



National  
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**FreeNet**

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June 4, 2025

**National Capital FreeNet Incorporated (NCF)**  
**Summary of Proposed By-Law Changes**

The current by-laws of NCF were created when the *Canada Not-for-Profit Corporations Act*<sup>1</sup> (“**Act**”) and *Canada Not-for-Profit Corporations Regulations*<sup>2</sup> (“**Regulations**”) under which NCF was continued in 2014 were brand new and companies coming under the corresponding legislative framework had no prior experience with it. Over time, it has become apparent that amendments to the by-laws are needed to fill gaps and deal with the practical implications of that framework.

In addition, a reader of the current by-laws wanting to gain a reasonable understanding of how they affect the governance of NCF would also need to review significant portions of the *Act* and *Regulations*. It was therefore considered desirable for any revised by-laws also to import the most relevant provisions from the *Act* and *Regulations* that cover the topics addressed in the by-laws.

Another consideration in any review of the by-laws is the incorporation of current governance best practices.

Finally, over the past few years, the NCF board of directors has identified some specific changes that it considers desirable. Some of the more significant ones are:

- **Membership conditions:** Clarifying that members can be individuals or entities and prescribing that members must be interested in furthering the statement of purpose of NCF and that their admission to the membership would advance the best interests of NCF.
- **Member meetings:** Ensuring that member meetings and voting procedures reflect statutory requirements.
- **Director term limits:** Requiring a director to take a two-year break in service after serving two three-year terms.
- **Attendance requirement for directors:** Disqualifying a director who is absent from three consecutive meetings of directors from continuing as a director.
- **Committees and Officers:** Instituting executive, audit and finance standing committees and prescribing the duties, and modernizing provisions relating to officer roles and responsibilities.

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<sup>1</sup> S.C. 2009, c.23.

<sup>2</sup> SOR/2011-223.

- **Dispute resolution:** Clarifying that the dispute resolution process in the by-laws is confidential, relates to governance disputes and is not to be applied to resolve disputes related to the provision of services by NCF.

The NCF board of directors has embarked on a process of repealing the current by-laws and replacing them with a new by-law that addresses the considerations described above.

NCF members will be asked for the approvals necessary to complete this process at the upcoming Annual General Meeting (AGM) and Special General Meeting (SGM) of members.