall invalidate any validly made prior act of the Directors.
- 5.05 Each Director serves until their successor is elected or appointed.
- 5.06 If a Director leaves their office between annual meetings, the Council Commissioner shall appoint a Member to replace the outgoing Director. The replacement Director shall serve the remainder of the replaced Director's term.
- 5.07 In the event of a vacancy or vacancies amongst the Directors, the continuing Directors may act; but if the number of Directors falls below three, they shall not act except to call a meeting to request the Council Commissioner to fill the vacancy or vacancies.
- 5.08 Subject to the following provisos, a person is qualified to act as a Director of the Corporation
- a) If they have attained the full age of 19 years, and
 - b) If they have not been declared bankrupt or found of unsound mind by a court in Canada or elsewhere.
- 5.09 A Director who acquires the status of a bankrupt or becomes of unsound mind and is so found shall immediately cease to be a Director.
- 5.10 A majority of the Directors shall be resident Canadians.
- 5.11 The Directors may not transact business unless a majority of the Directors who are resident Canadians are present at the meeting or approve the business conducted at it in writing.
- 5.12 A Director may not receive any remuneration for their services as Directors.
- 5.13 If a Director is called upon to perform extra services or to make any special exertions for any of the purposes of the Corporation or the business thereof, the Corporation may remunerate them at a rate determined by the other Directors.

- 5.14 A Director may on such terms as to remuneration and otherwise as the other Directors may determine, hold any other office under the Corporation or under any corporation or company in which the Corporation is a shareholder or member or is otherwise interested.

Article 6. MEETINGS OF THE DIRECTORS

- 6.01 The Directors may meet for the dispatch of business, adjourn, and otherwise regulate their meetings and proceedings as they see fit. A quorum for the transaction of business at any meeting of the Directors shall be 50% plus one of the complement of Directors. When calculating the quorum, the calculated number of persons required to be present shall be rounded up to the next higher whole number.
- 6.02 Unless otherwise provided:
- a) the Directors may meet at the close of every meeting of the Members without notice,
 - b) notice of every meeting of the Directors shall be delivered, mailed, telephoned, emailed, or communicated orally to each Director at least 48 hours before the time fixed for the meeting, and
 - c) the Directors may meet without the notice specified above if all the Directors are present or if those absent have signified their assent to such meeting or their consent to the business transacted at such meeting.
- 6.03 The Directors may hold meetings in person or by telephone or by other telecommunication or videoconferencing facility provided that all Directors participating in the meeting can hear each other.
- 6.04 A Director may requisition a meeting of the Directors by submitting a written request to the Secretary stating the object of the meeting. Upon receiving a request to convene a meeting, the Secretary shall schedule it at such time and place as the Chair may specify.
- 6.05 The Chair shall chair meetings of the Directors. The Vice-Chair shall chair all meetings of the Directors in the absence of the Chair's or in the event of the Chair's inability to act.
- 6.06 In the event of a tie vote on any motion at a Directors meeting, the chair shall have a casting vote in addition to their personal vote.
- 6.07 Unless otherwise provided, a majority of Directors present and voting is sufficient to decide any matter at a meeting of the Directors.
- 6.08 A meeting of the Directors at which a quorum is present shall be competent to exercise all or any of the authority, power and discretion vested in or exercisable by the Directors.
- 6.09 Except as specifically prohibited by law, the Directors may appoint such committees as it sees fit. The President shall be an *ex officio* member of all such committees.

- 6.10 No act by the Directors or a committee of Director or by any person acting as a Director shall be invalidated because a defect in the appointment of the director, committee, or person so acting is subsequently discovered.
- 6.11 In lieu of meeting, a resolution in writing signed by all Directors entitled to vote on that resolution if it was considered at a meeting of the Directors shall be as valid and effectual as if it had been passed at a meeting of Directors. Such resolution may be signed electronically or by counterparts or both.

Article 7. GOVERNANCE OFFICERS

- 7.01 The Directors shall elect the Governance Officers at a meeting convened immediately following the annual meeting of the Members.
- 7.02 The Governance Officers shall serve until the election of their successors at the next annual meeting of the Corporation.
- 7.03 The Chair shall act as chair of the annual meeting and any special meetings of the Members. They shall perform the governance duties that are usual to the office of Chair of the Board of Directors and any other duties assigned by the Directors.
- 7.04 The Vice-Chair shall assist the Chair when and as requested. The Vice-Chair shall preside at all meetings in the absence of the Chair or in the event of the Chair's inability to act. When acting as chair at any meeting, the Vice-Chair will have the rights and authority of the Chair.

Article 8. OPERATING OFFICERS

- 8.01 The Council Commissioner is the President and Chief Operating Officer of the Corporation.
- 8.02 The Council Youth Commissioner is the Vice-President and Deputy Chief Operating Officer of the Corporation.
- 8.03 The Directors shall elect the Secretary and the Treasurer at a meeting convened immediately following the annual meeting of the Members.
- 8.04 The Secretary is the Officer responsible for:
- a) taking minutes of all meetings of the Members and the Directors and any committees of the Corporation,
 - b) maintaining the Corporation's records and
 - c) such other matters and things as assigned to them by the Directors.
- 8.05 The Secretary shall provide copies of minutes to the Members and the Directors and ensure timely notification of meetings of the Members and the Directors. The Secretary shall perform all duties that are usual to that office and such other duties as assigned to them by the Directors.
- 8.06 The Treasurer is the Officer responsible for:

- a) the safekeeping, banking, and investment of the Corporation's assets,
 - b) the production of accurate financial statements for submission to the Members at its annual meeting, and,
 - c) such other matters and things as assigned to them by the Directors.
- 8.07 The Treasurer shall have general supervision over all the funds received by the Corporation from any source whatsoever and the disbursement of same subject to the direction of the Directors and ensure that an adequate accounting system is in place.
- 8.08 The Operating Officers are responsible for
- a) the day to day operation of the Corporation, and
 - b) ensuring that the Corporation operates complies with Scouts Canada's applicable policies and procedures.
- 8.09 A President's or Vice-President's term of office ends when Scouts Canada appoints their successor to the office of Council Commissioner or Council Youth Commissioner, as the case may be.
- 8.10 If an Operating Officer resigns their office, the Directors may appoint a replace to serve until the next annual general meeting of the members.

Article 9. COMMITTEES GENERALLY

- 9.01 The provisions of this Article apply to committees of the Corporation created under this and any other by-law of the Corporation.
- 9.02 The Directors may by resolution appoint committees in addition to those specifically created under this or any other by-law of the Corporation for any purpose and shall renew each such committee's mandate annually.
- 9.03 The term of office for committee members shall be one year and a person may serve no more than six consecutive terms.
- 9.04 The Directors may, by majority vote, remove a member of a committee from office for cause.
- 9.05 Within 30 days of a vacancy occurring on a committee occurring, the Directors shall appoint a person to fill the vacant position by resolution.
- 9.06 Unless a by-law provides otherwise, a committee shall annually elect from its members a person to serve as its chair within 30 days of the Corporation's annual general meeting.
- 9.07 If a committee chair resigns, the committee shall elect a new chair from its members within 30 days of the previous chair's resignation.

- 9.08 A committee chair shall:
- a) supervise and direct the work of the committee;
 - b) undertake administrative duties as necessary to oversee and implement the work of the committee; and
 - c) preside at meetings of the committee.
- 9.09 A committee may meet for the dispatch of business, adjourn, and otherwise regulate their meetings and proceedings as its members see fit.
- 9.10 A quorum for the transaction of business at any meeting of a committee shall be 50% plus one of the complement of its members. When calculating the quorum, the calculated number of persons required to be present shall be rounded up to a whole number.
- 9.11 In the event of a vacancy or vacancies in a committee, the continuing committee members may act, but if the number of committee members falls below three, the committee shall not act except to call a meeting to request the Directors to fill the vacancy or vacancies.
- 9.12 A committee member may requisition a meeting of the committee at any time by giving notice to all committee members as provided herein.
- 9.13 Unless otherwise provided:
- a) notice of every meeting of a committee shall be delivered, mailed, telephoned, emailed or communicated orally to each committee member at least 48 hours before the time fixed for the meeting; and
 - b) committee may meet without the notice specified above if all the committee members are present or if those absent have signified their assent to such meeting or their consent to the business transacted at such meeting.
- 9.14 Each committee member shall have one vote on all business transacted at any meeting of a committee. In the event of a tie vote, the chair of the committee shall have a casting vote in addition to their personal vote.
- 9.15 A majority of committee members present and voting is sufficient to decide any matter before a committee.
- 9.16 A committee may hold meetings in person or by telephone or other telecommunication or videoconferencing facility provided that all Committee members participating in the meeting can hear each other.
- 9.17 A resolution in writing signed by all committee members entitled to vote on that resolution if it was considered at a meeting of committee members shall be as valid and effectual as if it had been passed at a meeting of Committee members. Such resolution may be signed electronically or by counterparts or both.

Article 10. NOMINATING COMMITTEE

- 10.01 The Corporation's Nominating Committee shall consist of three members. A Director shall chair the Nominating Committee and appoint the remaining members of the Committee, who need not be Directors.
- 10.02 The Nominating Committee shall make an open call for persons to express their interest in serving as a Director no later than 60 days prior to the annual meeting.
- 10.03 The Nominating Committee shall prepare and submit to the annual meeting, a report listing candidates who have expressed a willingness to serve as directors which shall be circulated to the Members no later than 30 days prior to the annual meeting.

Article 11. BORROWING AND CHARGING POWERS

- 11.01 The Corporation may from time to time:
- a) borrow or raise money or secure the payment of money or the performance of any guarantee in such manner as the Directors may think fit,
 - b) by a Director or Officer sign or endorse bills, notes, acceptance, cheques, contracts, and other evidence of or securities for money borrowed or to be borrowed for the purposes previously mentioned, and
 - c) pledge debentures as security for loans, bonds, debentures, and other securities, free from any equities between the Corporation and the person to whom such securities were issued.

Article 12. FINANCIAL SERVICES ARRANGEMENTS

- 12.01 The Corporation shall transact its banking business and other financial services with such banks, trust companies or other firms or corporations as the Directors may designate, appoint, or authorize from time to time by resolution.
- 12.02 Two or more persons designated by a resolution of the Directors shall transact the Corporation's banking and other financial services, including, without limiting the generality of the foregoing,
- a) the operating of the Corporation's bank and investment accounts,
 - b) the making, signing, drawing, accepting, endorsing, negotiating, depositing, or transferring of any cheques, promissory notes, drafts, acceptances, bills of exchange and orders for the payment of money, the giving of receipts for and orders relating to any property of the Corporation,
 - c) the issuing of trading instructions on the Corporations investments,
 - d) the executing of any agreement relating to any banking business and other financial services and defining the rights and powers of the parties thereto, and,

- e) the authorizing of any officer of such banker to do any act or thing on the Corporation's behalf to facilitate such banking business.

Article 13. REGISTERS AND RECORDS

- 13.01 The Directors shall keep at the Corporation's registered office or at such other place or places as the Directors may direct a register of the Members of the Corporation, a register of the bond and debenture holders of the Corporation, and a register of its Directors.
- 13.02 The Directors shall cause records keep in books designated for recording:
 - a) the Articles of Incorporation and By-laws of the Corporation and any amendments thereto,
 - b) the names of the Members and Directors of the Corporation,
 - c) all orders made by the Directors and committees of the Directors, and,
 - d) all minutes of meetings and resolutions of the Members, the Directors, and its committees.
- 13.03 The Secretary shall sign the Minutes of a meeting of the Members or the Directors or of any committee of the Directors. Once signed, such minutes are presumptive proof of the matter stated in them.

Article 14. REGISTERED OFFICE

- 14.01 The Directors may from time to time by resolution fix the location of the registered office of the Corporation within the place in the Province of Newfoundland and Labrador designated as such in its Articles of Incorporation.

Article 15. THE SEAL

- 15.01 The Secretary shall have custody of the Seal of the Corporation.
- 15.02 The Secretary shall, if required, affix the seal to any contract, agreement, document, or instrument in writing requiring execution by the Corporation and all such other kinds of documents as directed from time to time by the Directors.
- 15.03 The Secretary shall use the seal only with the prior approval of the Directors.

Article 16. EXECUTION OF INSTRUMENTS

- 16.01 The President shall execute all contracts, agreements, documents, or any instruments in writing requiring execution by the Corporation.
- 16.02 The Vice-President shall execute such documents in the President's absence or incapacity.
- 16.03 The Secretary shall also sign the same and affix the seal of the Corporation, if required.

Article 17. FINANCIAL YEAR

- 17.01 The financial year of the Corporation shall start on September 1 of each year and terminate on August 31.

Article 18. ACCOUNTS

- 18.01 The Corporation shall keep accounting records at its Registered Office or at such other place or places as the Directors may direct. Such records shall be open during the Corporation's business hours for inspection by the Members.
- 18.02 The Corporation shall from time to time determine the conditions under which the accounts and the records of the Corporation shall be open to the inspection of persons not being Members.
- 18.03 The Directors shall approve the Corporation's financial statements and designate two Directors to sign them to signify such approval.
- 18.04 The Directors shall send copies of the comparative financial statements, the auditors' report, if any, and the report of the Directors to all Members at least seven days before the date of the annual meeting at which the reports are to be presented.

Article 19. AUDITORS AND AUDIT

- 19.01 The Members may at the annual meeting appoint an auditor or auditors to hold office until the next annual meeting.
- 19.02 The Directors may fill any vacancy in the office of auditor but while any such vacancy continues the surviving or continuing auditor or auditors, if any, may act.

Article 20. NOTICES

- 20.01 The Corporation may serve any notice required by the Act or this By-law on a Member, a Director, an Officer, or an auditor, if any, by personal service or by mail.
- 20.02 Notices sent by mail are deemed received three days after the letter containing the same and properly addressed was delivered to the post office.
- 20.03 By consenting in writing, all the persons entitled to vote may convene a meeting by a shorter notice and in any manner, they think fit. If all the persons entitled to vote at it are present at a meeting, notice of the time, place and purpose of the meeting may be waived.

Article 21. CONFLICT OF INTEREST

- 21.01 The Directors and Officers of the Corporation and the members of its committees are subject to the same conflict of interest policies, regulations and rules as Scouts Canada imposes on its Board of Governors.

Article 22. PROTECTION AND INDEMNITY

- 22.01 The Corporation shall indemnify the Directors or Officers, former Directors or Officers, members and former members of a committee of the Corporation, or any person who acts or acted at the Corporation's request as a Director or Officer of a body corporate of which the Corporation is or was a shareholder or creditor and their heirs and legal representatives against all costs, charges and expenses including an amount paid to settle an action or satisfy a judgment reasonably incurred by them in respect of any civil, criminal or administrative action or proceeding to which they are a party by reason of being or having been a Director or Officer of such corporation or body corporate if they acted honestly and in good faith with a view to the best interest of the Corporation, and in the case of a criminal or administrative action or proceeding enforced by a monetary penalty, they had reasonable grounds for believing that their conduct was lawful.
- 22.02 The Corporation shall also indemnify such Directors or Officers who have been substantially successful in the defence of any civil, criminal, or administrative action or proceeding to which they are a party by reason of being or having been a director or officer of the corporation or body corporate against all costs, charges and expenses they reasonably incur in respect of such action or proceeding.
- 22.03 Unless a Director or Officer breaches their duties to the Corporation, in the absence of dishonesty on their part, they is not liable for the acts, receipts, neglects or defaults of any other Director or Officer, or for joining in any receipts or other acts for conformity, or for any loss or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Corporation, or through the insufficiency of any security in or upon one of the Corporation's investments, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person holding monies, securities or effects of the Corporation, or for any loss occasioned by errors of judgment or oversight on their part, or for any other loss, damage or misfortune whatsoever which happens in the execution of the duties of their office or in relation thereto.
- 22.04 The Corporation may purchase and maintain insurance for the benefit of any director or officer against liabilities, costs, charges, and expenses sustained or incurred by such director or officer for failure to exercise the care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances.

Article 23. AMENDMENTS TO THIS BY-LAW

- 23.01 The Directors may amend Schedule A of this By-law to add a Group to it by unanimous resolution. Such amendment shall be subject to ratification by the Members at the next annual meeting of the Members.
- 23.02 Subject to paragraph 23.01, only Members may propose amendments to this By-law.
- 23.03 The Members may consider amendments to this By-law only at the annual meeting.
- 23.04 A proposer shall give the Secretary notice of an amendment to this By-law no less than three weeks before the date fixed for the annual meeting.

- 23.05 The Secretary shall forward a copy of all proposed amendments to this By-law to each Member within five days of receipt of same.
- 23.06 A $\frac{2}{3}$ majority of the Members present and voting is required to approve any amendment to this By-law.
- 23.07 Amendments to this By-law other than an amendment made under paragraph 23.01 shall come into force upon receiving the approval of the Board of Governors of Scouts Canada.

Article 24. GENERAL

- 24.01 In this By-law, where the context requires or permits, words importing the singular number shall include the plural and vice versa and words importing the use of any gender shall include all genders.
- 24.02 The division of this By-law into articles and paragraphs and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this By-law.
- 24.03 If any provision of this By-law is held to be invalid, void, voidable or unenforceable for any reason, then the particular provision will be deemed severed from the remainder of this By-law and all remaining provisions of this By-law shall remain in full force and effect.

This By-law is hereby enacted by the Members and Directors of the Corporation effective January 16, 2021.



Secretary
Council Team Lead, Corporate Governance

Schedule A

GROUPS HOLDING REAL ESTATE

1. 1st Cowan Heights Group, a parcel at Pasturelands, Foxtrap originally granted to 1st Curtis Group
2. 1st Conception Bay South Group, a parcel at Salmonier Line, known as Camp St. George
3. 1st MacPherson Group, a parcel at Bauline South, known as Camp MacShack
4. 1st Mount Pearl Lions, a party to the Camp Morristown joint ownership agreement, a parcel at Pasturelands, Foxtrap, known as Camp Morristown
5. 1st Paradise, a party to the Camp Morristown joint ownership agreement, a parcel at Pasturelands, Foxtrap, known as Camp Morristown
6. 2nd Stephenville, two parcels at Camp Ashanti

BY-LAW NO. 2

SCOUTS CANADA (NEWFOUNDLAND & LABRADOR) TRUST FOUNDATION INC.

(the "Corporation")

BURSARY FUND BY-LAW

A by-law to regulate the Corporation's management and control of a bursary investment fund and to establish the administrative structure of the Corporation which manages its Bursary Fund.

WHEREAS:

- A. The Corporation manages a fund toward the advancement of the objects of its Articles of Incorporation;
- B. The members of the Corporation have agreed to memorialize with greater clarity the original intention that funds held by the Corporation be used solely for the purposes set out in its Articles of Incorporation;
- C. The members of the Corporation wish to ensure that the funds held in the Bursary Fund are maintained solely to attain the objects set out in this by-law; and
- D. The Corporation has determined that it is desirable and necessary to enact this by-law to establish the Bursary Fund and the administrative structure of the Corporation which manages the Bursary Fund.

NOW THEREFORE the Corporation, by its Members and Directors, hereby enacts the following by-law:

Article 1. TITLE

- 1.01 This By-law may be called the "Bursary Fund By-law".

Article 2. DEFINITIONS

- 2.01 "Bursary Fund" includes the fund of the Corporation as of December 2018, consisting of the amount of \$372,023.30 held in account 275-18074 at RBC Dominion Securities and shall further include:
 - a) any additional funds that the Corporation may add to the fund from time to time;
 - b) any property in which the fund may be invested by the Corporation from time to time, as well as any additions or accretions thereto; and
 - c) any income derived from any of the foregoing,but shall exclude all amounts which have been deducted, paid, or disbursed from the fund in accordance with this By-law.

2.02 In this By-law, the following terms shall have the respective meanings set out below unless the context otherwise specifies or requests:

- a) “Bursary Fund Capital” means
 - (i) the fund of the Corporation as of December 2018, consisting of the amount of \$372,023.30 held in account 275-18074 at RBC Dominion Securities;
 - (ii) any additional funds designated by resolution of the Directors for from time to time;
 - (iii) any capital gains or capital losses realized during each financial year and designated by resolution of the Directors.
- b) “Council” means the Newfoundland and Labrador Council of Scouts Canada;
- c) “Disbursement Advisory Committee” means the Committee established under Article 6 of this By-law;
- d) “Fund” means the Bursary Fund;
- e) “Investment Advisory Committee” means the Committee established under the Corporations’ By-law No. 1;
- f) “Members” has the meaning established in the Corporation’s By-law No. 1,
- g) “Objects” has the meaning set out in paragraph 3.02,
- h) “Scouts Canada” means the corporation incorporated under the *Scouts Canada Act*, S.C. 2007, c.38 as amended, and includes any Act or Acts substituted therefor,
- i) “Secretary” means the officer appointed under By-law No. 1 of the Corporation; and
- j) “Youth” means a youth member as defined in By-law No. 2 of Scouts Canada who is a registered member of the Newfoundland and Labrador Council of Scouts Canada.

Article 3. ESTABLISHMENT OF THE FUND

3.01 The Fund is hereby established. The Corporation may at any time add to, and invest all or any portion of, the Fund.

3.02 The use of the Fund is restricted to the following Objects:

- a) providing bursaries for Youth who wish to attend international and national jamborees and similar events; and
- b) providing financial support to Youth who would not otherwise be able to attend provincial jamborees and similar events.

3.03 Under no circumstances shall any portion of the Fund be deviated for use for any purpose other than the Objects.

Article 4. MANAGEMENT OF THE FUND

- 4.01 The Fund operates a yield portfolio for the purpose of meeting its Objects. The portfolio is expected to produce annual income with buying power equal to \$40,000 on September 1, 2020 without reducing the Bursary Fund Capital.
- 4.02 Bursary Fund Capital may not be withdrawn from the Fund.
- 4.03 Bursary Fund Capital may not be pledged.
- 4.04 The Fund may not make loans.

Article 5. ROLE OF DIRECTORS

- 5.01 Unless the Directors appoint committees under Article 6 or Article 7 of this By-law, all responsibilities of the Investment Advisory Committee or the Disbursement Advisory Committee shall be the responsibilities of the Directors with the necessary changes.
- 5.02 Upon recommendation of
 - a) the Investment Advisory Committee the Directors shall establish policies for the investment of the Fund; and
 - b) the Disbursement Committee the Directors shall establish policies for expenditure and disbursement from the Fund.

Article 6. INVESTMENT ADVISORY COMMITTEE

- 6.01 The Directors may appoint a committee (the "Investment Advisory Committee") to manage the investments held by the Fund in accordance with Article 4 and in a manner that is consistent with prudent financial management practices by, among other things, carrying out the following duties and responsibilities:
 - a) managing the Fund's investments;
 - b) managing and reissuing the Fund's Statement of Investment Policies and Procedures;
 - c) managing the Corporation's relationship with its investment advisors;
 - d) preparing and presenting to the Directors no later than the 15th day of September, January, and June, a report current to the end of the previous month outlining the investments held by the Fund and income received by it since the Committee's last report; and.
 - e) maintaining adequate records of Committee minutes, resolutions, decisions and other proceedings.
- 6.02 When appointing committee members, the Directors shall consider the skills and vocations necessary to manage the Corporation's invested assets and its relationship with its investment advisors.

- 6.03 At least one member of the committee shall be a Director.
- 6.04 The Treasurer the Corporation is a member of the Investment Advisory Committee.
- 6.05 The Secretary of the Corporation is the secretary of the Investment Advisory Committee.
- 6.06 The Investment Advisory Committee is subject to Article 9 of the Corporation's By-law No. 1.

Article 7. DISBURSEMENT ADVISORY COMMITTEE

- 7.01 The Directors may appoint a committee (the "Disbursement Advisory Committee") carry out the following duties and responsibilities:
 - a) maintaining awareness of events that may prompt groups to seek bursaries;
 - b) issuing an annual invitation for groups to apply for bursaries;
 - c) managing and controlling all disbursements from the Fund;
 - d) preparing and presenting to the Directors by the 15th day of September, January, and June, a report current to the end of the previous month that includes all disbursements from the Fund for the period since the Committee's last report; and
 - e) maintaining adequate records of Committee minutes, resolutions, decisions and other proceedings.
- 7.02 At least one member of the Disbursement Advisory Committee shall be a Director.
- 7.03 At least one member of the Disbursement Advisory Committee shall be a Youth.
- 7.04 The Treasurer the Corporation is a member of the Disbursement Advisory Committee.
- 7.05 The Secretary of the Corporation is the secretary of the Disbursement Advisory Committee.
- 7.06 The Disbursement Advisory Committee is subject to Article 9 of the Corporation's By-law No. 1.

Article 8. AMENDMENTS TO THIS BY-LAW

- 8.01 Only Members may propose amendments to this By-law.
- 8.02 The Members may consider amendments to this By-law only at the annual meeting.
- 8.03 A proposer shall give the Secretary notice of an amendment to this By-law no less than three weeks before the date fixed for the annual meeting.
- 8.04 The Secretary shall forward a copy of all proposed amendments to this By-law to each Member within five days of receipt of same.
- 8.05 Separate unanimous votes of both the Members and Directors are required to pass an amendment to this By-law.
- 8.06 Amendments to this By-law shall come into force upon receiving the approval of the Board of Governors of Scouts Canada.

Article 9. GENERAL

- 9.01 In this By-law, where the context requires or permits, words importing the singular number shall include the plural and vice versa and words importing the use of any gender shall include all genders.
- 9.02 The division of this By-law into articles and paragraphs and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this By-law.
- 9.03 If a provision of Article 9 of the Corporation's By-law No. 1 is inconsistent with this By-law, the provision of this By-law shall apply.
- 9.04 Subject to paragraph 9.03, if any provision of this By-law is held to be invalid, void, voidable or unenforceable for any reason, then the particular provision will be deemed severed from the remainder of this By-law and all remaining provisions of this By-law shall remain in full force and effect.

This By-law is hereby enacted by the Members and the Board of the Corporation effective January 16, 2021.



Secretary
Council Team Lead, Corporate Governance



SCOUTS CANADA (NEWFOUNDLAND & LABRADOR) COUNCIL

PROPOSED BY-LAW AMENDMENT

Redefining Members of the Corporations and Strengthening Governance Practices

December 13, 2020

Scouts Canada (Newfoundland and Labrador) Properties Inc.
and
Scouts Canada (Newfoundland and Labrador) Trust Foundation Inc.
(the "Corporations")

To: Directors and Members of the Corporations
All Group Commissioners
All Crew Presidents
All Company Presidents

OBJECT

The Members of the Corporations elect the Boards of Directors that govern them and set their policy direction, guided by Scouts Canada policies and procedures. Scouts Canada has abolished some of the positions used in the Corporations' By-laws to designate the individuals who are entitled to vote in those elections, which are conducted at their annual general meetings. This proposal addresses those changes. The Corporations also propose to clarify that the Council Commissioner and the Council Youth Commissioner are their operating officers. As well, they propose to make it easier to recruit directors from outside the Council Team and, as necessary or appropriate, Scouting generally.

RATIONALE

Scouts Canada is committed ensuring fair and open representation of its membership at its governance meetings. To this end, it elects Voting Representatives annually to represent each Council's ordinary members at these meetings. The Scouts Canada's Voting Representatives then elect the Board of Governors at its annual general meeting. By making the changes proposed in this paper, the Newfoundland and Labrador Council and the Corporations will create a pool of voting members that is more representative of the Council's membership to serve similar functions.

The Corporations operate within Scouts Canada's governance structure to further Scouting interests in Newfoundland and Labrador. The Corporations' officers put the policy direction set by the Boards of Directors into operation. The Council Commissioner and the Council Youth Commissioner are the lead volunteers of the Council. It follows from this that they should also be the operating officers of the Corporations. The Corporations are also committed to implement best governance practices. Enhancing their ability to recruit directors from a deeper pool furthers this goal.

PROPOSAL

When the Corporations were incorporated, the members entitled to vote at meetings included their executive committees and designated Area, Regional, and Provincial officer holders. Subsequent By-law amendments gave voting status to members nominated by the Council Commissioner and certain office holders. A 2017 By-law amendment designated specific Commissioners and Youth Commissioners as the voting representatives of the Corporations. Since 2017 Scouts Canada has abolished many of those Commissioner roles.

Until earlier this year, Scouts Canada called the individuals entitled to vote at its governance meetings "Voting Members". Scouts Canada now calls those individuals "Voting Representatives". The provincial legislation governing the Corporations uses "Member" in the context Scouts Canada has chosen to use "Voting Representative". For this reason, the Corporations have chosen to adopt "Member" to refer to the individuals entitled to vote at their governance meetings and participate in other aspects of their governance.

The Corporations propose to designate as its Members, the Council Commissioner and Council Youth Commissioner, its directors, and the Groups Commissioners who lead each Group in the province. Youth (*i.e.* program participants) have guaranteed representation as voting representatives in the national model. To ensure youth representation in the pool of Members, the Corporations propose that the Presidents of each Rover Crew and Venturer Company also serve as Members of the Corporations. The Corporations believe the Groups that own or manage real estate have unique interests in their governance. Each of these Groups will be empowered to appoint a Member. The proposed changes in membership structure necessitates amending the definition of "Members" in the By-laws.

Good governance principles require a board of directors collectively to have skills in disciplines including business management, law, accounting, and asset management. To facilitate recruiting candidates to fill corporate needs, the Corporations will cease the practice of drawing directors principally from the Council Team. They will also amend the By-laws to require an open call for nominations to serve on the Boards of Directors. Doing so will make it easier to identify suitable candidates from outside the Council Team and outside of Scouting to join the Boards.

At a February 7, 2019 Karwood town hall meeting, Guildmaster Bill Hickey raised several governance issues. He also noted that given the historical development of the Council's real estate and investment assets, Guild members a significant attachment to and interests in these assets He argued that, for this reason, the 44th BP Guild ought to have a reserved seat or seats on the Corporations' Boards of Directors.

At its Annual General Meeting on October 21, 2020, the 44th BP Guild unanimously passed the following resolution:

Be it resolved, that the Guild request that the Newfoundland and Labrador Council of Scouts Canada reserve for a representative of the 44th BP Guild, one seat on each of the Boards of Directors for the Scouts Canada (Newfoundland and Labrador) Trust Foundation Inc. and the Scouts Canada (Newfoundland and Labrador) Properties Inc.. The 44th BP Guild's representative shall be elected at the Annual General Meeting of that body.

The Corporations have considered the Guild's resolution but have decided not to propose reserving seats on their respective Boards for any individual office holder or a representative of any Scouting constituency. The Council Commissioner has advised the Guild accordingly. Nevertheless, it should be noted that nothing in the proposed process will prevent Guild members from standing for election to the Boards.

ADDITIONAL BACKGROUND INFORMATION

The Corporations also propose to more clearly reflect that they operate within the framework of Scouts Canada's governance structure by designating the Council Commissioner and Council Youth Commissioner as the operating officers of the Corporation.

Several housekeeping changes are also proposed in the attached draft amendment:

- Apply inclusive, gender non-specific language
- Clarify that a person who chairs a meeting or committee has the right to break tie votes
- Specifically authorize videoconference meetings
- Eliminate duplicated provisions
- Eliminate the office of Honourary Solicitor
- Align By-law provisions with our corporate practices

DRAFT ATTACHED

Drafts of proposed amendments to

- Scouts Canada (Newfoundland and Labrador) Properties Inc. By-law No. 1 and
- Scouts Canada (Newfoundland and Labrador) Trust Foundation Inc.

are attached.

Respectfully submitted,
Chris Pike
Team Lead, Corporate Governance

ADDITIONAL BACKGROUND INFORMATION

PROPOSED MEMBERSHIP STRUCTURE

This chart illustrates how Members would be distributed through the current Council membership as of April 2020. The Directors will not necessarily be Members because of an office they hold in Scouts Canada. For that reason, Directors are excluded from this chart.

| Group | GC | Vent | Crew | Camp | Ex Officio | Total |
|----------------------------|----|------|------|------|------------|-------|
| 1st Bay Roberts | 1 | | | | | 1 |
| 1st Carbonear | 1 | | | | | 1 |
| 1st CBS | 1 | | 1 | 1 | | 3 |
| 1st Cowan Heights | 1 | | | 1 | | 2 |
| 1st Fogo Harbour Lions | 1 | | | | | 1 |
| 1st Goulds | 1 | | | | | 1 |
| 1st Happy Valley | 1 | | | | | 1 |
| 1st Lab West | 1 | | | | | 1 |
| 1st Macpherson | 1 | 1 | | 1 | | 3 |
| 1st Mount Pearl Lions | 1 | | | 1 | | 2 |
| 1st Paradise | 1 | 1 | | 1 | | 3 |
| 1st Pasadena | 1 | | | | | 1 |
| 1st Portugal Cove | 1 | | | | | 1 |
| 1st RNC Police Venturers | 1 | 1 | | | | 2 |
| 1st St. John's East | 1 | 1 | 1 | | | 3 |
| 1st Topsail | 1 | 1 | | | | 2 |
| 1st Torbay | 1 | 1 | | | | 2 |
| 1st United, Gander | 1 | 1 | | | | 2 |
| 2nd Stephenville | 1 | | | 1 | | 2 |
| 3rd St. Anthony | 1 | | | | | 1 |
| 4th Clarenville | 1 | | | | | 1 |
| 4th Grand Falls | 1 | 1 | | | | 2 |
| 5th Marystown | 1 | | | | | 1 |
| Council Commissioner | | | | | 1 | 1 |
| Council Youth Commissioner | | | | | 1 | 1 |
| | 23 | 8 | 2 | 6 | 1 | 40 |

ARTICLE II OF SCOUTS CANADA'S BY-LAW NO. 2

See <https://www.scouts.ca/resources/bpp/bylaw.html> for authoritative text

- a. **Categories of Membership**—Membership in the Corporation shall be divided into three categories. Persons within such categories are referred to herein individually as a “Member” and collectively as the “Members”. The categories are as follows:
- (1) **Ordinary Members**—Ordinary Members shall be entitled to receive notice of, in the manner set forth in Article III, and attend, but not vote at all meetings of Members. An Ordinary Member shall be any person who subscribes to the mission and principles of the Corporation, who pays the membership and national insurance fee established from time to time by the Board (or has such fees paid for him) and who falls into one of the following categories:
 - (a) any Youth registered with the Corporation for the purpose of participating in the programs offered by the Corporation;
 - (b) any person registered with the Corporation providing volunteer services to assist in the administration, development, management, or delivery of the programs offered by the Corporation;
 - (c) any member of a BP Guild not otherwise registered as an Ordinary Member of the Corporation; and
 - (d) any employee, as defined in the “Scouts Canada Personnel Policy” of the Corporation.
 - (2) **Honorary Officers and Members**— The Voting Members may elect as an Honorary Officer or Honorary Member of the Corporation any person they may deem suitable. The number of Honorary Officers shall not at any time exceed twelve (12).
 - (3) **Voting Members**—Voting Members of the Corporation shall be:
 - (a) three (3) representatives, one of whom must be a Youth Member from each Council, elected annually by each such Council;
 - (b) the Members of the Board;
 - (c) one (1) representative from the Salvation Army Scout Association, appointed by such Association;
 - (d) three (3) representatives from L'Association des Scouts du Canada, appointed by L'Association des Scouts du Canada;
 - (e) one (1) representative from the Canadian Council of BP Guilds, appointed by the Canadian Council of BP Guilds; and
 - (f) all Honorary Officers.

Comments

Voting Members are elected annually under the Election of Voting Members Policy in a general election in which all registered members aged 14 and older are eligible to vote. Scouts Canada uses the terms “voting member” and “voting representative” interchangeably.

HISTORY OF INCORPORATED BODIES (A.K.A. PROPERTY SOCIETIES)

Scouts Canada's property societies were originally intended to standardize the property holding practices. In October 1962, P.O.& R. rule 385 was approved:

Real and personal property owned or held for the purposes of a provincial council or any division of group within the provincial council or any division or group within the provincial council area, shall be held, at the option of the provincial council, in the name of the Boy Scouts of Canada, or by any trust company designated by the provincial council, or by an company which is owned or completely controlled by the provincial council and is incorporated for the purpose of holding property at the instance of the provincial council with the approval of the president and honorary counsel for the National Council.

Subsequent changes saw the rule moved to Section II, Organization, Provincial and Territorial Councils, Duties (iv), and reworded as follows:

Arrange for all property, real or personal, acquired for the purpose of the provincial council or of an division or group within the provincial council area to be held in the name of the Corporation or the provincial council or by any trust company designated by the provincial council or by any

ADDITIONAL BACKGROUND INFORMATION

company which is owned or completely controlled by the provincial council and is incorporated for the sole purpose of holding property;

When By-Law No.2 was developed in 2003, the connection with the property societies appears to have been lost.

Even though the formal connection has been lost, the Corporation have continued to operate within Scouts Canada's governance framework. This history explains why the Corporation's by-laws have, since they were incorporated, required approval of the Board of Governors.

ROLE OF MEMBERS

The Corporations intend to adopt the policies and procedures developed (and in development) by Scouts Canada to engage its voting representatives.

Scouts Canada's current position paper is attached. The role of voting representatives as defined in this document is not a part of Scouts Canada's By-laws. The Corporations are satisfied to use the same approach. Doing so will avoid the need to adjust the By-laws as the Member role evolves. The Corporations will adopt by Directors resolutions the Scouts Canada policies and procedures respecting its Voting Representatives as their policies and procedures respecting Members.

The Corporations do not have the financial means to fund Member travel to attend governance meetings, so meetings of the Members will be conducted by teleconference or videoconference.



It starts with Scouts.
Tout commence
avec les Scouts.

May 2020

Board of Governors Position Paper and Recommendations: Evolving the Role of the Council Voting Representative

1. Introduction

As a result of feedback from Board Members and interest expressed by some Council Voting Representatives who represent the Ordinary Members of Scouts Canada (Council Voting Representatives, or CVR's) in increasing their level of engagement, the relevance of their contribution, their ability to execute their role, and creating better mechanisms for understanding the interests of the constituents they are meant to represent, the Board of Governors began work to consider the issues and develop a plan to address them. Work began at the February 2020 Board meeting and since that time, there have been several Board discussions to dissect the issues and develop a plan to move forward.

The Board agreed to the following principles that are intended to guide the approach with voting members:

- **Engagement** – The Ordinary Members of Scouts Canada (primarily Youth and Scouters within a Council) should feel that there is a mechanism that leads to their voice being heard in the governance of Scouts Canada, not just because they are told so, but rather, because one actually exists.
- **Respect for Prior Decision Making** – The current Board recognized that previous boards adopted our current democratic process for good reasons, after extensive deliberation and that due consideration should be given to the context in which the model was developed. They agreed to take the time to fully understand the historical context prior to making broad changes to the approach.
- **Effectiveness is Critical** – Any considered changes need to be operationally feasible. Not just from a governance perspective, but also from an operations perspective. We should avoid changes that create undue administrative overhead and burden.
- **Genuine** – Any changes made must not just be an artifact that sounds good, but should actually lead to real democracy, improved engagement, and better outcomes for Scouts Canada.

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- **Open and Transparent** – The process we undertake to complete this review of what the role is and should be must be open and transparent to all who are interested. It must be a grounded and genuine way to talk about what we are trying to achieve and should be communicated to all voting members.
- **Iterative** - If we don't get it exactly right, we agree to monitor and keep tweaking it until it is optimal.
- **Scope of Role** – The role of the Council Voting Representative should be meaningful, participating as a key element in our governance. That role must fit with all the other elements of the governance model.

As an outcome of the discussions of the group, the following was adopted by the Board at its meeting on May 20, 2020.

2. Role of Council Voting Representatives

An important element worth reinforcing is that clarity and consistency of understanding of the role is critical. Improved clarity will help address any situation where some members of Scouts Canada have a different view or desire regarding what the role of the CVR is. This role must fit into the broader context of accountabilities and responsibilities of management (both staff and volunteer) and of the Board of Governors. It is critically important that we not introduce any ambiguity or overlap in the model.

The role of the Council Voting Representative is to:

- Broadly represent the interests of all Ordinary Members, especially Ordinary Members from the Council they represent, as we conduct the business of the corporation
- Vote to select three members from among their ranks (including one Youth member) that will participate as members of the Nominating Committee.
- Ensure that items prescribed by the bylaws of Scouts Canada happen. This includes the election of Board of Governors members as recommended by the Nominating Committee, voting on the approval of resolutions tabled by the Board of Governors that modify the by-laws of the organization, approval of the recommendation of the Audit Committee regarding the appointment of auditors for the following year, voting to receive reports from management, the Vice-Chair Finance, Audit Committee and management, etc.
- Bring forward important issues to the Board of Governors and/or Management. Although it is expected that all voting members fulfill their role in an appropriate way, it was felt that imposing any direct restrictions on the nature of the issues that can be raised to the Board by CVRs would be unwise and unnecessary.
- On occasion, propose resolutions for consideration at an AGM. Such resolutions may include resolutions asking that the Board of Governors consider making changes to By-laws or policies of Scouts Canada.

- Act as a safeguard against a Board acting egregiously, by being able to vote against, in conjunction with other voting members, the recommendation of the nominating committee and voting in conjunction with other voting members to approve alternative nominations, thereby replacing the Board with another that would act in the interests of Scouts Canada.

It is equally important to define what the role is not. Council Voting Representatives do not:

- Directly involve themselves in setting policy or procedures for Scouts Canada
- Present resolutions that themselves modify the by-laws of the organization. Such changes require a Resolution by the Board of Governors and must be passed at a special meeting by a two third majority of all voting members
- Over-ride the Board of Governors on strategy and governance issues
- Over-ride management on operational issues
- Replace the existing management hierarchies that exist to deal with issues, resolve disputes, etc.
- Act to represent highly local or narrow interest groups to the detriment of the majority of Scouts Canada's Ordinary Members or the organization.

3. Engaging Council Voting Representatives During and Outside of the AGM

As we work on ensuring that the CVRs have a genuinely meaningful role in the democratic governance of Scouts Canada, it is important that we recognize that the AGM itself has, by its nature, a prescriptive agenda and operating model. There is not a lot of flexibility available for turning it into something that it isn't. Its core agenda is prescribed by corporate law and by the bylaws of Scouts Canada. As such, when working on ensuring that the role of CVR is meaningful, it is important to look to the opportunities that can be taken advantage of from a variety of activities; both during the AGM, and those that might happen outside the actual AGM, for example during a national conference.

Not taking advantage of the chance for engagement presented when we gather together with CVRs would be a missed opportunity. It is recommended that we hold a session prior to the AGM specifically to engage CVRs and facilitate interaction among them, creating a chance to address issues, improve communication and build mutual understanding and relationships. As the AGM continues to be held in concert with the annual Scouters Conference, there is a great opportunity to engage CVRs as active participants in a more significant way than has happened in the past. This can have a secondary benefit of giving the organization the ability to assess CVRs and, where appropriate, encourage them to participate in other ways at the national level, perhaps as members of the National Leadership Team, Board members, committee members, etc.

In order to properly represent the interests of their stakeholders, CVRs are encouraged to leverage existing ways for them to effectively connect with the local Ordinary Members that they

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are supposed to represent. This should include participation in local social media mechanisms, council events, and other opportunities. Their role will be better communicated to their constituent members and Ordinary Members will be encouraged to reach out to the CVRs if they have any issues or concerns that they would like to discuss.

It is also important for CVRs to be confident that they are broadly representing the interests of Ordinary Members and not just a local or vocal minority, the ability for CVRs to interact with the other CVRs across the country outside the AGM will be created using the Scouts Canada Exchange/SharePoint platform.

In order to create the ability for CVR's to have an effective mechanism to bring forward important issues to the Board of Governors and management, opportunities for them to engage with Board members and management in a meaningful way must be created. They will be clearly given permission and encouragement to contact Board members and management with issues they would like to discuss, as such, they will be provided with the relevant contact information to engage in dialogue as required. We will not be placing limitations on the topics that CVRs can raise, but Board members and management will be clear on the types of topics that they should be referring elsewhere in the organization to be addressed. CVRs are encouraged to work with local management, and in particular their Council Key 3 as a first choice for local and operational topics.

Board members will also be clear and transparent around the nature of the interactions they can have with individual CVRs so as not to mis-represent their role as an individual member of the Board to never appear to be making commitments or taking positions on behalf of the Board.

4. Process to Elect and Onboard Voting Members

There is an opportunity to better publicize the process across all councils so that more Ordinary Members are aware and may therefore consider standing for the role. It is also critical that Council Voting Representatives receive sufficient and consistent orientation when they are appointed so that they can begin fulfilling their role as quickly as possible. An enhanced onboarding process will be developed.

5. Funding for Attending AGM by Council Voting Representatives

If it is true that the level of engagement with CVRs should increase, we must find ways to reduce the barriers to in person attendance. Personal cost has been a barrier to participation in the past and it has been decided to eliminate that barrier.

There will be funding provided to cover the costs of attendance of CVRs at the AGM and voting member session in person. Recognizing that there will always be some voting members that may

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be unable to attend in person, remote participation will continue to be possible for the AGM and will also be made available for any CVR specific meetings that are planned

6. Recommendations Approved by the Board

The following is a summary of the recommendations approved by the Board on May 20, 2020

1. Improve the method of creating clarity for the role of Council Voting Representative by clearly articulating what the role entails and what it does not. Do this as part of the election process to ensure consistency among deputy elections officers, and reinforce it once Council Voting Representatives have been elected for their term
2. Ensure that CVRs specifically understand that they have permission and are encouraged to contact Board members and members of management to raise and discuss important issues related to the organization
3. Provide contact information for Board members, key management personnel and a Scouts Canada email distribution list to facilitate the ability to contact all other voting members
4. Incorporate content on CVRs and appropriate levels of engagement into the new Board member orientation session each year
5. Incorporate a session specifically targeted at engaging CVRs into the agenda prior to the AGM. The Governance Committee of the Board will be responsible for planning and executing this with the necessary staff support
6. Set expectations that CVRs be engaged in local activities like Scouter Conferences, social media channels, events, etc. and should be actively working with the Council Key 3 teams to understand their stakeholders' interests and issues and leverage existing communications tools to maximize interactions with Ordinary Members
7. Leverage all existing communication tools to better publicize the Voting Member Election process when it is underway
8. Implement a funding approach to support in person attendance of all/more CVRs
9. Communicate the expected changes to all current Voting Members as soon as possible

BY-LAW NO. 2

SCOUTS CANADA (NEWFOUNDLAND & LABRADOR) TRUST FOUNDATION INC.

(the "Corporation")

BURSARY FUND BY-LAW

A by-law to regulate the Corporation's management and control of a bursary investment fund and to establish the administrative structure of the Corporation which manages its Bursary Fund.

WHEREAS:

- A. The Corporation manages a fund toward the advancement of the objects of its Articles of Incorporation;
- B. The members of the Corporation have agreed to memorialize with greater clarity the original intention that funds held by the Corporation be used solely for the purposes set out in its Articles of Incorporation;
- C. The members of the Corporation wish to ensure that the funds held in the Bursary Fund are maintained solely to attain the objects set out in this by-law; and
- D. The Corporation has determined that it is desirable and necessary to enact this by-law to establish the Bursary Fund and the administrative structure of the Corporation which manages the Bursary Fund.

NOW THEREFORE the Corporation, by its Members and Directors, hereby enacts the following by-law:

Article 1. TITLE

- 1.01 This By-law may be called the "Bursary Fund By-law".

Article 2. DEFINITIONS

- 2.01 "Bursary Fund" includes the fund of the Corporation as of December 2018, consisting of the amount of \$372,023.30 held in account 275-18074 at RBC Dominion Securities and shall further include:
 - a) any additional funds that the Corporation may add to the fund from time to time;
 - b) any property in which the fund may be invested by the Corporation from time to time, as well as any additions or accretions thereto; and
 - c) any income derived from any of the foregoing,

but shall exclude all amounts which have been deducted, paid, or disbursed from the fund in accordance with this By-law.

2.02 In this By-law, the following terms shall have the respective meanings set out below unless the context otherwise specifies or requests:

- a) “Bursary Fund Capital” means
 - (i) the fund of the Corporation as of December 2018, consisting of the amount of \$372,023.30 held in account 275-18074 at RBC Dominion Securities;
 - (ii) any additional funds designated by resolution of the Directors for from time to time;
 - (iii) any capital gains or capital losses realized during each financial year and designated by resolution of the Directors.
- b) “Council” means the Newfoundland and Labrador Council of Scouts Canada;
- c) “Disbursement Advisory Committee” means the Committee established under Article 6 of this By-law;
- d) “Fund” means the Bursary Fund;
- e) “Investment Advisory Committee” means the Committee established under the Corporations’ By-law No. 1;
- f) “Members” has the meaning established in the Corporation’s By-law No. 1,
- g) “Objects” has the meaning set out in paragraph 3.02,
- h) “Scouts Canada” means the corporation incorporated under the *Scouts Canada Act*, S.C. 2007, c.38 as amended, and includes any Act or Acts substituted therefor,
- i) “Secretary” means the officer appointed under By-law No. 1 of the Corporation; and
- j) “Youth” means a youth member as defined in By-law No. 2 of Scouts Canada who is a registered member of the Newfoundland and Labrador Council of Scouts Canada.

Article 3. ESTABLISHMENT OF THE FUND

3.01 The Fund is hereby established. The Corporation may at any time add to, and invest all or any portion of, the Fund.

3.02 The use of the Fund is restricted to the following Objects:

- a) providing bursaries for Youth who wish to attend international and national jamborees and similar events; and
- b) providing financial support to Youth who would not otherwise be able to attend provincial jamborees and similar events.

3.03 Under no circumstances shall any portion of the Fund be deviated for use for any purpose other than the Objects.

Article 4. MANAGEMENT OF THE FUND

- 4.01 The Fund operates a yield portfolio for the purpose of meeting its Objects. The portfolio is expected to produce annual income with buying power equal to \$40,000 on September 1, 2020 without reducing the Bursary Fund Capital.
- 4.02 Bursary Fund Capital may not be withdrawn from the Fund.
- 4.03 Bursary Fund Capital may not be pledged.
- 4.04 The Fund may not make loans.

Article 5. ROLE OF DIRECTORS

- 5.01 Unless the Directors appoint committees under Article 6 or Article 7 of this By-law, all responsibilities of the Investment Advisory Committee or the Disbursement Advisory Committee shall be the responsibilities of the Directors with the necessary changes.
- 5.02 Upon recommendation of
 - a) the Investment Advisory Committee the Directors shall establish policies for the investment of the Fund; and
 - b) the Disbursement Committee the Directors shall establish policies for expenditure and disbursement from the Fund.

Article 6. INVESTMENT ADVISORY COMMITTEE

- 6.01 The Directors may appoint a committee (the "Investment Advisory Committee") to manage the investments held by the Fund in accordance with Article 4 and in a manner that is consistent with prudent financial management practices by, among other things, carrying out the following duties and responsibilities:
 - a) managing the Fund's investments;
 - b) managing and reissuing the Fund's Statement of Investment Policies and Procedures;
 - c) managing the Corporation's relationship with its investment advisors;
 - d) preparing and presenting to the Directors no later than the 15th day of September, January, and June, a report current to the end of the previous month outlining the investments held by the Fund and income received by it since the Committee's last report; and.
 - e) maintaining adequate records of Committee minutes, resolutions, decisions and other proceedings.
- 6.02 When appointing committee members, the Directors shall consider the skills and vocations necessary to manage the Corporation's invested assets and its relationship with its investment advisors.

- 6.03 At least one member of the committee shall be a Director.
- 6.04 The Treasurer the Corporation is a member of the Investment Advisory Committee.
- 6.05 The Secretary of the Corporation is the secretary of the Investment Advisory Committee.
- 6.06 The Investment Advisory Committee is subject to Article 9 of the Corporation's By-law No. 1.

Article 7. DISBURSEMENT ADVISORY COMMITTEE

- 7.01 The Directors may appoint a committee (the "Disbursement Advisory Committee") carry out the following duties and responsibilities:
 - a) maintaining awareness of events that may prompt groups to seek bursaries;
 - b) issuing an annual invitation for groups to apply for bursaries;
 - c) managing and controlling all disbursements from the Fund;
 - d) preparing and presenting to the Directors by the 15th day of September, January, and June, a report current to the end of the previous month that includes all disbursements from the Fund for the period since the Committee's last report; and
 - e) maintaining adequate records of Committee minutes, resolutions, decisions and other proceedings.
- 7.02 At least one member of the Disbursement Advisory Committee shall be a Director.
- 7.03 At least one member of the Disbursement Advisory Committee shall be a Youth.
- 7.04 The Treasurer the Corporation is a member of the Disbursement Advisory Committee.
- 7.05 The Secretary of the Corporation is the secretary of the Disbursement Advisory Committee.
- 7.06 The Disbursement Advisory Committee is subject to Article 9 of the Corporation's By-law No. 1.

Article 8. AMENDMENTS TO THIS BY-LAW

- 8.01 Only Members may propose amendments to this By-law.
- 8.02 The Members may consider amendments to this By-law only at the annual meeting.
- 8.03 A proposer shall give the Secretary notice of an amendment to this By-law no less than three weeks before the date fixed for the annual meeting.
- 8.04 The Secretary shall forward a copy of all proposed amendments to this By-law to each Member within five days of receipt of same.
- 8.05 Separate unanimous votes of both the Members and Directors are required to pass an amendment to this By-law.
- 8.06 Amendments to this By-law shall come into force upon receiving the approval of the Board of Governors of Scouts Canada.

Article 9. GENERAL

- 9.01 In this By-law, where the context requires or permits, words importing the singular number shall include the plural and vice versa and words importing the use of any gender shall include all genders.
- 9.02 The division of this By-law into articles and paragraphs and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this By-law.
- 9.03 If a provision of Article 9 of the Corporation's By-law No. 1 is inconsistent with this By-law, the provision of this By-law shall apply.
- 9.04 Subject to paragraph 9.03, if any provision of this By-law is held to be invalid, void, voidable or unenforceable for any reason, then the particular provision will be deemed severed from the remainder of this By-law and all remaining provisions of this By-law shall remain in full force and effect.

This By-law is hereby enacted by the Members and the Board of the Corporation effective **DATE**, 2021.

Secretary
Council Team Lead, Corporate Governance

BY-LAW NO. 3

SCOUTS CANADA (NEWFOUNDLAND & LABRADOR) TRUST FOUNDATION INC.

(the "Corporation")

GENERAL FUND BY-LAW

A by-law to regulate the Corporation's management and control of a general investment fund and to establish the administrative structure of the Corporation which manages its General Fund.

WHEREAS:

- A. The Corporation manages a fund toward the advancement of the objects of its Articles of Incorporation;
- B. The members of the Corporation have agreed to memorialize with greater clarity the original intention that funds held by the Corporation be used solely for the purposes set out in its Articles of Incorporation;
- C. The members of the Corporation wish to ensure that the funds held in the General Fund are maintained solely to attain the objects set out in this by-law; and
- D. The Corporation has determined that it is desirable and necessary to enact this by-law to establish the General Fund and the administrative structure of the Corporation which manages the General Fund.

NOW THEREFORE the Corporation, by its Members and Directors, hereby enacts the following by-law:

Article 1. TITLE

- 1.01 This By-law may be called the "General Fund By-law".

Article 2. DEFINITIONS

- 2.01 "General Fund" includes the fund of the Corporation as of December 2018, consisting of the amount of \$47,353.67 held in account 275-18898 at RBC Dominion Securities and shall further include:
 - a) any additional funds that the Corporation may add to the fund from time to time;
 - b) any property in which the fund may be invested by the Corporation from time to time, as well as any additions or accretions thereto; and
 - c) any income derived from any of the foregoing,

but shall exclude all amounts which have been deducted, paid, or disbursed from the fund in accordance with this By-law.

2.02 In this By-law, the following terms shall have the respective meanings set out below unless the context otherwise specifies or requests:

- a) “General Fund Capital” means
 - (i) the fund of the Corporation as of December 2018, consisting of the amount of \$47,353.67 held in account 275-18898 at RBC Dominion Securities;
 - (ii) any additional funds designated by resolution of the Directors for from time to time;
 - (iii) any capital gains or capital losses realized during each financial year and designated by resolution of the Directors.
- b) “Council” means the Newfoundland and Labrador Council of Scouts Canada;
- c) “Disbursement Advisory Committee” means the Committee established under Article 6 of this By-law;
- d) “Fund” means the General Fund;
- e) “Investment Advisory Committee” means the Committee established under the Corporations’ By-law No. 1;
- f) “Members” has the meaning established in the Corporation’s By-law No. 1,
- g) “Objects” has the meaning set out in paragraph 3.02,
- h) “Scouts Canada” means the corporation incorporated under the *Scouts Canada Act*, S.C. 2007, c.38 as amended, and includes any Act or Acts substituted therefor,
- i) “Secretary” means the officer appointed under By-law No. 1 of the Corporation; and
- j) “Youth” means a youth member as defined in By-law No. 2 of Scouts Canada who is a registered member of the Newfoundland and Labrador Council of Scouts Canada.

Article 3. ESTABLISHMENT OF THE FUND

3.01 The Fund is hereby established. The Corporation may at any time add to, and invest all or any portion of, the Fund.

3.02 The use of the Fund is restricted to the following Objects:

- a) providing bursaries for Youth who wish to attend international and national jamborees and similar events; and
- b) providing financial support to Youth who would not otherwise be able to attend provincial jamborees and similar events.

3.03 Under no circumstances shall any portion of the Fund be deviated for use for any purpose other than the Objects.

Article 4. MANAGEMENT OF THE FUND

- 4.01 The Fund operates a yield portfolio for the purpose of meeting its Objects. The portfolio is expected to produce annual income without reducing the General Fund Capital.
- 4.02 General Fund Capital may not be withdrawn from the Fund.
- 4.03 General Fund Capital may not be pledged.
- 4.04 The Fund may not make loans.

Article 5. ROLE OF DIRECTORS

- 5.01 Unless the Directors appoint committees under Article 6 or Article 7 of this By-law, all responsibilities of the Investment Advisory Committee or the Disbursement Advisory Committee shall be the responsibilities of the Directors with the necessary changes.
- 5.02 Upon recommendation of
 - a) the Investment Advisory Committee the Directors shall establish policies for the investment of the Fund; and
 - b) the Disbursement Committee the Directors shall establish policies for expenditure and disbursement from the Fund.

Article 6. INVESTMENT ADVISORY COMMITTEE

- 6.01 The Directors may appoint a committee (the "Investment Advisory Committee") to manage the investments held by the Fund in accordance with Article 4 and in a manner that is consistent with prudent financial management practices by, among other things, carrying out the following duties and responsibilities:
 - a) managing the Fund's investments;
 - b) managing and reissuing the Fund's Statement of Investment Policies and Procedures;
 - c) managing the Corporation's relationship with its investment advisors;
 - d) preparing and presenting to the Directors no later than the 15th day of September, January, and June, a report current to the end of the previous month outlining the investments held by the Fund and income received by it since the Committee's last report; and.
 - e) maintaining adequate records of Committee minutes, resolutions, decisions and other proceedings.
- 6.02 When appointing committee members, the Directors shall consider the skills and vocations necessary to manage the Corporation's invested assets and its relationship with its investment advisors.
- 6.03 At least one member of the committee shall be a Director.

- 6.04 The Treasurer the Corporation is a member of the Investment Advisory Committee.
- 6.05 The Secretary of the Corporation is the secretary of the Investment Advisory Committee.
- 6.06 The Investment Advisory Committee is subject to Article 9 of the Corporation's By-law No. 1.

Article 7. DISBURSEMENT ADVISORY COMMITTEE

- 7.01 The Directors may appoint a committee (the "Disbursement Advisory Committee") carry out the following duties and responsibilities:
- a) maintaining awareness of events that may prompt groups to seek bursaries;
 - b) issuing an annual invitation for groups to apply for bursaries;
 - c) managing and controlling all disbursements from the Fund;
 - d) preparing and presenting to the Directors by the 15th day of September, January, and June, a report current to the end of the previous month that includes all disbursements from the Fund for the period since the Committee's last report; and
 - e) maintaining adequate records of Committee minutes, resolutions, decisions and other proceedings.
- 7.02 At least one member of the Disbursement Advisory Committee shall be a Director.
- 7.03 At least one member of the Disbursement Advisory Committee shall be a Youth.
- 7.04 The Treasurer the Corporation is a member of the Disbursement Advisory Committee.
- 7.05 The Secretary of the Corporation is the secretary of the Disbursement Advisory Committee.
- 7.06 The Disbursement Advisory Committee is subject to Article 9 of the Corporation's By-law No. 1.

Article 8. AMENDMENTS TO THIS BY-LAW

- 8.01 Only Members may propose amendments to this By-law.
- 8.02 The Members may consider amendments to this By-law only at the annual meeting.
- 8.03 A proposer shall give the Secretary notice of an amendment to this By-law no less than three weeks before the date fixed for the annual meeting.
- 8.04 The Secretary shall forward a copy of all proposed amendments to this By-law to each Member within five days of receipt of same.
- 8.05 Separate unanimous votes of both the Members and Directors are required to pass an amendment to this By-law.
- 8.06 Amendments to this By-law shall come into force upon receiving the approval of the Board of Governors of Scouts Canada.

Article 9. GENERAL

- 9.01 In this By-law, where the context requires or permits, words importing the singular number shall include the plural and vice versa and words importing the use of any gender shall include all genders.
- 9.02 The division of this By-law into articles and paragraphs and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this By-law.
- 9.03 If a provision of Article 9 of the Corporation's By-law No. 1 is inconsistent with this By-law, the provision of this By-law shall apply.
- 9.04 Subject to paragraph 9.03, if any provision of this By-law is held to be invalid, void, voidable or unenforceable for any reason, then the particular provision will be deemed severed from the remainder of this By-law and all remaining provisions of this By-law shall remain in full force and effect.

This By-law is hereby enacted by the Members and the Board of the Corporation effective **DATE**, 2021.

Secretary
Council Team Lead, Corporate Governance

BY-LAW NO. 3

SCOUTS CANADA (NEWFOUNDLAND & LABRADOR) TRUST FOUNDATION INC.

(the "Corporation")

GENERAL FUND BY-LAW

A by-law to regulate the Corporation's management and control of a general investment fund and to establish the administrative structure of the Corporation which manages its General Fund.

WHEREAS:

- A. The Corporation manages a fund toward the advancement of the objects of its Articles of Incorporation;
- B. The members of the Corporation have agreed to memorialize with greater clarity the original intention that funds held by the Corporation be used solely for the purposes set out in its Articles of Incorporation;
- C. The members of the Corporation wish to ensure that the funds held in the General Fund are maintained solely to attain the objects set out in this by-law; and
- D. The Corporation has determined that it is desirable and necessary to enact this by-law to establish the General Fund and the administrative structure of the Corporation which manages the General Fund.

NOW THEREFORE the Corporation, by its Members and Directors, hereby enacts the following by-law:

Article 1. TITLE

- 1.01 This By-law may be called the "General Fund By-law".

Article 2. DEFINITIONS

- 2.01 "General Fund" includes the fund of the Corporation as of December 2018, consisting of the amount of \$47,353.67 held in account 275-18898 at RBC Dominion Securities and shall further include:
 - a) any additional funds that the Corporation may add to the fund from time to time;
 - b) any property in which the fund may be invested by the Corporation from time to time, as well as any additions or accretions thereto; and
 - c) any income derived from any of the foregoing,but shall exclude all amounts which have been deducted, paid, or disbursed from the fund in accordance with this By-law.

2.02 In this By-law, the following terms shall have the respective meanings set out below unless the context otherwise specifies or requests:

- a) “General Fund Capital” means
 - (i) the fund of the Corporation as of December 2018, consisting of the amount of \$47,353.67 held in account 275-18898 at RBC Dominion Securities;
 - (ii) any additional funds designated by resolution of the Directors for from time to time;
 - (iii) any capital gains or capital losses realized during each financial year and designated by resolution of the Directors.
- b) “Council” means the Newfoundland and Labrador Council of Scouts Canada;
- c) “Disbursement Advisory Committee” means the Committee established under Article 6 of this By-law;
- d) “Fund” means the General Fund;
- e) “Investment Advisory Committee” means the Committee established under the Corporations’ By-law No. 1;
- f) “Members” has the meaning established in the Corporation’s By-law No. 1,
- g) “Objects” has the meaning set out in paragraph 3.02,
- h) “Scouts Canada” means the corporation incorporated under the *Scouts Canada Act*, S.C. 2007, c.38 as amended, and includes any Act or Acts substituted therefor,
- i) “Secretary” means the officer appointed under By-law No. 1 of the Corporation; and
- j) “Youth” means a youth member as defined in By-law No. 2 of Scouts Canada who is a registered member of the Newfoundland and Labrador Council of Scouts Canada.

Article 3. ESTABLISHMENT OF THE FUND

3.01 The Fund is hereby established. The Corporation may at any time add to, and invest all or any portion of, the Fund.

3.02 The use of the Fund is restricted to the following Objects:

- a) providing bursaries for Youth who wish to attend international and national jamborees and similar events; and
- b) providing financial support to Youth who would not otherwise be able to attend provincial jamborees and similar events.

3.03 Under no circumstances shall any portion of the Fund be deviated for use for any purpose other than the Objects.

Article 4. MANAGEMENT OF THE FUND

- 4.01 The Fund operates a yield portfolio for the purpose of meeting its Objects. The portfolio is expected to produce annual income without reducing the General Fund Capital.
- 4.02 General Fund Capital may not be withdrawn from the Fund.
- 4.03 General Fund Capital may not be pledged.
- 4.04 The Fund may not make loans.

Article 5. ROLE OF DIRECTORS

- 5.01 Unless the Directors appoint committees under Article 6 or Article 7 of this By-law, all responsibilities of the Investment Advisory Committee or the Disbursement Advisory Committee shall be the responsibilities of the Directors with the necessary changes.
- 5.02 Upon recommendation of
 - a) the Investment Advisory Committee the Directors shall establish policies for the investment of the Fund; and
 - b) the Disbursement Committee the Directors shall establish policies for expenditure and disbursement from the Fund.

Article 6. INVESTMENT ADVISORY COMMITTEE

- 6.01 The Directors may appoint a committee (the "Investment Advisory Committee") to manage the investments held by the Fund in accordance with Article 4 and in a manner that is consistent with prudent financial management practices by, among other things, carrying out the following duties and responsibilities:
 - a) managing the Fund's investments;
 - b) managing and reissuing the Fund's Statement of Investment Policies and Procedures;
 - c) managing the Corporation's relationship with its investment advisors;
 - d) preparing and presenting to the Directors no later than the 15th day of September, January, and June, a report current to the end of the previous month outlining the investments held by the Fund and income received by it since the Committee's last report; and.
 - e) maintaining adequate records of Committee minutes, resolutions, decisions and other proceedings.
- 6.02 When appointing committee members, the Directors shall consider the skills and vocations necessary to manage the Corporation's invested assets and its relationship with its investment advisors.
- 6.03 At least one member of the committee shall be a Director.

- 6.04 The Treasurer the Corporation is a member of the Investment Advisory Committee.
- 6.05 The Secretary of the Corporation is the secretary of the Investment Advisory Committee.
- 6.06 The Investment Advisory Committee is subject to Article 9 of the Corporation's By-law No. 1.

Article 7. DISBURSEMENT ADVISORY COMMITTEE

- 7.01 The Directors may appoint a committee (the "Disbursement Advisory Committee") carry out the following duties and responsibilities:
 - a) maintaining awareness of events that may prompt groups to seek bursaries;
 - b) issuing an annual invitation for groups to apply for bursaries;
 - c) managing and controlling all disbursements from the Fund;
 - d) preparing and presenting to the Directors by the 15th day of September, January, and June, a report current to the end of the previous month that includes all disbursements from the Fund for the period since the Committee's last report; and
 - e) maintaining adequate records of Committee minutes, resolutions, decisions and other proceedings.
- 7.02 At least one member of the Disbursement Advisory Committee shall be a Director.
- 7.03 At least one member of the Disbursement Advisory Committee shall be a Youth.
- 7.04 The Treasurer the Corporation is a member of the Disbursement Advisory Committee.
- 7.05 The Secretary of the Corporation is the secretary of the Disbursement Advisory Committee.
- 7.06 The Disbursement Advisory Committee is subject to Article 9 of the Corporation's By-law No. 1.

Article 8. AMENDMENTS TO THIS BY-LAW

- 8.01 Only Members may propose amendments to this By-law.
- 8.02 The Members may consider amendments to this By-law only at the annual meeting.
- 8.03 A proposer shall give the Secretary notice of an amendment to this By-law no less than three weeks before the date fixed for the annual meeting.
- 8.04 The Secretary shall forward a copy of all proposed amendments to this By-law to each Member within five days of receipt of same.
- 8.05 Separate unanimous votes of both the Members and Directors are required to pass an amendment to this By-law.
- 8.06 Amendments to this By-law shall come into force upon receiving the approval of the Board of Governors of Scouts Canada.

Article 9. GENERAL

- 9.01 In this By-law, where the context requires or permits, words importing the singular number shall include the plural and vice versa and words importing the use of any gender shall include all genders.
- 9.02 The division of this By-law into articles and paragraphs and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this By-law.
- 9.03 If a provision of Article 9 of the Corporation's By-law No. 1 is inconsistent with this By-law, the provision of this By-law shall apply.
- 9.04 Subject to paragraph 9.03, if any provision of this By-law is held to be invalid, void, voidable or unenforceable for any reason, then the particular provision will be deemed severed from the remainder of this By-law and all remaining provisions of this By-law shall remain in full force and effect.

This By-law is hereby enacted by the Members and the Board of the Corporation effective January 16, 2021.



Secretary
Council Team Lead, Corporate Governance

Financial Statements of

**SCOUTS CANADA
(NEWFOUNDLAND AND
LABRADOR) TRUST
FOUNDATION INC.**

Year ended August 31, 2020
(Unaudited)

Scouts Canada (Newfoundland and Labrador) Trust Foundation Inc.

Statement of Financial Position

August 31, 2020, with comparative information for 2019
(Unaudited)

| | 2020 | 2019 |
|---|------------|------------|
| ASSETS | | |
| Current assets | | |
| Cash | \$ 16,982 | \$ 9,654 |
| Accounts receivable | 5,331 | 4,882 |
| Short-term investments (note 2) | 4,354 | 6,341 |
| | 26,667 | 20,876 |
| Long-term investments (note 2) | 406,483 | 409,582 |
| | \$ 433,150 | \$ 430,458 |
| LIABILITIES AND UNRESTRICED NET ASSETS | | |
| Current liabilities | | |
| Accrued liabilities | \$ 26,796 | \$ 23,080 |
| Deposits payable (note 3) | 21,809 | 21,809 |
| | 48,605 | 44,889 |
| Unrestricted net assets | 384,545 | 385,569 |
| | \$ 433,150 | \$ 430,458 |

See accompanying notes to financial statements.

On behalf of the Board

_____ Member _____ Member

Scouts Canada (Newfoundland and Labrador) Trust Foundation Inc.

Statement of Operations and Changes in Net Assets

Year ended August 31, 2020, with comparative information for 2019
(Unaudited)

| | 2020 | 2019 |
|---|------------|------------|
| Revenues | | |
| Donations | \$ 4,670 | \$ 3,475 |
| Investment income | 9,557 | 9,977 |
| | 14,227 | 13,452 |
| Expenditures | | |
| Bank charges | 81 | 46 |
| Grants (note 5) | 2,816 | 7,044 |
| Investment fees | 6,437 | 1,610 |
| Loss on sale of investments | 5,908 | - |
| Office & administrative | 10 | - |
| Professional fees | - | 2,000 |
| | 15,252 | 10,699 |
| Excess (deficiency) of revenues over expenditures | (1,025) | 2,753 |
| Unrestricted net assets, beginning of year | 385,569 | 382,816 |
| Unrestricted net assets, end of year | \$ 384,545 | \$ 385,569 |

See accompanying notes to financial statements.

Scouts Canada (Newfoundland and Labrador) Trust Foundation Inc.

Statement of Cash Flows

August 31, 2020, with comparative information for 2019
(Unaudited)

| | 2020 | 2019 |
|---|-----------|-----------|
| Cash provided by (used in): | | |
| Operations: | | |
| (Deficiency) excess of revenues over expenditures | (\$1,025) | \$2,753 |
| Items not involving cash: | | |
| (Increase) decrease in accounts receivable | (449) | (530) |
| (Increase) decrease in due from related party | | - |
| Increase (decrease) in accounts payable and accrued liabilities | 3,717 | 8,025 |
| Transfer of cash to related party | - | - |
| | 2,243 | 10,248 |
| Investing: | | |
| Advances to related party | - | - |
| (Increase) Decrease in short term investments | 1,987 | 408,988 |
| (Increase) Decrease in long term investments | 3,099 | (409,581) |
| | 5,085 | (594) |
| Increase (Decrease) in cash | 7,328 | 9,654 |
| Cash, beginning of year | 9,654 | - |
| Cash, end of year | \$ 16,982 | \$ 9,654 |

See accompanying notes to financial statements.

Scouts Canada (Newfoundland and Labrador) Trust Foundation Inc.

Notes to Financial Statements

Year ended August 31, 2020

(Unaudited)

Scouts Canada (Newfoundland and Labrador) Trust Foundation Inc. (the "Foundation") is a not-for-profit organization incorporated under the laws of the Province of Newfoundland and Labrador. The Foundation is a registered charity and, as such, is exempt from the payment of income tax.

The Foundation holds investments in order to provide sufficient income to make annual grants to support future Scouting activities in Newfoundland and Labrador. The Foundation's long term investment strategy for providing future support is managed through distinct Fund accounts; the Bursary Fund, and the General Fund, with established guidelines providing for investment decisions and the distribution of income earned annually by each fund.

1. Significant accounting policies:

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The Foundations significant accounting polices are as follows:

(a) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Foundation has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing cost, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Foundation determines if there is a significant adverse change in the expected amount or timing of future

Scouts Canada (Newfoundland and Labrador) Trust Foundation Inc.

Notes to Financial Statements (continued)

Year ended August 31, 2020

(Unaudited)

1. Significant accounting policies (continued):

cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flow, the amount that could be realized from the selling of the financial asset or the amount the Foundation expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future year, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(b) Investments:

Investments classified as current assets are carried at the lower of cost and market value. Other investments are carried at cost less a write-down, if necessary, for any impairment in value which is other than temporary.

(c) Revenue recognition:

The Foundation uses the deferral method for accounting for contributions. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received is reasonably assured. Restricted contributions are deferred and recognized as revenue when the related expenditure is incurred. Investment income is recognized in revenue of the period in which it is earned.

(d) Contributed services:

Volunteers contribute many hours to assist the Foundation in the governance of its operations and programs. Because of the difficulty in assessing the number of hours and their fair value, contributed services are not recognized in the financial statements.

(e) Use of estimates:

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the

Scouts Canada (Newfoundland and Labrador) Trust Foundation Inc.

Notes to Financial Statements (continued)

Year ended August 31, 2020

(Unaudited)

1. Significant accounting policies (continued):

financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

2. Investments:

| | 2020 | 2019 |
|------------------------|------------|------------|
| Short-term investments | \$ 4,354 | \$ 6,340 |
| Long-term investments | 406,483 | 409,582 |
| | \$ 410,837 | \$ 415,922 |

Short-term and long-term investments include investments in cash, guaranteed investment certificates, common shares and mutual funds. Short-term investments include cash and investments, which have a maturity date within one year of the fiscal year-end date.

3. Deposits payable:

The Foundation holds deposits on behalf of other Scouts Groups that do not have a separate charter to hold assets. Therefore, investment balances are held by the Foundation until such investments are requested to be withdrawn. After a specified period of time, if the funds are not requested, they are invested in the Funds.

4. Financial risks:

The Foundation's financial instruments consist of cash, short term and long-term investments, accrued liabilities and deposits payable. The fair values of financial instruments approximate their carrying values unless otherwise noted. Unless otherwise noted, it is management's opinion that the Foundation is not exposed to significant currency or interest risks.

Scouts Canada (Newfoundland and Labrador) Trust Foundation Inc.

Notes to Financial Statements (continued)

Year ended August 31, 2020

(Unaudited)

4. Financial risks (continued):

(a) Liquidity risk:

Liquidity risk is the risk that the Foundation will be unable to meet its cash requirements in a timely and cost-effective manner. Liquidity requirements are managed by monitoring its cash flows and ensuring that it has sufficient cash and short-term investments to meet its obligation and liabilities.

(b) Credit risk:

Financial instruments which potentially subject the Foundation to credit risk consist primarily of cash, and short term and long-term investments. The Foundation limits the amount of credit exposure with its cash balance by only maintaining cash and investments with major Canadian financial institutions.

5. Grants issued:

During the fiscal year, the Foundation awarded \$2,816 (2019 - \$7,044) to support youth member participation in Scouting programs.

6. Related party transactions:

The Newfoundland and Labrador Council receives significant benefit from the Foundation by virtue of the Council's economic interest in the Foundation.

During the fiscal year, the Foundation awarded \$Nil (2019 - \$Nil) to the Newfoundland and Labrador Council in grants.

Scouts Canada (Newfoundland and Labrador) Trust Foundation Inc.

Notes to Financial Statements (continued)

Year ended August 31, 2020

(Unaudited)

6. Related party transactions (continued):

During the fiscal year, the Foundation awarded \$Nil (2019 - \$Nil) to Scouts Canada (Newfoundland and Labrador) Properties Inc., an organization under common control.

Included in trade receivables at year end is \$4,770 (2019 - \$4,770) owing from Scouts Canada (Newfoundland and Labrador) Properties Inc. for donations received and directed to the Foundation.

Included in accrued liabilities at year end is \$26,796 (2018 - \$15,050) owing to Scouts Canada (Newfoundland and Labrador) Properties Inc. for expenses incurred on behalf of the Foundation.