



## PRINCESS PATRICIA'S CANADIAN LIGHT INFANTRY ASSOCIATION

### 2021 ANNUAL GENERAL MEETING OF MEMBERS

#### SPECIAL RESOLUTION 01-21

##### **A Special Resolution clarifying the relationship between the PPCLI Association and the Hamilton Gault Memorial Fund**

WHEREAS By-law Number One of the PPCLI Association was approved by Members at the Annual General Meeting held in Edmonton AB on 08 August 2014, and came into effect on 14 October 2014, the date of approval of the Association Articles of Continuation by Industry Canada/Corporations Canada, in which the Association was recognized as a Not-for-profit Corporation;

WHEREAS the Hamilton Gault Memorial Fund (HGMF or Fund) was established by a Special Resolution of the PPCLI Association, and was recognized by the Canada Revenue Agency/Charities Division (CRA/CD) as a charitable organization in 1964, a status confirmed in 1982 after significant changes to the *Income Tax Act* (ITA);

WHEREAS, through amendments to the ITA and developments in Canadian Law it has become apparent that the PPCLI Association must explicitly establish and continue to ensure an at arm's length relationship between itself and the HGMF as well as between their respective Boards and their Members, unless mutually agreed by means of Memoranda of Understanding negotiated to arrange the PPCLI Association's support for specific purposes and/or activities, as is allowed by applicable Canadian Law;

WHEREAS, under the terms of paragraph 2 of Article 2.03 of the By-law, the PPCLI Association Council of Presidents currently has responsibility for oversight of the HGMF;

WHEREAS, based on the evolution of Canadian Law and in consultation with the PPCLI Association Council of Presidents, it has been agreed that, in order to establish and ensure maintenance of an at arm's length relationship, the only appropriate action is to dissolve this oversight role of the Council of Presidents with the HGMF and its Board of Trustees, and continue to ensure there are only at arm's length relationships between them;

WHEREAS Article 7.02 (Relationship to the HGMF) of the By-law describes the current relationship between the Association and the HGMF, in that the Officers of the Association form the HGMF Board of Trustees, and the Past President and the Chair of the Finance Committee are Advisors to this Board;

WHEREAS, after consultation with the PPCLI Association Board of Directors, it has been

agreed that to better continue and ensure that an at arm's length relationship is maintained between the two organizations, the most appropriate course is to formally clarify the unrelated nature of this relationship by amending the PPCLI Association By-law Number One;

WHEREAS the proposed amendments are such that they must be considered to be fundamental changes to the organization and operation of the PPCLI Association and the Council of Presidents, thereby necessitating approval by means of a Special Resolution in accordance with Article 197 of the *Canada Not-for-profit Corporations Act*;

WHEREAS, at a videoconference meeting held on 27 January 2021, Members of the PPCLI Association Council of Presidents were briefed and consulted on the proposed significant change in their oversight responsibilities and, after discussion, the Council Members indicated unanimous support for this Special Resolution;

AND WHEREAS, at a videoconference meeting held on 10 March 2021, the PPCLI Association Board of Directors unanimously passed their SR 01-21, recommending that Members, at their Annual General Meeting to be held by videoconference on 01 May 2021, approve AGM Special Resolution 01-21, thereby clarifying the relationship between the PPCLI Association and the HGMF.

**BE IT RESOLVED BY SPECIAL RESOLUTION THAT:**

PPCLI Association By-law Number One be renamed PPCLI Association By-law Number Two, and be further amended as follows:

1. Article 2.03 - Council of Presidents. Delete paragraph 2: "In addition, the Council is responsible for oversight of the Hamilton Gault Memorial Fund (HGMF). The Board of Trustees of the HGMF is responsible to the Council for all governance and policy matters affecting the Fund".
2. Article 2.03 – Council of Presidents. Delete the paragraph numbering only for paragraph 1. (The detail remains unchanged.)
3. Article 7.02 – Relationship to the HGMF. Delete the Article heading and all detail: "The Officers listed in paragraph 7.01.1 above are Members of the Board of Trustees of the HGMF, and the Past President and the Chair of the Finance Committee are Advisors. See also paragraph 2.03.2 of these By-laws, concerning the relationship between the HGMF and the Council".

Dated: 15 March 2021



Paul Hale  
President  
PPCLI Association