GUIDELINES FOR ADRIC REGIONAL AFFILIATES – NATIONAL BOARD REPRESENTATION

I. INTRODUCTION

The ADR Institute of Canada, Inc. ("**ADRIC**") is a national not-for-profit corporation governed by the Canada *Not-for-Profit Corporations Act*, S.C. 2009, c. 23, as amended (the "**Act**"). ADRIC is governed by the Act and ADRIC's board of directors (the "**National Board**") must also comply with ADRIC's general by-law No. 1 (the "**By-laws**"), a copy of which is made available to all incoming ADRIC directors (the "**Directors**"). Among other things, the Act and the By-laws mandate the election of most of the Directors, including those elected by ADRIC's regional affiliates (the "**Affiliates**").

Specifically, each of the seven (7) Affiliates[1] is entitled under the By-law to elect one Director from the affiliate to the National Board. (In addition, the corporate members of ADRIC are entitled to elect seven (7) Directors to the National Board. The National Board is also entitled to appoint up to four (4) additional Directors. The maximum number of Directors possible under the By-laws is therefore 18.)

II. PURPOSE

These guidelines have been prepared to assist each Affiliate as it prepares to elect its Director to the National Board.

III. ELECTION TO THE NATIONAL BOARD

A. To comply with the Act and the By-laws, each Affiliate must elect a Director to the National Board. This election should be carried out at the Affiliate's annual general meeting (an "**AGM**"), or at a duly convened special meeting of the Affiliate's members. The Director should not be appointed to the National Board, whether by the Affiliate's board or the membership. To comply with the mandatory requirements of both the Act and the By-laws, the Director should be duly elected by the Affiliate's membership[2].

Some Affiliates have developed the practice of having their President serve as its Director on the National Board. This is entirely satisfactory. However, to comply with the Act and the By-laws, Affiliates should elect President and the Director separately, even if both roles are filled by the same person.

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[1] British Columbia (ADRBC), Alberta (ADRIA), Saskatchewan (ADRSK), Manitoba (ADRIM), Ontario (ADRIO), Quebec (IMAQ"), and Atlantic (ADRAI)

[2] Currently, all Affiliate elections of Directors to the National Board are held in the Spring at their respective AGMs. ADRIC requests that the Affiliates continue to follow this practice if at all possible recognizing the Director-elect will only take office at the ADRIC AGM normally held in the Fall.

Incoming Directors formally assume their position on the National Board concurrent with the ADRIC AGM held in October each year. **Affiliates are therefore expected to advise the ED of their elected representative by the end of September** so materials can be prepared for the AGM and the National Board meeting that follows immediately after the AGM. (If an Affiliate representative vacancy occurs before the October AGM, every effort will be made to enable the incoming Director (having been elected by the Affiliate's board to fill this vacancy) to assume her or his formal position on the National Board as soon as possible.)

B. All Directors are expected to conduct themselves in the best interests of ADRIC at all times while serving on the National Board. While they bring local knowledge and helpful insights about the Affiliate and its region of the country, Directors are expected firstly, and above all else, to carry out their duties for the advancement of ADRIC and its goals everywhere in Canada. This means that a candidate for election to the National Board should be demonstrably capable of considering the broader interests of the national body, the national membership, and those of other Affiliates, and not just advancing the interests of the Affiliate she or he represents.

C. Directors are also naturally under a duty to ADRIC to act:

i) honestly and in good faith; and

ii) with the care, diligence, and skill of a reasonably prudent person.

Please bear these qualities in mind when electing your Director.

D. Directors are volunteers and do not receive remuneration. However, some expenses (such as travel and accommodations associated with participating in National Board meetings) are reimbursed in accordance with the By-laws and ADRIC operating policies.

E. To ensure an appropriate level of continuity on the Board, ADRIC asks that Affiliates and candidates generally consider Director commitments of at least three (3) years on the National Board, even if the election of the Director is conducted annually by the Affiliate.

IV. DUTIES AND RESPONSIBILITIES OF ADRIC DIRECTORS

A. The duties and responsibilities of the National Board are outlined in the By-laws, and National Board Manual, and are summarized in an ADRIC document entitled *Terms of Reference for the Board of Directors*. All incoming Directors receive a copy of each.

B. Directors are expected to maintain all the usual confidences associated with being on any board of directors. For example, all Directors are expected to absolutely refrain from circulating outside the National Board meeting agendas, minutes,

reports, and documents related to National Board or ADRIC committee business. Directors are also expected to maintain cabinet solidarity. It is not the role of a Director on the National Board to report on sensitive material or national matters at the Affiliate level, beyond what is authorized by the National Board or what appears in the minutes of the National Board. All National Board minutes, once approved, are shared with the Affiliates.

C. All Directors are expected to participate in at least two (2) ADRIC committees.

D. Directors have duties under the By-laws to disclose the nature and extent of any conflict of interest.

E. The National Board maintains industry-appropriate directors' liability insurance.