

Q&A regarding MAAC AGM's and AZM's during Covid-19

Annual General Meeting by Electronic Means

Question: Can the Annual General Meeting (AGM) be held electronically?

Answer: Corporations Canada permits annual meetings of the members by electronic means. MAAC is free to hold its AGM via a totally electronic means with a minor change to the by-laws. In order for MAAC to hold its AGM by electronic means, **all participants must be able to communicate adequately with each other during the meeting**. Should MAAC decide to hold the AGM by electronic means, it would require the use of an electronic environment that would permit all participants/members to communicate adequately with each other, a way to manage the logistics of such an environment along with protocols for a moderator to manage questions and voting.

Response from Corporations Canada regarding a previous query on electronic meetings.

1. Electronic meeting: The Not-for-profit Act has two options for holding electronic meetings:

A. Partially electronic meeting: In this scenario some members attend in person and other members participate in the meeting by any electronic means that permits all participants to communicate adequately with each other during the meeting. To pick this option, the by-laws of your corporation must not restrict the participation of members in meetings by electronic means.

MAAC by-laws do not restrict the participation of members in meetings by electronic means under this scenario.

B. Totally electronic meeting: In this scenario, a meeting is entirely held by electronic means that permits all participants to communicate adequately with each other during the meeting. To pick this option, the by-laws of your corporation must explicitly allow the participation of members in meetings by electronic means.

MAAC by-laws do not explicitly allow the participation of members in meetings by electronic means, however the Policy Manual does, thus moving Policy 6.8 to the by-laws is required.

MAAC has provisions in place to hold board meetings electronically, through by-law 14.a which permits meetings of the board to take place through telephonic, electronic or other communication facility. Board members can communicate adequately with each other during the meeting through the Gotomeeting.com which is a practical solution for board meetings.

2. Delay of AGM until 2021

Question: Can the 2020 AGM be delayed because of the Covid-19 pandemic and associated travel restrictions and gatherings?

Answer: The concept of not holding an AGM in 2020 is possible if Corporations Canada approved a request to do so. MAAC applied for a delay of the AGM, a number of weeks ago, until November and has received authorization from Corporations Canada to delay the AGM. Whether or not Corporations Canada would approve a subsequent delay, of the AGM, until the following April is unknown, however active travel advisories would play into a decision. MAAC's head office is located in Burlington, Ontario but is not regulated under Ontario's Not-for-profit legislation. MAAC is incorporated and regulated under the Canada Not-for-profit Corporations Act Bill c.23.

3. Voting by Proxy

Question: Can members vote by proxy at an AGM or AZM?

Answer: MAAC currently makes available voting by open or closed proxy for annual zone meetings and annual general meetings. An open proxy allows another member to vote on behalf of the member providing the open proxy. A closed proxy permits a member to make their vote on each of the agenda items that forms part of the total vote count. That is the rationale for requiring resolutions and recommendations, nominations for elections and nominations for leader awards to be submitted to the zone director 40 days in advance of the meetings. This provides, the zone director, time to prepare the agenda and closed proxy forms for inclusion in the notice of meeting. This allows all zone members the opportunity to participate in the business of the zone whether in person or by proxy.

It is the same process for the AGM, notice is provided in Model Aviation Canada in advance of the meeting with the agenda, copies of open and closed proxies for use by members who cannot attend in person.

4. Delay or Elimination of 2020 AZM's and Deferral of Zone Director Elections

Question: If the AZM's are delayed, this year, or canceled would the Zone Director, if scheduled for election, stay on until either the delayed AZM took place or the next years AZM?

Zone directors serve a two-year term and elections for zone directors are staggered so that the entire board does not turn over at the same time. In order to delay AZM's, by-law 7.c would need to be amended to change the time period of the AZM and to defer zone director elections, by-law 13.d would need to be amended to permit a term of more than two years for zone directors. The board has the authority to amend the by-laws mid-term that would be effective on passing by majority vote of the board and remain in effect until if confirmed by the members at the next AGM.

5. Zone Representation

Question: Can a Zone Director assign proxy votes to another Zone Director if he is unable to attend the AGM, that would be all the votes of the Zone members who are not at the meeting?

Answer: Exercising voting rights on behalf of members, not present or voting by proxy, is part of a zone director's responsibility to represent their zone at an AGM, these votes are not proxy votes and cannot be assigned to another director.

By-law 9.e states *"Each director of a national organization zone shall represent all members within the zone by exercising voting powers on their behalf at the Annual General Meeting. The zone director shall have the number of votes represented by the total number of members within the zone except for zone members who represent themselves at the annual general meeting and where open or closed proxies have been so presented."*

6. 2020 AZM Schedule

Question: Should MAAC AZM's be held during the September/October time period in 2020 during the Covid-19 pandemic? Is it practical to try to deal with business that comes out of the 2020 AZM's at the AGM, a few weeks later, in November?

Answer: _____ Whether to hold an AZM in September/October 2020 should be based on advice from the Federal Government or relevant Provincial Government regarding travel and gatherings. The AGM scheduled for November 2020 will be contingent on that same advice.

The 2020 AGM normally held in April to deal with business from 2019 AZM's has been delayed until November. The delayed AGM is not intended to deal with 2020 AZM business which would normally be dealt with at the 2021 AGM the following year. It is an option, should the board wish, to deal with what is practical from the 2020 AZM's at the November AGM. The AZM's scheduled for September/October of this year do not need to be delayed or canceled because of the delayed 2020 AGM, other than on advice from government, not to travel or gather.

If advice from both levels of government prevents MAAC from holding the 2020 AGM in November of 2020, it is likely that the 2020 AGM could be merged with the 2021 AGM in the spring of 2021. The business from the 2019 and 2020 AZM's would be dealt with at the merged meeting.