

## BY-LAW NO. 1

### A by-law relating generally to the conduct of the **CONSORTIUM for SOFTWARE ENGINEERING RESEARCH Inc.**

BE IT ENACTED as a bylaw of the Consortium for Software Engineering Research (hereinafter called the "Corporation"):

#### **HEAD OFFICE**

2. The head office of the Corporation shall be in the Regional Municipality of Ottawa-Carleton in the Province of Ontario.

#### **CORPORATE SEAL**

3. The seal, an impression of which appears in the margin hereof, shall be the corporate seal of the Corporation.

#### **MEMBERS**

4. Membership in the Corporation shall be limited to persons and entities interested in furthering the objects of the Corporation and shall consist of anyone whose application for admission as a member has received the approval of the Board of Directors of the Corporation.

5. Before the Board of Directors can approve an application for membership, the applicant must have executed a Software Engineering Research Consortium Membership Agreement, in the form then established by the Board of Directors.

6. The classes of Members of the association shall include:

- a) Corporate Members;
- b) Associate Members; and
- c) Incorporating Members, who shall be only the incorporators and first Directors, and who shall resign their membership when a Board of Directors representing the Members has been constituted.

7. (a) Corporate Members shall be, firms or corporations operating in Canada which, in the opinion of the Board of Directors, have business interests requiring development and maintenance of software and which are admitted as Corporate Members of the Corporation by resolution of the Board of Directors.

(b) Each Corporate Member shall be entitled to receive notice of, attend and cast one vote at any meeting of Members.

8. (a) Associate Members shall be the following types of organizations:

(i) government departments and agencies which, in the opinion of the Board of Directors, are engaged in software engineering research;

(ii) educational institutions which, in the opinion of the Board of Directors are engaged in software engineering research and the teaching of software engineering; and

(iii) research organizations, or institutions which, in the opinion of the Board of Directors, promote or participate in software engineering research, and

which are admitted as Associate Members of the Corporation by resolution of the Board of Directors.

(b) Each Associate Member shall be entitled to receive notice of and attend any meeting of Members but shall not be entitled to vote thereat. Associate Members, upon receiving the approval of the Chair of the meeting, shall be entitled to participate in discussions thereat.

### **Membership Fees and Research Contributions**

9. (a) Corporate Members shall pay such fees, and shall make such research contributions, for the financial support of particular programmes, projects and sub-projects as may be established from time to time by vote of the Board of Directors and confirmed by resolution of the Members at an Annual or Special General Meeting.

(b) Associate Members shall pay such fees as may be established from time to time by vote of the Board of Directors and confirmed by resolution of the Members at Annual or Special General Meeting.

### **Term of Membership**

10. The term of Membership shall be for an indefinite period unless otherwise established by resolution of the Directors from time to time.

### **Termination of Membership**

11. The interest of a Member in the Corporation is not transferable and ceases to exist upon the Member's dissolution, bankruptcy, insolvency or when the Member ceases to

be a Member by resignation or withdrawal or when the term of Membership expires, or annual dues are not paid, and is not renewed, or otherwise in accordance with the by-laws of the Corporation or the Membership Agreement.

12. A Member may resign Membership in the Corporation by providing six months written notice of the intent to resign addressed and delivered or mailed to the Chair or to the Executive Director. The requested termination will take place six months after such notification unless, in the interim, the Member withdraws the notification of intent to resign Membership.

### **Delegates**

13. Every Member who is not an individual shall designate one individual with authority to represent it ("the Member's Delegate").

14. Notice provided to a Member's Delegate shall constitute notice provided to that Member, and attendance by a Member's Delegate shall constitute attendance in person by that Member.

### **Meetings of Members**

#### **Location**

15. The Annual and any other General Meeting of the Members of the Corporation shall be held at the head office of the Corporation or elsewhere in Canada and on such day as the Directors may determine.

#### **Annual General Meetings**

16. At every Annual General Meeting of the Members, in addition to any other business that may be transacted, the report of the Directors on the affairs of the Corporation for the previous year, the balance sheet and financial statements, including a statement of income and expenditure for the fiscal year ending on the date of such balance sheet, and the report of the auditors therein shall be presented, and auditors for the ensuing year shall be appointed and their remuneration fixed or authority given to the Directors to fix such remuneration.

#### **Special General Meetings**

17. The Directors may at any time call a Special General Meeting of the Members at such time and place as they may appoint, for the transaction of any business.

18. a) A Special General Meeting of the Members of the Corporation may be called by a minimum of any two Corporate Members, and in no case less than 10% of all

Corporate Members, giving written notice to the Executive Director of the Corporation specifying in detail the exact nature of the business that is to come before the meeting.

b) Such Special General Meeting shall be held within thirty days of receipt of such notice, and notice of the meeting shall be given to the Members in the manner herein provided.

### **Notice**

19. No public notice or advertisement of meetings of the Members, annual or special, shall be required, but notice of the time and place and agenda of every such meeting shall be delivered or sent to each Member by not less than ten working days before the time at which the meeting is to take place.

20. Notice of each meeting of Members must remind the Member that the Member has the right to vote by proxy.

21. Notice calling a Special General Meeting shall contain sufficient information to permit the Member to form a reasoned judgment on the decision to be taken.

### **Quorum**

22. At any meeting of the Members, annual or special, sixty percent of the Corporate Members, either present in person or represented by proxy, shall constitute a quorum for the transaction of business, provided that in no case shall any meeting of Members be held unless at least three Corporate Members are present.

### **Proxies**

23. A proxy shall be appointed in writing and the Directors may prescribe the form of appointment of proxy and conditions governing the use thereof. Without limiting the foregoing, the proxy shall be a person with authority to represent the Member.

### **Voting**

24. At all meetings of the Members every question shall be decided by a majority of the votes of the delegates of the Corporate Members present in person or represented by proxy, unless otherwise required by the provisions of the Canada Corporations Act, the Letters Patent or the by-laws.

25. Every question shall be decided in the first instance by a show of hands unless a poll be demanded by any voting Member.

26. The demand for a poll may be withdrawn, but if a poll be demanded and not withdrawn, the question shall be decided by a majority of votes cast by the Delegates

of Corporate Members present in person or represented by proxy and the votes shall be taken in such manner as the Chair directs, and the results of the poll shall be deemed the decision of the meeting upon the matter in question.

27. In case of an equality of votes at any meeting of the Members, whether upon a show of hands or a poll, the Chair shall not be entitled to a second or casting vote and the motion shall be declared lost.

28. Except as otherwise required by law, a resolution consented to at any time by the signatures of all the Members entitled to vote at a meeting of the Members is as valid and effective as if passed at a meeting of Members duly called, constituted and held for that purpose.

## **DIRECTORS**

### **Number**

29. The affairs of the Corporation shall be managed by a Board of five Directors, of whom three shall constitute a quorum.

30. Directors must be individuals, 18 years of age, with power under law to contract. Directors need not be Members.

### **Election and term**

31. The applicants for incorporation shall become the first Directors of the Corporation and they shall hold office until their successors are elected at the first meeting of the Members.

32. Corporate Members shall be entitled to nominate candidates for Director.

33. The Corporate Members Directors shall elect three directors, each of whom is a Delegate of a Corporate Member.

34. The three elected directors shall, at their first meeting following the Annual General Meeting, appoint two Directors from the Canadian university community. These appointed Directors shall have the full voting rights and powers of the elected Directors.

35. Each Director shall be elected to hold office until the first annual meeting of the Membership after she or he shall has been elected or thereafter until his or her successor shall have been duly elected and a Director shall be eligible for re-election or re-appointment.

36. Each Director will hold office until the end of the annual meeting of the Membership at which he will retire.

### **Vacancies**

37. The office of a Director shall be automatically vacated:

- a) if the Director has resigned by delivering a written resignation to the Executive Director;
- b) if the Director is found by a court to be of unsound mind;
- c) if the Director dies;
- d) if the Director who is a Delegate of a Corporate Member ceases to be a Delegate of a Member;

provided that if any vacancy shall occur for any reason, the Board of Directors by majority vote, may, by appointment, fill the vacancy with a suitable individual.

38. Notwithstanding any vacancies in the Board of Directors, the remaining Directors may exercise all the powers of the Board so long as a quorum may be convened.

### **Meetings of Directors**

#### **Place and time and notice**

39. Except as otherwise required by law, the Board of Directors may hold meetings at such place or places as it may from time to time determine.

40. The Board may appoint a day or days in any month or months for regular meetings at an hour to be named and for such regular meetings no notice need be given.

41. a) Meetings of Directors may be called by the Chair or by the Executive Director on the direction of the Chair or on the direction in writing of two Directors.

b) Notice of such meetings shall be delivered or sent to each Director not less than four working days before the time at which the meeting is to take place.

c) The statutory declaration of the Executive Director that notice has been given in accordance with this by-law shall be sufficient and conclusive evidence of the giving of such notice.

42. A meeting of the Directors may also be held, without notice, immediately following the Annual General Meeting of the Members of the Corporation.

43. No formal notice of any meeting shall be necessary if all the Directors are present and agree, or if those absent have at any time signified their consent to the meeting being held in their absence.

### **Participation by teleconference**

44. If all the Directors of the Corporation consent thereto generally or in respect of a particular meeting, a Director may participate in a meeting of the Board or of a committee of the Board by means of such conference telephone or other communications facilities as permit all persons participating in the meeting to hear each other, and a Director participating in such a meeting by such means is deemed to be present at the meeting.

### **Voting**

45. Questions arising at any meeting of the Directors shall be decided by a majority of votes.

46. In case of an equality of votes at any meeting of the Directors, whether upon a show of hands or a poll, the Chair shall not be entitled to a second or casting vote and the motion shall be declared lost.

47. Votes at any such meeting shall be taken by ballot if so demanded by any Director present, but if no such demand be made, the vote shall be taken by a show of hands.

48. A declaration by the Chair that a resolution has been carried, and an entry to that effect in the minutes shall be admissible in evidence as prima facie proof of the fact, without proof of the number or proportion of votes recorded in favour of or against such resolution.

49. Except as otherwise required by law, a resolution consented to at any time by the signatures of all the Directors is as valid and effective as if passed at a meeting of Directors duly called, constituted and held for that purpose.

### **Powers**

50. The Directors of the Corporation may administer the affairs of the Corporation in all things and make or cause to be made for the Corporation, in its name any contract which the Corporation may lawfully enter into and, save as otherwise by law provided, generally may exercise all such other powers and do all such other acts and things as the Corporation may by its Letters Patent or otherwise be authorized to exercise and do.

## **Remuneration**

51. The Directors shall receive no remuneration for acting as such and will not receive reimbursement for expenses incurred on behalf of or in connection with the affairs of the Corporation.

## **OFFICERS**

52. There shall be a Chair and a Executive Director and there may be one or more Vice-Chairs and such other officers, such as Research Director, Treasurer or Secretary, as the Directors may from time to time by by-law determine.

53. One person may hold more than one office except that the offices of Chair and Executive Director shall be held by separate persons.

54. The Chair and any Vice Chairs shall be elected by the Directors from among their number.

55. The other Officers may, but need not, be Directors or Members' Delegates and in the absence of written agreement to the contrary, the election or appointment of all officers shall be during the pleasure of the Directors and the terms of their office shall be settled from time to time by the Directors.

### **Chair**

56. The Chair shall be elected by a resolution passed by a majority of the Directors present at a meeting of the Directors following an Annual General Meeting of the Members. The Chair must be a Delegate of a Corporate Member.

57. The Chair shall hold office until the first meeting of the Directors following the next Annual General Meeting of the Members, or thereafter until his or her successor is elected. The Chair shall be eligible for reelection.

58. The Chair shall, when present, preside at meetings of the Members and of the Directors.

59. The Chair shall supervise management of the affairs of the Corporation and shall, together with the other Directors shall formulate the long-range policies, objectives and development plans of the Corporation for consideration by the Directors and shall assess the implementation thereof.

60. The Chair shall have and perform such other powers and duties as may from time to time be lawfully assigned to the Chair by the Directors or as are incidental to the Chair's office.

61. During the absence or inability of the Chair to act, the Chair's duties and powers may be exercised by the senior Vice-Chair who is available to act or by such other Director as the Directors may from time to time appoint for that purpose. The senior Vice-Chair is the one whose election was completed earlier than that of any other Vice-Chair.

62. Before a Vice-Chair or other Director exercises any such duty or power, the absence or inability of the Chair shall be confirmed by a resolution of a majority of the persons actually present at the meeting.

### **Vice-Chairs**

63. The Board may elect one or more Vice-Chairs.

64. Vice-Chairs shall hold office until the first meeting following the next Annual General Meeting of Members, or thereafter until their successor is elected. Vice-Chairs are eligible for re-election.

65. The duties and powers of Vice-Chairs shall be determined by resolution of the Board of Directors.

### **Executive Director**

66. The Executive Director shall be appointed by the Board of Directors.

67. The Executive Director shall be the chief executive officer of the Corporation and shall, subject to the directions and authority of the Directors, be charged with the general management of the operations and affairs of the Corporation.

68. The Executive Director shall be the ex-officio clerk of the Board of Directors but this responsibility may, with the approval of the Directors, be delegated.

69. The Executive Director shall attend all meetings of the Members and the Directors and shall enter, or cause to be entered in the books for that purpose minutes of all proceedings thereat.

70. The Executive Director shall give or cause to be given, all notices required to be given to Members and Directors.

71. The Executive Director shall be the custodian of the seal of the Corporation and of its corporate and statutory books, records and registers.

72. The Executive Director shall sign, certify or attest such contracts, documents and instruments in writing of, or issued by, the Corporation as require the signature of the Executive Director and shall have and perform such other powers and duties as may

from time to time be lawfully assigned to him or her by the Directors or as are incidental to the Executive Director's office.

73. The Executive Director shall keep, or cause to be kept, full and accurate accounts of all receipts and disbursements of the Corporation in proper books of account and shall deposit or cause to be deposited all monies and negotiable instruments in the name and to the credit of the Corporation in such bank or banks or other institutions or repositories as may from time to time be designated by the Directors.

74. The Executive Director shall disburse the funds of the Corporation or cause them to be disbursed under the direction of the Directors, causing proper vouchers to be taken therefore, and shall render to the Directors at the meetings thereof, or whenever required, an account of all financial transactions and of the financial position of the Corporation.

75. The Executive Director shall also have and perform such other powers and duties as may from time to time be lawfully assigned to the Executive Director by the Directors or as are incidental to the Executive Director's office.

## **TECHNICAL MANAGEMENT STRUCTURE**

### **Committees**

76. The Directors may from time to time constitute and appoint such committees as they may determine, including committees to manage specific programmes of scientific research and experimental development, to assist the Directors in managing and directing the property, business and affairs of the Corporation and in carrying out its objects.

### **Theme Committees**

77. Research activities of the Corporation will be organized around through Themes. Each Theme will be managed by a Theme Committee appointed by the Board of Directors and whose powers shall be those delegated to it by the Board of Directors. Each Theme Committee shall consist of technical experts in the topic of the Theme with a majority of the committee representing Corporate Members. Each Theme Committee shall be led by a Chair and Vice-Chair, one of whom must be selected from industry and the other from the university community.

### **Research Director**

78. There shall be a Research Director, who will not be an Officer of the Corporation. The Research Director shall be appointed by, and report to, the Board of Directors.

Without limiting the powers of the Board of Directors to determine the terms of office of the Research Director, the Research Director will review inter-Theme interaction, evolution of the corporation's technical program and will be a non-voting member of all Theme committees.

### **Resource Allocation**

79. Any change to resources allocated to Theme projects must be approved by the Board of Directors prior to implementation.

### **BOOKS AND RECORDS**

80. The Directors shall ensure that all necessary books and records of the Corporation required by the by-laws or by any applicable statute or law are regularly and properly kept.

### **ADJOURNMENTS**

81. Any meeting of the Members or of the Directors may be adjourned at any time and from time to time and such business may be transacted at the re-convened meeting as might have been transacted at the original adjourned meeting. An adjournment may be made notwithstanding that no quorum is present.

82. Notice shall be required of any such re-convened meeting.

### **FISCAL YEAR**

83. Until changed by resolution of the Board of Directors, the fiscal year of the Corporation shall end on the 31st day of March in each year.

### **EXECUTION OF DOCUMENTS**

84. Deeds, leases, transfers, licences, contracts, agreements, assignments and engagements on behalf of the Corporation shall be signed by the Chair and Executive Director or by either of them together with another Director, and the Executive Director or Chair shall affix the seal of the Corporation to such instruments as require the same; provided that in the case of any contract, agreement or engagement on behalf of the Corporation in the ordinary course of its business and not involving the expenditure or creation or assumption of a liability that could exceed such aggregate sum as may be prescribed from time to time by the Directors, either the Executive Director or the Chair alone may sign the same; and provided further that the Directors may at any time and

from time to time by resolution direct the manner in which and the persons by whom any particular instrument, contract or obligation, or any class of instruments, contracts or obligations of the Corporation may or shall be executed.

### **CHEQUES AND BANKING ARRANGEMENTS**

85. All cheques, bills of exchange and other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by the Executive Director or by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board, and any one of such officers or agents may alone endorse notes and drafts for collection on behalf of the Corporation through its bankers and may endorse notes and cheques for deposit with the Corporation's bankers for the credit of the Corporation, or the same may be endorsed for collection or for deposit with the bankers of the Corporation by using a rubber stamp adopted by the Corporation for the purpose.

86. The Executive Director or any one of such officers or agents so appointed may also arrange, settle, balance and certify all books and accounts between the Corporation and its bankers and may receive all paid cheques and vouchers and sign the bank's forms of settlement of balances and release verification slips.

### **DEPOSIT OF SECURITIES FOR SAFEKEEPING**

87. The securities of the Corporation shall be deposited for safekeeping with one or more banks, trust companies or other financial institutions or repositories as may be selected by the Directors.

88. Any and all securities so deposited may be withdrawn from time to time only upon the written order of the Corporation signed by such Directors, Officers, employees or agents of the Corporation and in such manner as shall from time to time be designated by resolution of the Directors, and such authority maybe general or confined to specific instances.

89. The institutions which may be so selected by the Directors to act as custodians shall be fully protected in acting in accordance with the directions of the Directors and shall in no event be liable for the due application of the securities so withdrawn from deposit or the proceeds thereof.

### **AUDITORS**

90. One or more auditors shall be appointed at each Annual General Meeting of the Members and when appointed, shall hold office until the next Annual General Meeting

or until their successors are appointed, unless previously removed by resolution of the Members in general meeting.

91. If the remuneration of the auditor or auditors is not fixed by the Members at the Annual General Meeting, such remuneration shall be fixed by the Directors.

92. The auditors shall have access at all reasonable times to the books and accounts of the Corporation and all receipts, documents and vouchers relating thereto, and shall conduct an audit thereof and make an annual report to the Members upon the balance sheet.

### **INDEMNITIES TO DIRECTORS AND OTHERS**

93. Every (i) Director or officer of the Corporation, or (ii) other person who has undertaken or is about to undertake any liability on its behalf and (iii) his or her heirs, executors, administrators and estate, respectively, shall from time to time and at all times be indemnified and saved harmless from out of the funds of the Corporation from and against:

(a) all costs, charges and expenses whatsoever which such Director, officer or other person sustains or incurs in or about any action, suit or proceeding which is brought, commenced or prosecuted against him or her for, in, or in respect of any act, deed, matter or thing whatsoever made, done or permitted by him or her in or about the execution of the duties of his or her office: and

(b) all other costs, charges and expenses which he sustains or incurs on or about or in relation to the affairs thereof;

except such costs, charges or expenses as are occasioned by his or her own wilful neglect or default

### **ANNUAL REPORT**

94. The Directors shall prepare an annual report of the activities of the Corporation and submit it to the Members.

### **NOTICE**

95. Except as otherwise expressly provided herein or in other by-laws of the Corporation, any notice, communication or other document to be given to any Member, Member's Delegate, Director, Officer, auditor or employee of the Corporation shall be sufficiently given if delivered to his or her last address as recorded in the books of the

Corporation as known to the Executive Director, or if mailed by prepaid ordinary or airmail in a sealed envelope addressed to him or her at his or her last address as so recorded or known, or if sent by any means of wire or wireless or electronic means or other form of transmitted or recorded communication.

96. The Executive Director may change the address on the books of the Corporation of any such person in accordance with the information believed by him or her to be reliable.

97. A notice, communication or document so delivered shall be deemed to have been given when it is delivered personally or at the address aforesaid; and a notice, communication or document so mailed shall be deemed to have been given when deposited in a post office or public letter box and a notice sent by any means of wire or wireless or electronic means or any other form of transmitted or recorded communication shall be deemed to have been given when delivered to the appropriate communication company or agency or its representative for dispatch.

98. In computing the date when notice must be given under any provision of the Letters Patent or the by-laws of the Corporation requiring a specific number of days' notice of any-meeting or other event, the date of giving the notice shall be included and the date of the meeting or other event shall be excluded, unless it is otherwise expressly provided.

99. No error or irregularity or omission to give notice whilst acting in good faith, or non-receipt of notice of any meeting of the Members, Directors or committee of the Directors or of any adjourned meeting thereof shall invalidate any such meeting or render void any action or proceedings taken thereat and any Director or Member may at any time ratify, approve and confirm any action taken or resolution passed thereat.

100. Any Member, Director, Officer, auditor or employee may waive any notice required to be given to him, her or it under any provision of the Canada Corporations Act, the Letters Patent or the by-laws of the Corporation and any such waiver, whether given before or after the meeting or other event for which notice is required to be given, shall cure any default in giving such notice.

## **INTERPRETATION**

101. In these by-laws and in all other by-laws of the corporation hereafter passed, unless the context requires otherwise, words importing the singular number or the masculine gender shall include the plural number or the feminine gender, as the case may be, and vice versa.

## **AMENDMENT OF BY-LAWS**

102. The by-laws of the corporation not embodied in the letters patent may be repealed or amended by by-law enacted by a majority of the directors at a meeting of the board of directors and sanctioned by an affirmative vote of at least two-thirds (2/3) of the Corporate Members at a meeting duly called for the purpose of considering the said by-law, provided that the repeal or amendment of such by-laws shall not be enforced or acted upon until the approval of the Minister of Industry has been obtained.