

APPENDIX 2: SPECIAL RESOLUTION TO AMEND THE  
CONSTITUTION



## SPECIAL RESOLUTION: PROPOSED AMENDMENT TO THE CONSTITUTION

An amendment to the Bylaws is allowed under Part 11 of our Bylaws; however, there is no statement in our Bylaws which allows for an amendment to the Constitution. Under the *Societies Act* an amendment to the Constitution is allowed as a Special Resolution at the AGM and must be included in the notice to all members about the AGM, along with the agenda. The *Societies Act* does not specify the voting majority required to amend the Constitution. The Directors recommend that a 2/3 majority be achieved as required to amend the Bylaws.

### The current Constitution specifies that the Society is a member-funded Society as follows:

“This society is a member-funded society. It is funded primarily by its members to carry on activities for the benefit of its members. On its liquidation or dissolution, this society may distribute its money and other property to its members.”

## SPECIAL RESOLUTION:

*Motion: To remove the clause from the Constitution of the North Shore Pickleball Club that prescribes it to be a member-funded society and allow the Club to operate as an Ordinary Society.*

**Rationale:** There were a number of advantages of being a member-funded society (see Table 1 below); however, there are restrictions on funding. Under the *Societies Act*, a member-funded society cannot receive the greater of \$20,000 **and** 10% of the society’s gross income in a two year financial period from public donations (outside the club) or government grants. This severely restricts the Club’s ability to raise funds for projects such as support for high school pickleball, special events featuring pickleball, or some other future endeavour.

Table 1. Differences between Member-funded Society and Ordinary Society

	Member-funded societies	Ordinary societies
Distribution of assets on winding up	No restrictions – assets could go to members	Assets can only be distributed to certain entities (such as, non-member-funded societies, registered charities or community service cooperatives)
Number of directors	One director is sufficient – no residency requirements	At least three, one of whom is ordinarily resident in B.C.
Composition of board of directors	No restrictions on number of board members who are employed by or under contract with the society	Majority of board must not be employed by or be under contract with the society
Financial statements	No public right to copies	Public has right to obtain copies
Disclosure of remuneration	No disclosure of remuneration required	Financial statements must set out remuneration paid to directors and to highly paid employees/contractors
Conversion to company	Can convert	