



Hospitality Newfoundland and Labrador

ARTICLES OF ASSOCIATION

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Tourism Industry Association of Newfoundland and Labrador (Hospitality Newfoundland and Labrador) ARTICLES OF ASSOCIATION

INTERPRETATION OF THE TERMS

1. In the construction of the Articles of Association, the following shall, where the context admits, have the following meanings:

The expression “the Association” shall mean the Tourism Industry Association of Newfoundland and Labrador, operating as Hospitality Newfoundland and Labrador.

The expressions “the Officers” shall mean respectively the Officers of the Association.

The expression “the Act” shall mean the Corporations Act, RSNL 1990, c. C-36, as amended, and the term used in these Articles shall have the same respective meanings as they have when used in these Acts.

Words importing the singular number only include the plural, and words importing the plural number only, include the singular number.

Words importing persons include corporations and associations.

MEMBERSHIP

Eligibility

2. The membership of the Association shall be subdivided into categories as follows:

(a) Industry Members

Any Newfoundland and Labrador based businesses or organizations which gain a major portion of their livelihood from active participation in the tourism industry.

(b) Associate Members

Businesses, organizations or individuals who do not qualify as Industry Members but who wish to belong to the Association including suppliers and professionals who supply products and services to Industry Members.

(c) Supporting Members

Government departments, agencies, Crown corporations, educational institutions and other corporations which have an interest in the tourism industry and tourism development.

3. The Board of Directors may decline to accept an applicant as a member of the Association without providing or being required to provide any reason for such refusal.

Conditions of membership

4. The business or organization shall be the member. Each member shall appoint one representative. The rights of a member shall not be transferable.
5. Any member who has ceased to be a member shall continue to be liable to these Articles of Association in respect of all claims incurred up to the time of the cessation of membership.
6. Any member who has ceased to be a member shall be entitled to all rights which have accrued to them while a member; but from the date of their ceasing to be a member, shall be excluded from all benefits to which members are entitled under these Articles of Association.

Termination of Membership

7. Any member failing to pay their fees or subscriptions shall be subject to expulsion and no member so expelled shall have any interest or claim on the funds of the Association.
8. Membership may otherwise be revocable by the Association and any member may be removed from membership upon recommendation of the Board of Directors and by two-thirds majority vote of the Board of Directors.
9. If the Board of Directors, or any other officer of the Association receives a complaint that any member has:
 - a. violated any provision of the Memorandum or Articles of Association;
 - b. failed to carry out the policies of the Association as prescribed from time to time;
 - c. conducted themselves in a way which may be injurious to the character or interests of the Association, or which may render them unfit to associate with other members of the Association; or
 - d. conducted their business in a manner detrimental to the Association, or their fellow members;

the same shall be considered by the Board of Directors. If the Board of Directors decides in its discretion that the complaint warrants investigation, it shall cause the Secretary/Treasurer or Chief Executive Officer to give notice in writing to the member complained of, giving them a summary of the complaint and notice of the time and place of a hearing which they may attend at which time the Board of Directors shall enquire into the complaint and hear any defence. Should the Board of Directors after such hearing, find that, in its opinion, the complaint was well founded, it may, in its discretion, expel, suspend, fine, reprimand or otherwise penalize the member thus found guilty. Should such member be so expelled, they shall forfeit all privileges of membership in the Association and all rights against the Association. The decision of the Board of Directors shall be final and not subject to review or appeal.

Membership Fees and Assessments

10. All fees, assessments and increases to fees and assessments of the Association greater than 2% per annum, must be proposed by the Board of Directors and ratified at an Annual General Meeting or at any properly convened meeting. Membership

fee increases up to a maximum of 2% per annum may be ratified by the Board of Directors without seeking membership ratification.

11. An annual membership fee shall be due and payable by each member prior to the Annual General Meeting held in that year.
12. Any member who shall fail to pay their annual membership fee or any other assessment when the same becomes due shall be notified and if payment of the same is not made within sixty days of notice, such member shall be reported to the Board of Directors and, if so ordered by the Board of Directors, shall lose their membership by virtue of non-renewal thereof.
13. Any member whose dues and assessments are in arrears shall not be entitled to hold office or vote at any meeting of the Association.

BOARD OF DIRECTORS

Composition of the Board of Directors

14.
 - a. The Board of Directors shall consist of:
 - i. Seven (7) directors at large;
 - ii. One (1) representative from the Association's Hotel/Motel sector membership as set forth herein;
 - iii. One (1) representative from the Association's Bed & Breakfast sector membership as set forth herein;
 - iv. One (1) representative from the Association's Restaurant sector membership as set forth herein.
 - b. Eligible candidates seeking election to the Association's Board to hold Hotel/Motel, Bed & Breakfast, and Restaurant sector representative seats (ii, iii or iv above) must be from the associated Industry Member category and will be determined by a vote of the Association's members identified only under the same Industry Member category as that of the eligible candidate.
 - c. In addition to adhering to the Association's bylaws, candidate and voting member eligibility will be determined based on the membership applications received by the Association and shall be categorized into the appropriate Industry Member category by the Association.
 - d. A quorum of directors may appoint an additional two directors at its discretion for a one-year term if the existing directors deem it necessary to fulfill the objectives of the Association. Sector representatives are eligible to sit on the board for a three-year term. An individual may offer themselves for election or re-appointment for one additional term on the Board of Directors unless they fill an officer position.
15. To be eligible as members of the Board of Directors, members shall be from the industry and associate categories as defined in 2(a) and 2(b).

16. Members of the Board of Directors shall be eligible to serve only two terms of three years, if elected, unless they become an officer of the association. An individual may offer themselves for re-election after a one-year absence from the Board of Directors.
17. There shall be staggered terms of office for Directors so that one-third of the directorships shall be up for election each year. The system for staggered terms of office shall be implemented as follows: At the first meeting of the members of the Board of Directors of the Association after which these bylaws are adopted, the Directors shall be divided into three approximately equal groups and designated by the Board to serve one, two, or three year terms. Thereafter, the term of office of each Director shall be three years. Each Director, including a Director elected to fill a vacancy, shall hold office until the expiration of the term for which they were elected and until the election and qualification of a successor, or until that Director's earlier resignation or removal in accordance with these Bylaws. The minutes of this board meeting shall show the results of the term designations. Directors serving less than a full three-year term as their term (i.e., directors who will serve a one-year term or two-year term), shall be considered to have served a full three-year term for purposes of the limits on more than two successive terms.

Duties of the Board of Directors

18. All elected members of the Board shall be eligible to vote on all matters.
19. Members of the Board must act in the best interest of the Association at all times.
20. No public pronouncement in the name of the Board may be made unless authorized by the Board of Directors (See Article 38 – Duties of Chair).
21. Each voting director shall have one vote. The Chair shall be entitled to vote as a director, and in the case of an equality of votes, shall have an additional vote.
22. The members of the Board of Directors shall meet at such places and times as the Board of Directors shall designate, or at any time at the call of the Chair, or two (2) of the members of the Board of Directors. Notice of the time and purpose of the meeting of the Board of Directors shall be in accordance with these Articles of Association (See Article 23). No formal notice shall be necessary if all members of the Board of Directors are present or if those absent have signified their consent to such meetings and their inability to attend.
23. The Chief Executive Officer or Secretary/Treasurer shall be responsible for giving notice of all meetings of the Association to the Board of Directors and the various committees of the Association. Notice shall be given by prepaid post, telephone, email, facsimile machine or messenger. Notice of meetings of the Board of Directors and other committees of the Association shall be given not less than one week prior to such meetings.
24. Notice of emergency meetings of the Association, the Board of Directors and the various committees shall be deemed sufficient if the Chief Executive Officer or Committee Chair give notice by telephone, email or messenger either in person to the

member or by message left with some responsible person at the home or normal place of business of such member, the day previous to the date of such emergency meeting.

25. Meetings of directors or committees may be held by such means as telephone, electronic or other communications facilities which permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and a director participating in such a meeting by such means is deemed to be present at that meeting. Directors are permitted to attend three meetings per calendar year by such means. Directors are permitted to attend additional meetings by such means only if permission is obtained from members of the Board of Directors.
26. Fifty percent plus one members of the Board of Directors shall constitute a quorum at any meeting of the Board, provided that such a quorum includes at least one of the officers of the Association. The majority of the Board members present at any duly convened meeting shall decide any question that may come before the Board. If there is no quorum when the meeting is scheduled to begin, those present may wish to proceed with the business of the meeting, operating as a committee; and when a quorum is present, the legally constituted meeting would then be asked to approve the decisions made by the committee. In the event of a vacancy or vacancies on the Board, such vacancies shall not be computed in the total number of Board members required for a majority of the Board.
27. A member of the Board of Directors who is absent from three consecutive, regularly scheduled meetings without due cause, may be advised in writing by the Chief Executive Officer that failure to attend the next regularly scheduled meeting will result in their being removed as a member of the Board of Directors.
28. Any member of the Board of Directors who fails to attend at least 50% of the regularly scheduled meetings during their term shall be ineligible for re-election for a period of two (2) years.
29. Any member of the Board of Directors, including officers, may be dismissed by two-thirds vote of the Board of Directors.
30. Requests for leaves of absence will be granted only by approval of the Board of Directors.
31. Members of the Board who wish to run as candidates in a federal or provincial election must resign on the day that their candidacy for a political party's nomination is publicly declared.
32. In the event a position becomes vacant on the Board of Directors, a quorum of directors may appoint an eligible individual to fill the vacancy (See Article 15). A director appointed to fill a vacancy shall fill the position for the unexpired term of his or her predecessor.

Officers

33. Members of the Board of Directors shall elect Officers of the Association, which shall be a Chair, a Vice-Chair and a Secretary/Treasurer. Should the Association find it

necessary that additional official positions be created, such positions may be created by vote of the membership at the Annual General Meeting.

34. At its first meeting of the members of the Board of Directors of the Association after the Annual General Meeting, the incoming Board of Directors shall elect from eligible Board directors the Vice-Chair and Secretary/Treasurer. The Vice-Chair will move into the Chair role upon its vacancy and occupy an appointee's position without having to stand for re-election and upon ratification by the Board in its first meeting after the AGM. In the event that the Vice-Chair is unable to fulfil their duties as Chair, the Board of Directors shall elect a Chair from eligible Board directors.
35. To be eligible as Officers, members shall be employees or operators from the Industry Member category as defined in 2(a).
36. Officers may serve for a maximum of two years in each Officer position.
37. To be eligible for the Office of Chair, individuals must have served on the Board of Directors in one of the last three operating years prior to the said annual general meeting. The Chair may hold elected office for a maximum of two years subject to being elected by the Board on an annual basis. The said individual may offer themselves for re-election after one year's absence from the board.

Duties of Officers

38. Chair
The Chair shall:
 - a. Assume the general supervision of the affairs of the Association and its officers;
 - b. Preside over and preserve order at all meetings of the Association and meetings of the Board of Directors;
 - c. Sign all documents requiring the Seal of the Association;
 - d. Call meetings of the Board of Directors;
 - e. Appoint members of the Association to committees with the advice and approval of the Board of Directors;
 - f. Represent the Association as spokesperson; and
 - g. Perform such duties as are usual for such officer and which the Board of Directors may from time to time delegate to them.
39. Vice Chair
The Vice Chair shall:
 - a. In the absence of the Chair, or in the event of the Chair's inability to act, have all the powers normally vested in the Chair, and perform such duties as would normally be required of the Chair;
 - b. Be responsible for the normal operations of the Association in conjunction with the Chief Executive Officer;
 - c. Perform such other duties as are usual for such officer and which the Chair and Board of Directors may from time to time delegate to them; and
 - d. In the event the Chair must resign their position, the Vice-Chair would then fill the role of Chair for the remainder of the term.
40. Secretary/Treasurer
The Secretary/Treasurer shall:

- a. Review minutes of the previous Board Meetings and Annual General Meetings;
- b. Review business arising from the previous minutes and make changes/additions to the agenda;
- c. Receive and disburse all annual dues and other monies as properly authorized;
- d. Present a written statement of the financial condition of the Association at regular meetings;
- e. Ensure that the books and accounts of the Association are audited at the end of the fiscal year by the auditors selected by the voting members of the Association; and
- f. Perform such other duties as are usual for such officer and which the Chair and Board of Directors may from time to time delegate to them.

41. Chief Executive Officer

There shall be a Chief Executive Officer who shall not be an officer of the Association nor need they be a member. The Chief Executive Officer shall be appointed by the Board of Directors and shall serve in the capacity until the Board of Directors otherwise determines. The Chief Executive Officer shall:

- a. Be responsible to the Board of Directors for the operation of the Association;
- b. Generally manage the Association;
- c. Work in conjunction with the Secretary/Treasurer of the Association on all financial matters; and
- d. Perform such other duties as are usual for such position and which the Chair may from time to time delegate to them.

Committees of the Board

42. The Association shall have the following Standing Committees that will be chaired by a member of the Board of Directors:

- I. Finance and Audit
- II. Policy
- III. Governance

43. The Governance Committee will consist of no fewer than three members and shall include the Chair, Vice-Chair and one other Board member as designated by the Board of Directors.

44. The Board of Directors may appoint Committees of the Board to examine, consider and report upon any matter or take such action as the Board of Directors may request.

45. Reports of all active committees shall be presented to the Board in writing at each Board meeting or as soon as possible thereafter.

Indemnification

46. The Association shall indemnify a Director or Officer of the Board, a former Director or Officer of the Board against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgement, reasonably incurred in respect to any civil, criminal or administrative action or proceeding to which said Director or Officer is made a party by reason of being or having been a Director or Officer of the Board if:

- I. The person acted honestly and in good faith with a view to the best interests of the Association and;
- II. In the case of a monetary penalty, the Director or Officer had reasonable grounds for believing that the conduct was lawful

The Association may purchase and maintain insurance for the benefit of Directors against any liability which relates to their failure to act honestly and in good faith with a view to the best interests of the Association.

Conflict of Interest

47. Every Director or Officer who is a party to a material contract or a proposed material contract for the Association or is a Director or Officer or has a proposed material interest in any person who is a party to a material contract, or a proposed material contract with the Association, shall disclose in writing to the Association or request to have entered in the minutes of meetings, the nature and extent of the interest or conflict of interest. All such disclosures shall be made at the time as required by the Corporations Act. The Directors and Officers shall refrain from situations where in carrying out the activities of the Association they are benefiting their organizations.

ELECTIONS

48. The Governance Committee shall ensure members in good standing are recruited as candidates for election to the Board of Directors.
49. All nominations shall be made on a nomination form approved by the Board of Directors which shall contain:
 - a. the name of the person being nominated and the position to which they are being nominated;
 - b. confirmation by the person nominated of their willingness to serve if elected; and
 - c. the endorsement of two other members in good standing.
50. The Governance committee shall mail, email or fax to every member a nomination form seeking nominations for positions on the Board of Directors at least 60 days prior to the Annual General Meeting.
51. Following the deadline for filing nominations, the Governance Committee shall meet to exercise best efforts to ensure a list of candidates for the office of director which number shall not be fewer than three more than the number of vacancies to be filled. Should these efforts result in deviation from the by-law, Board approval will be required.
52. At least 45 days prior to the Annual General Meeting, the list of candidates shall be circulated to all members of the Association together with a nomination form for the nomination of additional candidates.
53. At any date following the date upon which the list of candidates for directors has been circulated to the members, but in no event later than 12:00 noon on the day which is 30 days prior to the Annual General Meeting, any additional nomination may be made by filing a completed nomination form.

54. On or before the fourteenth day prior to the Annual General Meeting, the Chair shall cause the final list of candidates and ballots for Director to be circulated to all of the members and with clear instructions that their ballot must be cast in the online election or returned to the Association office by no later than 12:00 noon on the day which is three days prior to the Annual General Meeting.
55. The ballots shall be counted by an independent scrutineer appointed by the Governance Committee assisted by the Chief Executive Officer and the results communicated to the Chair. The Chair shall announce the results of the vote at the Annual General Meeting.
56. The Governance Committee will submit a list of candidates for the election of vacant officer positions, which shall be carried out in a secret ballot of the Board of Directors at the first meeting of the Board of Directors after the Annual General Meeting. For this election:
 - a. Sitting members of the Board of Directors are not eligible to vote in the election for the position in which they are running and will be asked to abstain;
 - b. All eligible directors are required to vote for a valid election;
 - c. 50% plus one of eligible votes is required to declare a winning candidate;
 - d. After each ballot, the candidate with the lowest number of votes will drop off. Multiple ballots may be required to declare a winner; and
 - e. The ballots shall be counted by a scrutineer appointed by the Governance Committee assisted by the Chief Executive Officer and the results communicated to the Chair.
57. The election of the Vice-Chair shall constitute their election as Chair at such time as the Chair position becomes vacant.
58. The Vice-Chair and Secretary/Treasurer shall not hold the same office for more than two years in succession. In the event that the individual in the Vice-Chair does not fill the Chair position upon its vacancy, the Vice-Chair will remove themselves from the Board for a one-year period and the Board will hold an election for the Chair and vice-Chair positions. See Section 36 – Terms of Office.

MEETINGS

59. Regular meetings of the members of the Association shall be held annually, unless otherwise decided by a vote of the voting members, and shall be held at such time and place as is fixed by the Board of Directors.
60. Special meetings of the Association may be held at the call of the Board of Directors and of at least twelve voting members of the Association. The Secretary/Treasurer and Chief Executive Officer shall notify all members of such meetings in the same manner as if they were regular meetings of the Association.
61. The annual general meeting of the members of the Association shall be held within three months following the end of the fiscal year. Notice of this meeting shall be

given not less than 30 days prior to such meetings. At the said annual general meeting, the following business shall be transacted.

- a. Reports shall be submitted by the Board of Directors.
 - b. The announcement of incoming members of the Board of Directors of the Association shall take place.
 - c. The auditor of the Association shall be appointed.
 - d. The members shall act upon any other matter which may properly come before the annual general meeting.
62. Fifty percent plus one of the voting members of the Association present in person at the annual general meeting shall constitute a quorum and a majority of the voting members present and voting shall decide any question that properly comes before the meeting, with the exception of any amendment to these Articles of Association, or except where otherwise provided herein.

The annual general meeting of the members of the Association may be held by such means as telephone, electronic or other communications facilities which permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and a member participating in such a meeting by such means is deemed to be present at that meeting.

63. The Constitution and By-Laws of this Association may be repealed or amended by two thirds majority of the directors at a meeting of the Board of Directors and sanctioned by an affirmative vote of at least fifty percent plus one of the members present at a meeting duly called for the purpose of considering the said by-law. Notice of any amendments shall be given, in writing, by the Secretary/Treasurer and Chief Executive Officer in the notice calling the meeting and at least thirty (30) days prior to the meeting at which such amendments are to be discussed.
64. A chair of the meeting may, with the consent of a majority of members at the meeting, adjourn any meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than business left unfinished at the meeting from which the adjournment took place.
65. At any general meeting, unless a poll is demanded by at least three voting members of the Association, a declaration by the Chair that a resolution has been carried, and an entry to that effect in the book of proceedings of the Association, shall be sufficient evidence of the fact, without proof of the number or proportion of votes recorded in favour of or against such resolution.

Voting at Meetings

66. Voting at any meeting of the Association, and its various committees shall be voiced "Aye" or "Nay" or by show of hands or by standing vote, unless a secret vote by ballot is requested by motion, seconded and carried by a majority of the voting members present. A motion of request for a secret ballot may not be ruled out of order by reason there being a prior motion on the floor. Voting at meetings shall be as follows:
- a. Only a voting member who has paid all prescribed fees and assessments due at the time of the meeting shall be entitled to vote.

- b. Each voting member shall be entitled to one vote on any motion.
- c. Any voting member which is a partnership, firm or corporation shall designate in writing who shall represent it at any such meeting, and only one such representative shall be entitled to vote in place of such member.

67. Every active and associate member in good standing shall be a voting member.
68. A member's vote shall be given personally, and there shall be no proxy votes.
69. The Chair of any meeting, including any meeting of the Board of Directors, shall, in the case of equality of votes, have a second or casting vote.

FINANCE

70. All monies of the Association shall be deposited in a Chartered Bank or Trust Company in an account bearing the name of the Association, and all withdrawals upon the funds of the Association shall be by cheque signed by the Financial Officer together with any one of the following:
 - a. The Chair
 - b. The Vice-Chair
 - c. The Secretary/Treasurer
 - d. The Chief Executive Officer
71. Any expenditures made by the Association shall require the approval of the Board of Directors, provided that the Board of Directors may delegate to the Chief Executive Officer authority to commit the Association to expenditures within such limits as are specified by the Board of Directors.

FISCAL YEAR

72. The fiscal year of the Association shall be the calendar year.

SEAL

73. The association shall adopt a Seal which may be affixed to any document signed for on behalf of the Association. The Board of Directors shall provide for the safe custody of the Common Seal of the Association, and the Seal shall not be used except by the authority of the Board of Directors and in the presence of two members of the Board of Directors at least, who shall sign every instrument to which the Seal is affixed; bonds, deeds, and other instruments under Seal made on behalf of the Association and signed by the two Board members shall be deemed to be duly executed. The Common Seal of the Association shall bear the inscription "The Tourism Industry Association of Newfoundland and Labrador".

SERVICE TO MEMBERS

74. The Association shall at all times strive and endeavour to do all things within its power to uphold and further the aims and objects of the Association, and of its individual members.