

DRAYTON THEATRES INC. PROPOSED CHANGES TO BY-LAWS

Recommendations

Gender neutrality is important when writing about people because it is more accurate — not to mention respectful — and is consistent with the values of equality recognized in the *Canadian Charter of Rights and Freedoms*. It is also professionally responsible and mandated by the *Federal Plan for Gender Equality*.

The need to deal equally with all people highlights the desirability of drafting legislation using gender-neutral language. It is therefore recommended that the following proposed changes to the by-laws of Drayton Theatres Inc. be presented to the Membership at the Annual General Meeting on Monday, March 30, 2020.

Current Wording

Interpretation

1. (1) In this by-law and all other by-laws and resolutions of the Corporation unless the context otherwise requires:

- (b) Masculine gender includes the feminine;

Proposed Amendment

This clause shall be removed from the by-laws.

Current Wording

7. Termination of Membership

A membership in the Corporation is not transferable and lapses and ceases to exist upon the member's death or when the member:

- (a) Does not renew his membership

Proposed Amendment

- (a) Does not renew their membership

Current Wording

9. Annual Meeting

The annual meeting of the members shall be held each year within Ontario, within the first three (3) months of every fiscal year end of the Corporation, at a time, place and date determined by the Board for the purpose of:

- c) Appointing the auditor and fixing or authorizing the Board to fix his remuneration; and

Proposed Amendment

- c) Appointing the auditor and fixing or authorizing the Board to fix their remuneration; and

Current Wording

13. Voting at Members Meetings (General Meetings)

- a) **Proxies:** Every member, entitled to vote at meetings of members, may by means of a proxy, appoint a person, who need not be a member, as his nominee, to attend and act at the meeting in the manner, to the extent and with the power conferred by proxy. A proxy shall be in writing, shall be executed by the member or his attorney, authorized in writing, (or if the member is a body corporate under its corporate seal or by an officer or attorney thereof duly authorized), and ceases to be valid one year from its date.

Proposed Amendment

- a) **Proxies:** Every member, entitled to vote at meetings of members, may by means of a proxy, appoint a person, who need not be a member, as their nominee, to attend and act at the meeting in the manner, to the extent and with the power conferred by proxy. A proxy shall be in writing, shall be executed by the member or their attorney, authorized in writing, (or if the member is a body corporate under its corporate seal or by an officer or attorney thereof duly authorized), and ceases to be valid one year from its date.

Current Wording

15. Election of Directors

- b) An individual who is elected or appointed as a Director is not a Director and is deemed not to have been elected or appointed to hold office as a Director unless:
- 1) He was present at the meeting when the election or appointment took place and he did not refuse to hold office as a director;
 - 2) He was not present at the meeting when the election or appointment took place, and
 - i) He consented to hold office as a Director in writing before the election or appointment or within ten days of it, or
 - ii) He has acted as a Director pursuant to the election or appointment.

Proposed Amendment

- 1) They were present at the meeting when the election or appointment took place and they did not refuse to hold office as a director;
- 2) They were not present at the meeting when the election or appointment took place, and
 - i) They consented to hold office as a Director in writing before the election or appointment or within ten days of it, or
 - ii) They have acted as a Director pursuant to the election or appointment.

Current Wording

17. Qualifications of Directors

- b) No person is eligible to be or shall act as a Director unless he is a member of the Corporation.
- c) No undischarged bankrupt shall be a Director and if a Director becomes a bankrupt he shall thereon cease to be a Director.

Proposed Amendment

- b) No person is eligible to be or shall act as a Director unless they are a member of the Corporation.
- c) No undischarged bankrupt shall be a Director and if a Director becomes a bankrupt they shall thereon cease to be a Director.

Current Wording

22. Voting, Board of Directors

Questions or issues arising at any meeting of Directors shall be decided by a majority of votes. In case of an equality of the votes the Chairperson of the meeting who shall be the President unless otherwise provided, in addition to his original vote, shall have a second or casting vote. In the absence of the President, his duties may be performed by the Vice-President or such other Director as the Board from time to time appoints for the purpose.

Proposed Amendment

Questions or issues arising at any meeting of Directors shall be decided by a majority of votes. In case of an equality of the votes the Chairperson of the meeting who shall be the President unless otherwise provided, in addition to their original vote, shall have a second or casting vote. In the absence of the President, their duties may be performed by the Vice-President or such other Director as the Board from time to time appoints for the purpose.

Current Wording

26. Indemnities to Directors

Every Director or Officer of the Corporation and his heirs, executors and administrators, and estate and effects, respectively, shall from time to time and at all times, be indemnified and saved harmless, out of funds of the Corporation, from and against:

- a) All costs, charges and expenses whatsoever which the Director sustains or incurs in or about any action, suit or proceeding which is brought, commenced or deed or matter or thing whatsoever, or made, done or permitted by him in or about the execution of the duties of his office; and
- b) All other costs, charges and expenses which he sustains or incurs in or about or in relation to the affairs thereof except costs, charges or expenses occasioned by his own wilful neglect or default.

Proposed Amendment

- a) All costs, charges and expenses whatsoever which the Director sustains or incurs in or about any action, suit or proceeding which is brought, commenced or deed or matter or thing whatsoever, or made, done or permitted by them in or about the execution of the duties of their office; and
- b) All other costs, charges and expenses which they sustain or incur in or about or in relation to the affairs thereof except costs, charges or expenses occasioned by their own wilful neglect or default.

Current Wording

28. Protection of Directors or Officers

No Director or Officer of the Corporation shall be liable for the acts, receipts, neglect or defaults of any other Director or Officer or Employee, or for joining in any receipt or act for conformity or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of the title to any property acquired by the Corporation for or on behalf of the Corporation or for the insufficiency of any security in or upon which any of the money of, or belonging to the Corporation shall be placed out or invested, or for the loss or damage arising from the bankruptcy, insolvency or tortious acts of any person, firm or corporation with whom or with which any monies, securities or effects shall be lodged or deposited or for the loss, damage or misfortune whatsoever which may happen in the execution of the duties of his respective office or trust or in relation thereto unless the same shall happen by or through his own wrongful and willful act or through his own wrongful or willful neglect or default.

Proposed Amendment

No Director or Officer of the Corporation shall be liable for the acts, receipts, neglect or defaults of any other Director or Officer or Employee, or for joining in any receipt or act for conformity or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of the title to any property acquired by the Corporation for or on behalf of the Corporation or for the insufficiency of any security in or upon which any of the money of, or belonging to the Corporation shall be placed out or invested, or for the loss or damage arising from the bankruptcy, insolvency or tortious acts of any person, firm or corporation with whom or

with which any monies, securities or effects shall be lodged or deposited or for the loss, damage or misfortune whatsoever which may happen in the execution of the duties of their respective office or trust or in relation thereto unless the same shall happen by or through their own wrongful and willful act or through their own wrongful or willful neglect or default.

Current Wording

29. Disclosure of Interest

Every Director of a Corporation who is in any way directly or indirectly interested in a proposed contract or a contract with the corporation shall declare his interest at a meeting of the Directors of the Corporation.

Proposed Amendment

Every Director of a Corporation who is in any way directly or indirectly interested in a proposed contract or a contract with the corporation shall declare their interest at a meeting of the Directors of the Corporation.

Current Wording

31. Duties of the President and Vice-President

- a) The President or his designate shall call and preside at meetings of the Executive Committee, Board of Directors, and the general and annual meetings of the Corporation.
- d) The President or his designate shall create an agenda for such meetings aforesaid.
- e) During the absence or inability of the President, his duties and powers may be exercised by the Vice-President, or such other Director as the Board may from time to time appoint for the purpose, and any duty or power shall be presumed to be exercised by the President with reference thereto.

Proposed Amendment

- a) The President or their designate shall call and preside at meetings of the Executive Committee, Board of Directors, and the general and annual meetings of the Corporation.
- d) The President or their designate shall create an agenda for such meetings aforesaid.
- e) During the absence or inability of the President, their duties and powers may be exercised by the Vice-President, or such other Director as the Board may from time to time appoint for the purpose, and any duty or power shall be presumed to be exercised by the President with reference thereto.

Current Wording

32. Duties of the Secretary

- c) The Secretary shall be the custodian of the corporate seal of the Corporation and of all books, papers, records, correspondence and documents belonging to the Corporation, and shall perform the other duties prescribed from time to time by the Board or incident to his office.

Proposed Amendment

- c) The Secretary shall be the custodian of the corporate seal of the Corporation and of all books, papers, records, correspondence and documents belonging to the Corporation, and shall perform the other duties prescribed from time to time by the Board or incident to their office.