

## **AMALGAMATION AGREEMENT**

This Amalgamation Agreement made as of the 1<sup>st</sup> day of April, 2017.

**B E T W E E N:**

**UNITED WAY/CENTRAIDE OTTAWA**  
(hereinafter referred to as "UWO")

**and**

**UNITED WAY OF LANARK COUNTY**  
(hereinafter referred to as "UWLC")

**and**

**CENTRAIDE/UNITED WAY PRESCOTT-RUSSELL**  
(hereinafter referred to as "UWPR")

**and**

**RENFREW COUNTY UNITED WAY**  
(hereinafter referred to as "RCUW")

**WHEREAS** UWO is a registered charity under the *Income Tax Act* (Canada) ("ITA") that is a non-share capital corporation incorporated under the *Ontario Corporations Act* ("OCA") pursuant to letters patent on April 29, 1954;

**AND WHEREAS** UWLC is a registered charity under the ITA that is a non-share capital corporation incorporated under the OCA pursuant to letters patent on October 10, 2008;

**AND WHEREAS** UWPR is a registered charity under the ITA that is a non-share capital corporation incorporated under the OCA pursuant to letters patent on May 6, 1999;

**AND WHEREAS** RCUW is a registered charity under the ITA that is a non-share capital corporation incorporated under the OCA pursuant to letters patent on January 21, 1971;

**AND WHEREAS** UWO, UWLC, UWPR and RCUW acting under the authority contained in the OCA, have agreed to amalgamate upon the terms and conditions hereinafter set out;

**AND WHEREAS** UWO, UWLC, UWPR and RCUW have each made full disclosure to the other of their respective assets and liabilities;

**AND WHEREAS** it is desirable that the said amalgamation should be effected;

**NOW THEREFORE IN CONSIDERATION** of the mutual covenants and agreements contained herein, the parties hereto agree as follows:

## **SECTION I** **DEFINITIONS**

### **1.01 Definitions**

In this Amalgamation Agreement and in any amendment to this Amalgamation Agreement, unless the context otherwise requires, the following definitions will apply, with the defined words and phrases being capitalized in this Amalgamation Agreement for ease of reference:

**“Advisory Council(s)”** means the standing advisory bodies to be created by the board of the Amalgamated Corporation intended to ensure that the organization effectively manages ongoing investment, resource development, community partner and donor relations in the regions served by UWLC, UWPR and RCUW.

**“Agreement”** means this Amalgamation Agreement between UWO, UWLC, UWPR and RCUW.

**“Amalgamated Corporation”** means the corporation continuing from the amalgamation of UWO, UWLC, UWPR and RCUW.

**“Amalgamating UWs”** means the amalgamating corporations UWO, UWLC, UWPR and RCUW.

## **SECTION II** **BACKGROUND INFORMATION**

**2.01** The following are the facts upon which this Agreement is based:

- (a) The Amalgamating UWs embarked upon a regional integration project in early 2014 to look at ways to integrate various regional United Ways throughout Eastern Ontario into a single organization. Two key principles that were agreed upon early and that form the cornerstone of how the Amalgamating UWs will work together under the Amalgamated Corporation are:
  - (i) funds that are raised within a specific region will remain for the benefit of that region – “what is raised locally stays local;” and

- (ii) decision-making authority as it relates to community investment remains at a regional level.
- (b) The Amalgamated Corporation's new mandate will be to build stronger, healthier and safer communities by investing in communities where the corporation has identified the need exists, where the potential impact will be the greatest, and where the most measurable and lasting changes will occur.
- (c) The Amalgamating UWs agreed to pursue a merger of their organizations and respective assets by way of amalgamation by separate resolutions during February 2017.
- (d) The Amalgamating UWs hereby agree to amalgamate under the provisions of section 113 of the OCA and to continue as one corporation under the terms and conditions hereinafter set out.
- (e) The Amalgamated Corporation shall be a corporation without share capital subject to the OCA.

### **SECTION III** **GOVERNANCE**

- 3.01** Until otherwise determined by special resolution, the registered office of the Amalgamated Corporation shall be 363 Coventry Road, Ottawa, Ontario, K1K 2C5.
- 3.02** The Amalgamated Corporation's new name shall be "United Way Prescott-Russell, Ottawa, Lanark and Renfrew Counties." The Amalgamated Corporation may also use as its corporate name, in the following form and language, "Centraide de Prescott-Russell, d'Ottawa et des comtés de Lanark et de Renfrew."
- 3.03** The Amalgamated Corporation will have a financial year-end of March 31 and will use the Business Number of UWO (BN# 108160250RR0001).
- 3.04** The Amalgamated Corporation's objects will be:
- (a) to receive and maintain a fund or funds and to apply all or part of the principal and income therefrom, from time to time, to charitable organizations, within Eastern Ontario, that are also registered charities under the *Income Tax Act* (Canada); and
  - (b) to increase the effectiveness of registered charities in Eastern Ontario and their work by conducting research and by providing advice and support services in such areas as volunteering, internal management and administrative services.
- 3.05** In French, the above objects will read as follows:
- Les objets de la corporation sont:

- (a) de recevoir et maintenir un fonds ou plusieurs fonds et affecter la totalité ou une partie du capital ou le revenu tiré de ce capital, de temps en temps, à des oeuvres de bienfaisance, dans l'est de l'Ontario, qui se qualifient également en tant qu'organismes de bienfaisance enregistrés conformément à la Loi de l'impôt sur le revenu (Canada); et
- (b) d'augmenter l'efficacité des organismes de bienfaisance dans l'est de l'Ontario et de leur oeuvre en conduisant de la recherche et en leur offrant des conseils et des services de soutien dans les domaines du bénévolat, de gestion interne et de programmes administratifs et fonctionnels.

**3.06** There shall be one class of members in the Amalgamated Corporation. The conditions of membership shall be that membership will be available only to individuals who support the purposes of the Amalgamated Corporation and who have applied for and been admitted into membership in accordance with the Amalgamated Corporation's Operating Policies. Members in good standing of the Amalgamating UWs as at March 31, 2017 shall automatically become members of the Amalgamated Corporation.

**3.07** The Board shall be composed, as much as possible, of the following Directors:

- (a) the three (3) Chairs of the Advisory Councils (Renfrew County, Prescott-Russell and Lanark County);
- (b) the Chair of the board of the Corporation, the immediate past Chair of the corporation, the current Campaign Chair(s), the Chair of the Corporate Services Committee, the Chair of the Governance Committee, the Chair of the Marketing and Communications Committee, the Chair of the Revenue Management Committee, the Chair of the Community Impact Cabinet, and the Chair of the Amalgamation Committee; and
- (c) the balance of directors shall include:
  - (i) at least one (1) director who lives or works and gives in Renfrew County;
  - (ii) at least one (1) director who lives or works and gives in Prescott-Russell;
  - (iii) at least one (1) director who lives or works and gives in Lanark County; and
  - (iv) the balance of directors shall live or work and give in Ottawa.

**3.08** The first directors of the Amalgamated Corporation, with their names and addresses, are listed in the Letters Patent of Amalgamation.

**3.09** The first directors shall hold office until the first annual meeting of the Amalgamated Corporation or until their successors are elected or appointed.

**3.10** The Amalgamated Corporation shall be under the supervision of the board of directors from time to time, subject to the provisions of the OCA.

- 3.11** The Amalgamating UWs hereby agree that the general by-law of the Amalgamated Corporation shall be a form of general by-law made pursuant to the OCA that has been approved by the members of the Amalgamating UWs.
- 3.12** All parties will continue to co-operate with respect to all matters related to the amalgamation, including the transitioning of members and volunteers and the continuance of programs and services.

#### **SECTION IV** **SPECIAL PROVISIONS**

- 4.01** The Amalgamated Corporation shall be carried on without purpose of gain for its directors and members and any profits or other accretions of the Amalgamated Corporation shall be used in promoting its objects.
- 4.02** The Amalgamated Corporation shall be subject to the *Charities Accounting Act* (Ontario).
- 4.03** The directors shall serve as such without remuneration and shall not directly or indirectly receive any profit from their position, provided that the directors may be paid reasonable expenses incurred by them in the performance of their duties.
- 4.04** The Amalgamated Corporation shall have the power to borrow in accordance with any by-law passed and confirmed in accordance with section 59 of the OCA or its successor legislation, the Ontario *Not-for-Profit Corporations Act*.
- 4.05** Upon the dissolution of the Amalgamated Corporation and after payment of all debts and liabilities, its remaining property shall be distributed or disposed of to charities registered under the ITA in Canada.
- 4.06** If it is made to appear to the satisfaction of the Minister, upon report of the Office of the Public Guardian and Trustee, that the Amalgamated Corporation has failed to comply with the provisions of the *Charities Accounting Act* (Ontario), the Minister may authorize an inquiry for the purpose of determining whether or not there is sufficient cause for the Lieutenant Governor to make an order under section 317(1) of the OCA to cancel the Letters Patent of the Amalgamated Corporation and declare it to be dissolved.
- 4.07** The Amalgamated Corporation is authorized to invest the funds of the Amalgamated Corporation in such manner as determined by the directors, and in making such investments the directors shall not be subject to the *Trustee Act* (Ontario), but provided that such investments are reasonable, prudent and sagacious under the circumstances and do not constitute, either directly or indirectly a conflict of interest.
- 4.08** For the above objects, and as incidental and ancillary thereto, to exercise any of the powers as prescribed by the OCA, or by any other statutes or laws from time to time applicable, except where such power is limited by these letters patent or the statute or common law relating to charities.

**SECTION V**  
**ASSUMPTION OF ASSETS AND LIABILITIES**

- 5.01** The Amalgamating UWs shall contribute to the Amalgamated Corporation all their respective assets subject to all their respective liabilities.
- 5.02** The Amalgamated Corporation shall possess all the property rights and privileges and shall be subject to all of the liabilities, contracts, disabilities and debts of the Amalgamating UWs.
- 5.03** All rights of creditors against the property, rights and assets of the Amalgamating UWs and all liens upon their property, rights and assets, orders, judgements, rulings or convictions upon their property, rights and assets shall be unimpaired by such amalgamation and all debts, contracts, liabilities and duties of the Amalgamating UWs shall thence forth attach to the Amalgamated Corporation and may be enforced against it.
- 5.04** No action or proceeding by or against the Amalgamating UWs shall abate or be affected by the amalgamation and the Amalgamated Corporation shall be deemed to be the party plaintiff or the party defendant, as the case may be, in any civil action commenced by or against the Amalgamating UWs before the amalgamation becomes effective.
- 5.05** A conviction against or ruling, order or judgment in favour of or against any one of the Amalgamating UWs may be enforced by or against the Amalgamated Corporation.
- 5.06** Funds which have been raised by charitable means or received as a charitable donation, and which are currently designated as special purpose funds of the Amalgamating UWs, shall remain segregated. These funds shall be used exclusively for the benefit of the regions to which such funds were designated.
- 5.07** All gifts, trusts, bequests, pledges, devises and grants of real or personal property or of the income or proceeds thereof, heretofore expressed by a person in a deed, will bequest or other document, to be made, given or conveyed to the Amalgamating UWs or any of their units, or to any person in trust for or for the benefit of the foregoing, shall, insofar as the same shall not have vested in possession or been carried into effect on the date this amalgamation comes into force, shall, subject to any applicable law and if practicable, be applied by the Amalgamated Corporation for the exclusive use and benefit of the region to which such funds were designated. Any funds not so designated shall be allocated by the Amalgamated Corporation in accordance with the directions of its board of directors.
- 5.08** Regarding gifts, trusts, bequests, pledges, devises and grants of real or personal property or of the income or proceeds thereof, subsequent to the amalgamation and in accordance with the Operating Policies of the Amalgamated Corporation, including Terms of Reference to be approved by the board of the Amalgamated Corporation, the Amalgamated Corporation board will delegate to the Advisory Councils and, in respect of Ottawa, to the Community Impact Cabinet the authority to make granting decisions with respect to revenue received from each region (as those regions are defined by United Way Centraide Canada guidelines on the date of amalgamation) in respect of the following areas of responsibility: Community Fund Investment, Strategic Investment, Targeted Community Investment, and testamentary

funds. The Amalgamated Corporation board will delegate to the Advisory Councils and, in respect of Ottawa, to the Corporate Services Committee the authority to make spending decisions with respect to revenue received from each region in respect of the following areas of responsibility: human resources, local office rental and associated costs, communications and marketing costs, and investments in technology. Spending decisions by the Advisory Councils will be brought to the Corporate Services Committee to be integrated into the overall budget of the Amalgamated Corporation, which will thereafter be submitted to the Amalgamated Corporation's board for approval. All granting and spending decisions will remain subject to the supervision of the board of directors of the Amalgamated Corporation.

## **SECTION VI**

### **COMPLETION AND TRANSFER**

- 6.01** The transfer of assets and assumption of liabilities shall be deemed to have been completed as of April 1, 2017.
- 6.02** Upon the members of the Amalgamating UWs respectively adopting this Amalgamation Agreement, at meetings thereof called for the purposes of considering this Agreement and, such fact shall be certified upon the Agreement by the Secretary of each of the parties hereto under their respective corporate seals and the parties hereto by their joint application shall, on or about April 1, 2017 or on such other day as may be agreed by the Boards of the Amalgamating UWs, apply to the appropriate authorities in the Province of Ontario for Letters Patent of Amalgamation confirming this Agreement.

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**IN WITNESS WHEREOF**, the **UNITED WAY/CENTRAIDE OTTAWA** has executed this Agreement on the \_\_\_\_ day of \_\_\_\_\_, 2017 effective as of April 1, 2017, as attested to by its duly authorized signing officers.

\_\_\_\_\_  
[Name][Title]

\_\_\_\_\_  
[Name][Title]

**IN WITNESS WHEREOF**, the **UNITED WAY OF LANARK COUNTY** has executed this Agreement on the \_\_\_\_ day of \_\_\_\_\_, 2017 effective as of April 1, 2017, as attested to by its duly authorized signing officers.

\_\_\_\_\_  
[Name] [Title]

\_\_\_\_\_  
[Name] [Title]

**IN WITNESS WHEREOF**, **CENTRAIDE/UNITED WAY PRESCOTT-RUSSELL** has executed this Agreement on the \_\_\_\_ day of \_\_\_\_\_, 2017 effective as of April 1, 2017, as attested to by its duly authorized signing officers.

\_\_\_\_\_  
[Name] [Title]

\_\_\_\_\_  
[Name] [Title]

**IN WITNESS WHEREOF**, **RENFREW COUNTY UNITED WAY** has executed this Agreement on the \_\_\_\_ day of \_\_\_\_\_, 2017 effective as of April 1, 2017, as attested to by its duly authorized signing officers.

\_\_\_\_\_  
[Name] [Title]

\_\_\_\_\_  
[Name] [Title]