



## BY-LAW NO. 1

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

### **INTERNATIONAL ASSOCIATION OF HEALTHCARE TEXTILE MANAGEMENT** (the “Corporation”)

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## **SECTION 1 - General**

### **1.01 Definitions**

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

- a) “Act” means the *Canada Not-for-profit Corporations Act*, S.C. 2009, c.23 including the Regulations made pursuant to the Act, and any statute or regulations that may be substituted, as amended from time to time;
- b) “Articles” means the original or restated Articles of Incorporation or Articles of amendment, amalgamation, continuance, reorganization, arrangement or revival of the Corporation;
- c) “Board” means the board of directors of the Corporation and “director” means a member of the Board;
- d) “By-law” means this by-law and any other by-law of the Corporation as amended and which are, from time to time, in force and effect;
- e) “Corporation” means the International Association of Healthcare Textile Management.
- f) “Delegate” means an individual representing a Member of the Corporation who is appointed by Member to serve as its representative to and for the Corporation, and includes for the purposes of any meeting of Members, any person recognized by the chair of such meeting to be a properly designated nominee or representative of the applicable Member in the absence of the ability of that Delegate to attend, speak and vote on behalf of the applicable Member;

- g) "Meeting of Members" includes an annual meeting of Members or a special meeting of members;
- h) "Member" means any business entity with legal existence or status, which is not an individual, which is admitted as a Voting Member of the Corporation (as defined in the Articles) in accordance with this By-law and continues to meet the conditions to remain a Member of the Corporation;
- i) "Ordinary Resolution" means a resolution passed by a majority of not less than fifty percent (50%) plus one (1) of the votes cast by Members on that resolution;
- j) "Proposal" means a proposal submitted by a Member of the Corporation that meets the requirements of Section 163 of the Act;
- k) "Regulations" means the regulations made under the Act, as amended, restated or in effect from time to time;
- l) "Special Meeting of Members" includes a meeting of members at which matters instead of or in addition to matters regularly addressed at an annual general meeting of Members are addressed;
- m) "Special Resolution" means a resolution passed by a majority of not less than two-thirds (2/3) of the votes cast by Members on that resolution.

#### **1.02 Interpretation**

In the interpretation of this By-law, words in the singular include the plural and vice-versa, words in one gender include all genders, and "person" includes an individual, body corporate, partnership, trust and unincorporated organization. Other than as specified in Section 1.01 above, words and expressions defined in the Act have the same meanings when used in these By-laws.

#### **1.03 Corporate Seal**

The Corporation may have a corporate seal in the form approved from time to time by the Board. If a corporate seal is approved by the Board, the officer of the Corporation designated by the Board shall be the custodian of the corporate seal.

#### **1.04 Execution of Documents**

Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by the Corporation may be signed by any two (2) of its officers or directors.

In addition, the Board may from time to time direct the manner in which, and the person or persons by whom, a particular document or type of document shall be executed. Any person authorized to sign any document may affix the corporate seal (if any) to the document. Any signing officer may certify a copy of any instrument, resolution, By-law or other document of the Corporation to be a true copy thereof.

#### **1.05 Financial Year End**

The financial year end of the Corporation shall be determined by the Board.

#### **1.06 Banking Arrangements**

The banking business of the Corporation shall be transacted at such bank, trust company or other firm or corporation carrying on a banking business in Canada or elsewhere as the Board may designate, appoint or authorize from time to time by resolution. The banking business or any part of

it shall be transacted by an officer or officers of the Corporation and/or other persons as the Board may by resolution from time to time designate, direct or authorize.

### **1.07 Annual Financial Statements**

The Corporation may, instead of sending copies of the annual financial statements and other documents referred to in subsection 172(1) of the Act to the Members, publish a notice to its Members stating that the annual financial statements and documents provided in subsection 172(1) are available at the registered office of the Corporation and any Member may, on request, obtain a copy free of charge at the registered office or by prepaid mail.

## **SECTION 2 - Membership and Meetings of Members**

### **2.01 Qualification and Admission of Members**

Any Member may nominate a business entity for admission as a Member of the Corporation in writing delivered to the Executive Director. The Executive Director shall require the nominee entity to complete a new Member application which shall include the name of the chief executive or other executive officer the nominee proposes to serve as the Delegate of that Member. Once completed, the Executive Director shall forward the new Member application to the President for review and consideration. Despite the terms of the Articles, new Members shall only be admitted as Voting Members. No additional Honorary Members (as defined in the Articles) are to be appointed.

a) The Board may by resolution approve the admission of any business entity nominated to be a Member:

- i. which is an autonomous business entity formed and operated for the purpose of providing shared laundry and textile services to one or more hospitals or healthcare institutions;
- ii. owned by, governed by or under the control of one or more hospitals or healthcare institutions recognized by the Board as qualifying hospitals or healthcare institutions;
- iii. which has a management, ownership and control arrangement which, in the determination of the Board, is consistent and compatible with similar arrangements for other Members, and without limitation, not a broad-based contract management arrangement for multiple independent or unrelated customers; and
- iv. which agrees to:
  - A. a full and free exchange of information, policies, business practices and other information of use and interest to other Members;
  - B. strive consistently to provide better service to healthcare organizations to the end that patient care may be enhanced at the most economical cost;
  - C. adhere to the highest possible industry standards for textile processing and washing; and
  - D. the admission of a nominee as a Voting Member shall not take effect unless and until its admission is approved as provided in B. above and is confirmed by Special Resolution.

## **2.02 Transfer and Withdrawal Matters**

- a) Membership shall not be transferrable; and
- b) any Member shall have the right to resign or withdraw from membership with the Corporation as provided in Section 3.03.

## **2.03 Notice of Meeting of Members**

Notice of the time and place of a meeting of Members shall be given to each Member by the following means:

- a) by electronic mail, regular mail, courier or personal delivery to each Member during a period of thirty (30) to sixty (60) days before the day on which the meeting is to be held; or
- b) by telephonic, electronic or other communication facility to each Member during a period of thirty (30) to thirty-five (35) days before the day on which the meeting is to be held.

## **2.05 Absentee Voting by Mail Ballot**

Pursuant to subsection 171(1) of the Act, a Member may vote by mailed-in ballot, or electronically-filed ballot, if the Corporation has a system approved by the Board that:

- a) enables the votes to be gathered in a manner that permits their subsequent verification; and
- b) permits the tallied votes to be presented to the Corporation without it being possible for the Corporation to identify how each Member voted.

# **SECTION 3 — Membership Dues, Conduct and Discipline**

## **3.01 Membership Dues**

Members shall be notified in writing of the membership dues determined by the Board to be payable by them and, if any are not paid within one (1) calendar month of the membership renewal date fixed by the Board, the Members in default shall automatically cease to be Members of the Corporation, unless determined otherwise by a resolution of the Board.

## **3.02 Conduct of Members**

- a) Members shall:
  - i. treat all information and data disclosed to them by any other Members as secret and confidential, and not to be used for any other purpose detrimental to the disclosing Member, unless the disclosing Member agrees otherwise in writing;
  - ii. be open and honest in all business dealings;
  - iii. provide assistance to other Members without deriving profit from that assistance;
  - iv. promote cooperation and friendship among Members from all countries; and
  - v. if the Member or Delegate, behaves in a manner contrary to the IAHTM Code of Conduct, as defined by the Board, that Member or Delegate may be prohibited from participating in any meeting of Members, any other activity or event of the corporation, or may be removed or expelled as a Member or Delegate (as the case may be) in accordance with this By-law.

- b) The requirements of Members under this Section 3.02 shall be printed on the invoice to Members for the payment of their annual dues.

### **3.03 Termination of Membership**

A membership in the Corporation is terminated when:

- a) a Member is dissolved or ceases to have legal existence;
- b) a Member fails to maintain any applicable qualifications for membership described in Section 2 of this By-law;
- c) the Member resigns by delivering a written resignation to the chair of the Board in which case such resignation shall be effective on the date specified in the resignation;
- d) the Member is expelled or terminated as a Member in accordance with Section 3.04 below or is otherwise terminated in accordance with the Articles or By-laws;
- e) the Member's term of membership expires; or
- f) the Corporation is dissolved, liquidated or wound-up.

Subject to the Articles, upon any termination of membership, the rights of the Member, including any rights in the property of the Corporation, shall automatically cease to exist without further notice or action of any kind whatsoever.

### **3.04 Discipline of Members**

The Board shall have authority to suspend or expel any Member, or suspend or expel any Delegate of any Member, from the Corporation, its meetings, events its proceedings for any one or more of the following grounds, following an internal investigation led by any one person or persons nominated by the Board for that purpose:

- a) violating any provision of the Articles, By-laws, or written policies of the Corporation, including the Corporation's Code of Conduct as approved by the Board from time to time;
- b) carrying out or engaging in any conduct which may be detrimental to the Corporation, its reputation or interests, as determined by the Board in its sole discretion; or
- c) for any other reason that the Board in its sole and absolute discretion considers to be reasonable, having regard to the purpose of the Corporation.

In the event that the Board determines that a Member should be expelled or suspended from membership in the Corporation, or a Delegate of a Member expelled or suspended from his or her role as a Delegate, the President, or such other officer as may be designated by the Board, shall provide twenty (20) days' notice of suspension or expulsion to the Member and shall provide reasons for the proposed suspension or expulsion. The Member may make written submissions to the President, or such other officer as may be designated by the Board, in response to the notice received within such twenty (20) day period. In the event that no written submissions are received by the President, the President, or such other officer as may be designated by the Board, may proceed to notify the Member that the Member or its Delegate as applicable, is suspended or expelled from membership or from his or her role as a Delegate. If written submissions are received in accordance with this section, the Board will consider such submissions in arriving at a final decision and shall notify the Member in writing concerning such final decision within a further twenty (20) days from the date of receipt of the

submissions. The Board's decision shall be final and binding on the Member and/or Delegate (as the case may be), without any further right of appeal except as outlined in these By-laws.

## **SECTION 4 — Meetings of Members**

### **4.01 Persons Entitled to be Present**

The only persons entitled to be present at a meeting of Members shall be the duly appointed or accepted Delegates of Members, the directors, the public accountant of the Corporation and such other persons who are entitled or required under any provision of the Act, Articles or By-laws of the Corporation to be present at the meeting. Any other person may be admitted only on the invitation of the chair of the meeting or by resolution of the Members.

### **4.02 Chair of the Meeting**

The President shall serve as the chair of each meeting of Members. If the President is absent, the First Vice-President shall serve as the chair of the meeting of Members. In the event that the President and First Vice-President are absent, the Members who are present and entitled to vote at the meeting shall choose one of their number or another director of the Corporation to chair the meeting.

### **4.03 Quorum**

A quorum at any meeting of the Members (unless a greater number of Members are required to be present by the Act) shall be forty percent (40%) of the Members in good standing and entitled to vote at the meeting. Members voting by mail in ballot shall not be included in the determination of quorum. If a quorum is present at the opening of a meeting of Members, the Members present may proceed with the business of the meeting even if a quorum is not present throughout the meeting.

### **4.04 Votes to Govern**

At any meeting of Members every question shall, unless otherwise provided by the Articles or By-laws or by the Act, be determined by a majority of the votes cast on the questions. In case of an equality of votes either on a show of hands or on a ballot or on the results of electronic voting, the chair of the meeting in addition to an original vote shall have a second or casting vote.

### **4.05 Adjournment**

The chair of any meeting of Members shall have the right to adjourn any meeting of Members with the approval of the Members by Ordinary Resolution.

### **4.06 Nomination and Election of Directors by Members**

A nominating committee comprised of the three (3) most recent Past Presidents of the Corporation, and chaired by the most recent Past President, shall prepare and submit to the Board for inclusion in the notice of meeting at which those directors are to be elected, a slate of nominees to serve as directors, setting out their proposed term of service and whether or not they are also nominated to hold a position as an officer of the Corporation. Where a Past President has retired as an employee or representative of the Member, the Board will appoint a replacement director to sit on the nominating committee to ensure industry continuity.

## **SECTION 5 — Directors**

### **5.01 Election and Term**

Members shall elect the directors at the first meeting of Members and at each succeeding annual meeting of Members at which an election of directors is required. Each director shall serve a term commencing at the end of the annual meeting of Members at which they were elected and ending at the conclusion of the second annual meeting of Members after their election. One half (1/2) of the authorized number of directors shall retire and be elected at each annual meeting of Members.

### **5.02 Casual Vacancies and Increase in Number of Directors**

In addition to the right of directors to fill casual vacancies of directors between meetings of Members, the directors may appoint one or more directors, who shall hold office for a term expiring not later than the close of the next annual meeting of Members, but the total number of directors so appointed may not exceed one-third (1/3) of the number of directors elected at the previous annual meeting of Members.

## **SECTION 6 — Meetings of Directors**

### **6.01 Duties and Number**

The affairs of the Corporation shall be managed by the Board. The Articles provide for a range of directors with a minimum of three (3) and a maximum of (15) directors. The authorized number of directors within such minimum and maximum number is now fixed at ten (10). The Members may, from time to time by Ordinary Resolution, fix the number of directors of the Corporation. The number of directors to be elected at annual meetings of the Members or delegate those powers to the directors. No decrease in the number of directors shall shorten the term of an incumbent director.

### **6.02 Calling of Meetings**

Meetings of the Board may be called by the President (who shall serve as chair of the Board), the First Vice-President or any three (3) directors at any time. If the Corporation has only one (1) director, that director may call and constitute a meeting.

### **6.03 Notice of Meeting**

Notice of the time and place for the holding of a meeting of the Board shall be given in the manner provided in Section 8.01 of this By-law to every director of the Corporation not less than seven (7) days before the time when the meeting is to be held. Notice of a meeting shall not be necessary if all of the directors are present, and none objects to the holding of the meeting, or if those absent have waived notice of or have otherwise signified their consent to the holding of such meeting. Notice of an adjourned meeting is not required if the time and place of the adjourned meeting is announced at the original meeting. Unless this By-law otherwise provides, no notice of meeting need specify the purpose or the business to be transacted at the meeting except that a notice of meeting of directors shall specify any matter which contemplates the appointment of a managing director or executive committee to whom certain powers of the Board are to be delegated.

#### **6.04 Regular Meetings**

The Board may appoint a day or days in any month or months for regular meetings of the Board at a place and hour to be named. A copy of any resolution of the Board fixing the place and time of such regular meetings of the Board shall be sent to each director promptly after being passed, but no other notice shall be required for any such regular meeting except if the subject of that meeting is in any way to delegate the authority of the Board to any managing director or executive committee.

#### **6.05 Quorum and Votes to Govern**

- a) The number of directors which shall form a quorum for the transaction of business shall not be less than five (5). Despite any vacancy among the directors, a quorum of five (5) directors may exercise all the powers of the Board.
- b) In the event of an equality of votes on any resolution of the Board, the chair of the Board shall not have a second or casting vote.
- c) Upon and subject to the confirmation of the amendment to By-Law No. 1 by the Members of the Corporation, any one officer or director is hereby authorized and directed to file a copy of such amendment with the Director under the *Canada Not-for-profit Corporations Act* and such other government agency as that one officer or director may determine to be necessary.

#### **6.06 Committees**

The Board may from time to time appoint any committee or other advisory body, as it deems necessary or appropriate for such purposes and, subject to the Act, with such powers as the Board shall see fit. Any such committee may formulate its own rules of procedure, subject to such regulations or directions as the Board may from time to time make. Any committee member may be removed by resolution of the Board.

### **SECTION 7 — Officers**

#### **7.01 Description and Term of Offices**

Save and except for the Secretary (which need not be appointed), the following officers shall be appointed from among the directors of the Corporation, unless otherwise specified by the Board. The term of office of each officer in the position described below shall be the lesser of the term of that officer's appointment as a director or until the end of the second (2<sup>nd</sup>) annual meeting of Members, whichever first occurs. The following officers shall have the following duties and powers associated with their positions:

- a) President – the President shall be the chief executive officer of the Corporation and shall be responsible for implementing the strategic plans and policies of the Corporation. The President shall, subject to the authority of the Board, have general supervision of the affairs of the Corporation. The President, shall, when present, preside as chair at all meetings of the Board and of the Members. The President shall have such other duties and powers as the Board may specify;
- b) First Vice-President – the First Vice-President, who shall be the President elect, shall be vested with all the powers and shall perform all of the duties of the President in the absence, inability



or refusal to act of the President. The First Vice-President shall be responsible for obtaining new sponsors and retaining existing sponsors for the meetings and conferences of the Corporation;

- c) Second Vice-President – the Second Vice-President shall be responsible for the development and direction of a continuing education program to serve the needs of the Members of the Corporation. The Second Vice-President shall assess the membership's interests and promote, advise, design and/or present topics in the development of the continuing education and development of the skills and knowledge of the membership;
- d) Secretary – if appointed, the Secretary shall attend and be the secretary of all meetings of the Board, Members and committees of the Board. The Secretary shall enter or cause to be entered in the Corporation's minute book, minutes of all proceedings at such meetings; the Secretary shall give, or cause to be given, as and when instructed, notices to Members, directors, the public accountant and members of committees. If appointed, the Secretary shall be the custodian of all books, papers, records, documents and other instruments belonging to the Corporation;
- e) Treasurer - the Treasurer shall have custody of all monies and the records of the Corporation. The Treasurer shall openly and honestly report the financial condition of the Corporation to Members at meetings of Members and shall keep account of all expenses and pay all invoices due by the Corporation to minimize any late charges imposed on the Corporation; and
- f) Past President – the Past President shall be the person who has completed his or her term as the President and has been replaced as President.

The powers and duties of all other officers of the Corporation shall be such as the terms of their engagement call for or the Board or President requires of them. The Board may from time to time and subject to the Act, vary, add to or limit the powers and duties of any officer.

#### **7.02 Executive Director**

- a) Unless determined otherwise by the Board, the Corporation shall engage an Executive Director as an independent contractor and not an employee of the Corporation on terms satisfactory to the Board, provided that in no event shall any contract for the engagement of any Executive Director have a term of greater than three (3) years;
- b) at any time, the term of the existing engagement of the Executive Director has expired or has otherwise been terminated, the Members may make nominations for the position of the Executive Director to the Board;
- c) the Executive Director shall ensure the continuity of the business and affairs of the Corporation and shall have such other duties and authority as may be determined appropriate by the Board and
- d) the Executive Director shall have a right to attend but not vote at meetings of the Board and Members.

#### **7.03 Vacancy in Office**

In the absence of a written agreement to the contrary, the Board may remove, whether for cause or without cause, any officer of the Corporation in his or her capacity as an officer (but not director). Unless so removed, an officer shall hold office until the earlier of:

- a) the officer's successor being appointed;

- b) the officer's resignation;
- c) such officer ceasing to be a director (if a necessary qualification of appointment); or
- d) such officer's death.

If the office of any officer of the Corporation shall be or become vacant, the Board may, appoint a person to fill such vacancy.

## **SECTION 8 — Notices**

### **8.01 Method of Giving Notices**

Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served), other than notice of a meeting of Members or a meeting of the Board, pursuant to the Act, the Articles, the By-laws or otherwise to a Member, director, officer or member of a committee of the Board or to the public accountant shall be sufficiently given:

- a) if delivered personally to the person to whom it is to be given or if delivered to such person's address as shown in the records of the Corporation or in the case of notice to a director to the latest address as shown in the last notice or public filing that was sent by the Corporation to the Director under the Act; or
- b) if mailed to such person at such person's recorded address by prepaid ordinary or air mail; or
- c) if sent to such person by telephonic, electronic or other communication facility at such person's recorded address for that purpose; or
- d) if provided in the form of an electronic document in accordance with the applicable provisions of the Act.

A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as provided above; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box; and a notice so sent by any means of transmitted or recorded communication shall be deemed to have been given when dispatched or delivered to the appropriate communication company or agency or its representative for dispatch.

Any officer or the Executive Director may change or cause to be changed the recorded address of any Member, director, officer, public accountant or member of a committee of the Board in accordance with any information believed by that officer or the Executive Director to be reliable. The declaration by such officer or the Executive Director that notice has been given pursuant to this By-law shall be sufficient and conclusive evidence of the giving of such notice. The signature of any director or officer of the Corporation to any notice or other document to be given by the Corporation may be written, stamped, type-written or printed or partly written, stamped, type-written or printed.

### **8.02 Invalidity of any Provisions of this By-Law**

The invalidity or unenforceability of any provision of this By-law shall not affect the validity or enforceability of the remaining provisions of this By-law.

### **8.03 Omissions and Errors**

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

## **SECTION 9 — Dispute Resolution**

Disputes or controversies among Members, Delegates, directors, officers or committee members, or volunteers of the Corporation which cannot be settled by cooperative discussion and negotiations, are to be resolved in accordance with mediation and/or arbitration as provided in Section 9 of this By-law.

### **9.01 Dispute Resolution Mechanism**

In the event that a dispute or controversy among Members, Delegates, directors, officers, committee members or volunteers of the Corporation arising out of or related to the Articles or By-laws, or out of any aspect of the operations of the Corporation is not resolved in private meetings between the parties, then without prejudice to or in any other way derogating from the rights of the Members, directors, officers, committee members, employees or volunteers of the Corporation as set out in the Articles, By-laws or the Act, and as an alternative to such person instituting a law suit or legal action, such dispute or controversy shall be settled by a process of dispute resolution as follows:

- a) the dispute or controversy shall first be submitted to a panel of mediators whereby the one party appoints one (1) mediator, the other party (or if applicable the Board) appoints one (1) mediator, and the two (2) mediators so appointed jointly appoint a third (3rd) mediator. The three (3) mediators will then meet with the parties in question in an attempt to mediate a resolution between the parties;
- b) the number of mediators may be reduced from three (3) to one (1) or two (2) upon agreement of the parties;
- c) if the parties are not successful in resolving the dispute through mediation, then the parties agree that the dispute shall be settled by arbitration before a single arbitrator, who shall not be any one of the mediators referred to above, in accordance with the provincial or territorial legislation governing domestic arbitrations in force in the province or territory where the registered office of the Corporation is situated or as otherwise agreed upon by the parties to the dispute. The parties agree that all proceedings relating to arbitration shall be kept confidential and there shall be no disclosure of any kind. The decision of the arbitrator shall be final and binding and shall not be subject to appeal on a question of fact, law or mixed fact and law; and
- d) all costs of the mediators appointed in accordance with this Section shall be borne equally by the parties to the dispute or the controversy. All costs of the arbitrators appointed in accordance with this Section shall be borne by such parties as may be determined by the arbitrators.

## **SECTION 10 – Amendment by Special Resolution**

### **10.01 Initial Approval and Effect**

This By-law shall come into effect upon approval by the Board. The Board shall present this By-law to the Members at the first ensuing meeting of Members for confirmation with or without amendment as provided below.

### **10.02 Requirement for Special Resolution**

This By-law may be amended at any time with the approval of the majority of the Board, confirmed by a Special Resolution of the Members. For certainty, no amendment to this By-law shall have effect or come into operation until confirmed by the Special Resolution of the Members in accordance with this By-law.

Passed and enacted by the director of the Corporation the \_\_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary

Confirmed by the Members shareholder of the Corporation by Special Resolution the \_\_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_  
Secretary