

Governance and Nominating Report – By-Laws:

Recommendation to Amend ACO By-Laws:

By-Law Amendment 2026 - 1

The by-laws of an Ontario not-for-profit corporation establish the framework for its internal governance and operations. They set out how the Board of Directors conducts business, how meetings are called, how amendments are made, and the conditions of membership, including classes of membership, voting rights, and the number of directors. Clear by-laws support transparency, accountability, and compliance with legal requirements.

ACO's Articles of Incorporation (Letters Patent) are not being amended.

The proposed by-law amendments incorporate the changes approved by the Board at its 25 April 2026 meeting, along with minor administrative revisions required to align the by-laws with the Ontario Not-for-Profit Corporations Act (ONCA). They are intended to support ACO's operation as a province-wide organization while allowing for more flexible policies in key operational areas, including the establishment of affiliates within the corporation's capacity and the continued development of committees that engage members in province-wide activities while supporting local initiatives.

The existing by-laws were reviewed by the Governance & Nominating Committee and submitted to ACO's legal counsel, Ted Hyland of Iller Campbell LLP, together with the Board motions and summary presented on 25 April 2026. Following that review, ACO's Board of Directors approved the proposed amendments on 13 June 2026.

The amendments add the following definitions:

- 1) Affiliate
- 2) Affiliate Agreement
- 3) Cost Share 2026
- 4) Cost Share 2027
- 5) A clarification of the term "Directors" of the corporation, and a limitation of the ex officio definition to the past chair or president

- a) The amendments also include and provide the following changes to Article 7 (re; branches) that:
 - b) Section 7.7 adds the option for the Board to terminate a branch by resolution.
- 6) Section 7.8:
- a) Directs the wind-down of existing branches by 1 November 2026;
 - b) Provides for the Wind-Down of the branches according to the Transition and Wind-Down Policy;
 - c) Determines that branches will cease to operate by 31 October 2026;
 - d) Directs ACO branch bank accounts to close by 30 November 2026 with all funds transferred to ACO's operating account;
 - e) Requires that all financial records (revenue and expenditures) be delivered to ACO by 30 November 2026;
 - f) Requires that branches set aside sufficient funds to satisfy the cost share obligations for 2026 and 2027.
- 7) Section 7.8(b)(iv) provides that ACO branch assets are to be used in the community from which they were derived consistent with the corporation's Objects, applicable law, the Transition and Wind-Down Policy and any affiliate agreement.
- 8) Section 7.9 provides for the termination of Article 7 (branches) on 31 December 2026 or on another date determined by resolution of the Board.

(amending by-law in full follows the motion)

MOTION TO APPROVE:

THAT the members of ACO approve By-Law Amendment 2026 - 1, as approved by the Board of Directors on 13 June 2026 and presented to the members at the Annual General Meeting, including the amendments to the Corporation's by-laws described in the Governance and Nominating Report; and

THAT the amended by-laws be confirmed and adopted effective upon approval by the members, subject to any required filings, administrative

corrections, or non-substantive revisions approved by the Board of Directors or required to give effect to the amendment.

Moved by:

Seconded by:

BY-LAW NUMBER 2026-1

A by-law to amend the by-law (approved September 2018 and amended in July 2023)
relating generally to the affairs

of

THE ARCHITECTURAL CONSERVANCY OF ONTARIO INC.

BE IT ENACTED as a by-law of THE ARCHITECTURAL CONSERVANCY OF ONTARIO INC. (the **Corporation**), a corporation incorporated under the *Corporations Act* (Ontario) and, as of the date hereof, subject to the *Not-for-Profit Corporations Act, 2010* S.O. 2010, c.15 (the **Act**), that the by-law of the Corporation relating generally to the affairs of the Corporation (as approved in September 2018 and amended in July 2023, and referred to herein as the **General By-law**) is hereby amended as follows:

1. AMENDMENT

- a) Section 1.3 [*Definitions*] is amended by inserting the following:
 - “b.1) “Affiliate” means a non-share capital, non-profit corporation having the status of affiliate of the Corporation;”
- b) Section 1.3 [*Definitions*] is amended by inserting the following:
 - “b.2) “Affiliate Agreement” means the form of agreement as approved from time to time by the Board and which each Affiliate is required to execute and deliver as a condition for being an affiliate of the Corporation;”
- c) Section 1.3 [*Definitions*] is amended by inserting the following:
 - “g.1) “Cost Share 2026” means, in respect of a Branch, an amount to be paid by the Branch to offset the cost of the Corporation’s annual bookkeeping and financial audit expenses incurred during the 2026 calendar year based on 2024 actual costs plus a share of the annual cost of Director and Officer and Commercial Insurance;”
- d) Section 1.3 [*Definitions*] is amended by inserting the following:
 - “g.2) “Cost Share 2027” means, in respect of a Branch, an amount to be paid by the Branch to offset the cost of the Corporation’s annual audit of its financial statements for its financial year ending on December 31, 2026 based on 2024 actual costs for the annual audit;”

- e) Section 1.3 [*Definitions*] is amended by deleting from it the definition of “Director” and replacing it with the following definition:
 - “g.3) “Director” means an individual occupying the position of director of the Corporation, (previously called “Member of the Provincial Council”), and includes “Elected Director” and “Ex Officio Director”;
- f) Section 1.3 [*Definitions*] is amended by inserting the following:
 - “g.4) “Elected Director” has the meaning given to it in Section 2.1(a);”
- g) Section 1.3 [*Definitions*] is amended by inserting the following:
 - “g.5) “Ex Officio Director” has the meaning given to it in Section 2.1(b);”
- h) Section 1.3, paragraph “i)” [*Definitions*] is amended by deleting the definition of “Letters Patent” and replacing it with the following:
 - “i) “Letters Patent” means any instrument that incorporates the Corporation or modifies its incorporating instrument, including articles of incorporation, restated articles of incorporation, articles of amendment, articles of amalgamation, articles of arrangement, articles of continuance, articles of dissolution, articles of reorganization, articles of revival, letters patent, and supplementary letters patent;”
- i) Paragraph “(a)” of Section 2.1 [*Composition*] is deleted and replaced with the following:
 - “(a) **Elected Directors:** Four (4) individuals elected by the Members to the roles of Chair, Vice-chair, Treasurer, Corporate Secretary and three (3) to seven (7) Directors who are also elected by the Members.”
- j) Paragraph “(b)” of Section 2.1 [*Composition*] is deleted and replaced with the following:
 - “(b) **Ex-officio Director** The person who holds the office of the Past President or the office of the Past Chair shall be an ex-officio director of the Corporation during such time and shall have the right to attend and vote at all meetings of the Board. Ex-officio directors shall satisfy all other requirements of Directors as set out in the Act and this By-law.”
- k) Section 2.3 [*Election and Term*] is amended by deleting therefrom the final sentence, which reads: “Each Ex-officio Branch Representative Director shall be appointed by their Branch for a one - year term and shall be eligible for re-appointment by Members of the Branch.”
- l) Section 2.5 [*Vacancies*] is amended by deleting therefrom the final sentence, which reads: “Should all Directors resign at the same time, responsibility for the

Corporation's actions transfers to a senior staff member until the Members meet and elect new Directors.”

- m) Section 7.3 [*Establishment of Branches*] is deleted in its entirety and replaced with the following:

“7.3 INTENTIONALLY DELETED AND HELD OPEN”

- n) Section 7.7 [*Termination of Branches*] is deleted and replace with the following:

“7.7 Termination of Branches

The Board may approve a resolution to wind-down or terminate the status of a Branch for any of the following reasons:

- (a) the membership in the Branch, consisting of Members in good standing, declines below three (3) individuals;
 - (b) the members of the Branch decide that the Branch will no longer be a branch of the Corporation;
 - (c) the Branch fail to comply with the Corporation's Conflict of Interest Policy, Code of Ethics, Code of Conduct or other policies identified in the Governance Policy;
 - (d) the Branch fails, in the assessment of the Board, to demonstrate a reasonable standard of financial accountability and stewardship of the Corporation's assets; and
 - (e) by resolution of the Board, the Branch's status of being a branch of the Corporation ceases to be recognized by the Corporation.”
- o) New Section 7.8 [*Wind-Down of Branches*] is inserted, to read as follows:

“7.8 Wind-Down of Branches

- (a) Effective 1 November 2026, the following Branches shall cease to be branches of the Corporation: Clarington, Cobourg East Northumberland, Toronto, London, North Waterloo, Stratford – Perth, Muskoka, Windsor / Essex, Hamilton, South Bruce Grey, and Port Hope.
- (b) The wind-down of each such Branch shall be conducted in accordance with the transition and wind-down policy adopted by the Board (such policy as from time to time amended by the Board is referred to as the “**Transition and Wind-down Policy**”) and, subject to such branch-specific terms as the Board may approve, in accordance with the following common dates and principles:

- (i) each such Branch shall cease operations on or before 31 October 2026;
 - (ii) each local Branch bank account maintained at BMO, and, in the case of Stratford – Perth, at Toronto-Dominion Bank, shall be closed after all outstanding transactions have cleared and, in any event, no later than 30 November 2026, and all remaining funds shall be transferred to the Corporate Operating Account of the Corporation; any transaction, obligation, or activity not reasonably capable of completion by that date shall be assumed by the Corporation in consultation with the applicable Branch;
 - (iii) each Branch identified in this Section 7.8 shall:
 - A. deliver all financial records and supporting documentation relating to revenues and disbursements up to and including 31 October 2026, except in respect of any matter expressly continued under the Transition and Wind-Down Policy or otherwise approved by the Board; and
 - B. set aside sufficient funds to satisfy its Cost Share 2026 obligation, its Cost Share 2027 obligation, and all other amounts owing to the Corporation before the earlier of the effective date of the applicable Affiliate Agreement and 30 November 2026; and
 - (iv) the Corporation shall use reasonable efforts to support the continuation of heritage activities in the communities from which Branch assets were derived, in each case in a manner consistent with the Corporation's Objects, applicable law, the Transition and Wind-Down Policy, and any applicable Affiliate Agreement.”
- p) New Section 7.9 [*Termination of Article 7*] is inserted, to read as follows:
- “7.9 Termination of Article 7**
- (a) Subject to this Section 7.9, Article 7 is terminated at the end of the 31st day of December 2026 unless the Board by resolution declares it to be terminated at an earlier date.
 - (b) The Board may, by resolution, extend the operation of Article 7 for one or more periods in total not exceeding six months.”
2. EFFECTIVE DATE OF THIS BY-LAW – This By-Law Number 2026-1 shall come into force when enacted by the board of directors of the Corporation in accordance with the *Act*.

3. CONSOLIDATION OF THE AMENDMENTS

- (a) Following the confirmation of this By-law Number 2026-1 by the members of the Corporation entitled to vote, with or without variation, the board of directors of the Corporation shall cause the amendments contained in this By-law Number 2026-1 and then in effect to be consolidated into the General By-law (the **Consolidated Version**).
- (b) The Chair of the board of directors of the Corporation shall cause the publication of the Consolidated Version, with such stylistic changes as may be necessary and appropriate.
- (c) Upon the publication of the Consolidated Version, the Chair of the board of directors of the Corporation and the Secretary of the Corporation are authorized and directed to sign it.