

Bylaw change briefing note for CARFAC Members

Article & Section	Subject	Description of major changes & rationale	Comments & Examples of new wording in <i>red italics</i>
Section I 1.01 (g) – (i)	Definitions and Interpretation	The definition of “national executive” is unnecessary and should be removed because our relationship to the Collective has changed. “Meeting of members” and “special meeting of members” are now combined.	Remove (h) and combine (g) with (i)
Section II 2.02, 2.03, and 2.04	Classes of Voting and Non-Voting Membership	Previously, 2.02 and 2.03 described the two categories of membership. 2.02 now describes the two classes of membership, which are categorized in 2.03 and 2.04.	2.02 <i>Classes of Membership</i> Add: <i>There shall be two classes of members: voting and non-voting.</i> 2.03 added with Title: <i>Categories of Voting Membership</i> 2.04 changed to: <i>Categories of Non-Voting Membership</i>
Section II 2.10	Working Dues – Status of the Artist Act	These 'dues' are 'working dues' separate from organizational membership dues, which have been in CARFAC’s bylaws since 2006. They are working dues for all artists subject to any agreed upon scale agreements at the National level. This must be in the Bylaws of any organization which successfully negotiates national scale agreements. This system helps to defray the costs of negotiations and managing agreements. The Bylaws previously stated the amount of the dues at 5% and the timing of payment to CARFAC, but this could vary between agreements.	In addition to Basic Dues, all artists within the jurisdiction of CARFAC National Scale Agreements, whether members or non-members shall pay Working Dues <i>in accordance with the terms of the relevant scale agreement</i> . All negotiated National Scale Agreements are subject to Working Dues based on the minimum fees as per the applicable agreement. Such dues shall be deducted by the producer and remitted to CARFAC <i>in accordance with the terms of the relevant scale agreement</i> .

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Section II 2.11	Additional Membership Rights - Status of the Artists Act	<p>Under Section 23(b) of the Status of the Artist legislation the Bylaws of CARFAC must state that the members have the right to participate in a ratification vote on any scale agreement that affects them. However, it is rarely known who may be directly affected over the course of the agreement. Therefore, a statement has been added that any member in good standing is eligible to vote on agreements CARFAC negotiates under <i>Status</i>.</p> <p>Under 23(c) the Act states members have the right of access to a copy of the financial statements. However, this is not specific to Status, so this article is moved to 12.05.</p> <p>Additional direction on how members may be able to vote is provided.</p>	<p>In accordance with Subsection 23(b) of the <i>Status of the Artist Act</i>, voting members of CARFAC shall have the right to participate in a ratification vote on any scale agreement <i>negotiated by CARFAC due to its certification under the Status of the Artist Act. Members must remain in good standing until the closing date of the vote to maintain eligibility to vote.</i></p> <p>Ratification may be conducted by conventional mail, by electronic means, <i>or by a special meeting of members called for the purposes of voting on the agreement. In the latter case, voting shall be by secret ballot. A majority affirmative response from the votes cast shall be required for the approval of the agreement.</i></p>
Section III 3.01	Annual Meetings	<p>Previously, the bylaws stated that an AGM must be held no later than 15 months after the last preceding annual meeting and no later than six months after the end of the fiscal year. CARFAC usually hosts its AGM sometime between early May and late September. The current requirement is too restrictive.</p>	<p>Change so that the AGM must be held within six (6) months of CARFAC's fiscal year end.</p>
Section III 3.14	Show of Hands	<p>It is now possible to conduct a vote by electronic means using a show of hands.</p>	<p>Remove: "or electronic means"</p>
Section IV 4.03	Qualifications	<p>Previously, CARFAC members and the board directors had to be Canadian citizens. Permanent residents were admitted as members, but the change was not made for board members.</p>	<p>A director must be a Regular Voting Member of CARFAC. Each director shall be an individual who is not less than 18 years of age. No person who has been found by a court in Canada or elsewhere to be incapable or who has the status of a bankrupt shall be a director. If a director acquires the status of a</p>

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			bankrupt or becomes incapable and is so found, such person shall thereupon cease to be a director. A director of CARFAC must be a Canadian citizen <i>or Permanent Resident</i> .
Section IV 4.04	Election, Appointment and Term	Board directors are elected to two-year terms, which may be eligible for renewal to a maximum of six years. Many people who become President do not hold this position until late in their term, and it would be helpful to have the option of extending their term by an additional two years.	Add: <i>If the director is the president at the end of their term limit, they may be eligible for re-election to a maximum of eight (8) years.</i>
Section IV 4.05	Vacation of Office	<p>The use of the term “office” is confusing when referring to directors. The term “office” should only be used for those who are officers.</p> <p>Previously, our board included Affiliate Representative appointments, and if one of the representatives became President, the Affiliate would appoint someone else. While our board ensures representation from Affiliates, the process has changed, and this is no longer relevant.</p>	<p>Change title: <i>Vacation of Director Position</i></p> <p>The <i>position</i> of a director of CARFAC shall automatically be vacated if the director:</p> <p>Remove: (c) becomes President of CARFAC</p>
Section IV 4.08	Nominating Committee	It would be helpful to have greater flexibility in the make-up of the Nominations Committee.	The Nominating Committee shall be comprised of a minimum of three (3) <i>and a maximum of five (5)</i> committee members including the Past-President who will serve as Committee chair, <i>and a minimum of two (2) members drawn from the directors and/or the membership of CARFAC</i> . Board members who serve on the committee must agree not to run for re-election to the board of directors <i>while they serve on the committee...</i>

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Section VI 6.01	Executive Director	The Bylaws currently say the executive director shall be considered an officer of CARFAC for the purposes of Section VII. This is not appropriate for the Bylaws, and these details are subject to the employment contract.	Remove: The executive director shall be considered an officer of CARFAC for the purposes of Section VII.
Section VIII 8.02	Indemnity of Directors and Officers	Items (a) and (b) have been changed to be gender neutral	... (a) He <i>/she/they</i> acted honestly and in good faith with a view to the best interests of CARFAC or, as the case may be, to the best interests of the other entity for which the individual acted as director or officer or in a similar capacity at CARFAC's request; and (b) in the case of a criminal or administrative action that is enforced by a monetary penalty, he <i>/she/they</i> had reasonable grounds for believing that his <i>/her/their</i> conduct was lawful.
Section XII 12.04	Execution of Documents	This section has been amended to add greater flexibility so that any two authorized representatives may co-sign documents on behalf of CARFAC. Currently, this authority is limited to officers.	Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by CARFAC may be signed by any two (2) of its officers <i>and/or authorized representatives...</i>
Section XII 12.05	Official Records	As previously stated, the Status of the Artist Act requires that members have the right of access to a copy of the financial statements, but that right makes sense for a variety of reasons. Therefore, the statement formerly situated under 2.11 has been moved to 12.05.	Add: <i>12.05 Official Records</i> <i>All members of CARFAC have a right of access to the financial statements of CARFAC, which shall be provided to such voting members upon reasonable notice to CARFAC.</i>
Section XII 12.09	Interpretation	Changes have been proposed to make the Bylaws fully gender neutral, so this is no longer necessary.	Remove (c).