

fmi*igf Communications: Bylaw Revisions

Following the November 2019 Annual General Meeting of members, the Board of Directors (Board) of Financial Management Institute of Canada (fmi*igf) recognized that fmi*igf's nominations process and National By-Laws (By-Laws) had to be updated to strengthen its governance and to best support the Board in fulfilling its responsibilities.

The By-Laws were last reviewed in 2017. In light of this, fmi*igf engaged Watson Advisors Inc. (WATSON) to conduct an independent review of its By-Laws and to revise its By-Laws based on their recommendations.

The overall goals of the By-Laws review and revisions were to:

- Ensure that the By-Laws provided a framework that clearly articulates fmi*igf's governance structure, practices and processes, specifically in relation to the Board
- Address any gaps, inconsistencies and/or areas where the Board's governance practices and processes set out in the By-Laws may be enhanced
- Ensure alignment and compliance with the requirements of the *Canada Not-for-profit Corporations Act* (Act) and associated Regulations and governance best practices

WATSON's key finding was fmi*igf's By-Laws should be refined and simplified in order to refocus the By-Laws on the structural aspects of fmi*igf's Board and membership.

In order to do so, the By-Laws have been enhanced across 5 key areas:

- **Definitions and Terminology:** Additional definitions included for clarity and terminology revised in line with leading governance practice
- **Membership:** Clarifies the classes of membership of fmi*igf, the term of membership and the grounds for suspension/termination of membership
- **Meeting of Members:** Clarifies the logistics and meeting arrangements of annual or other general meetings in order to enhance their effectiveness
- **Board of Directors:** Clarifies the grounds of when a director may be removed, appointed, and term length
- **Election of Directors:** Reflects the current process led by the Governance and Nominations Committee as set out in that Committee's Terms of Reference

In line with leading governance practices, the By-Laws that covered the roles and responsibilities of the key governance parties within fmi*igf's governance framework will not be included in the By-Laws and instead, will be incorporated into stand-alone policies that complement the By-Laws.

At the Annual General Meeting of members in November 2020 (2020 AGM), the election of directors will be governed by the current By-Laws. A motion will be presented to request the

membership to approve, by special resolution, the revised By-Laws. A further motion is also required to be passed by special resolution to approve consequential changes to fmi*igf's Articles. Pursuant to the Act, a "special resolution" is a resolution passed by a majority of not less than two thirds of the votes cast on that resolution.

Should you have any questions regarding the By-Laws review please direct these to the Governance & Nominations Committee via email.