

**BYLAW NUMBER ONE**  
**RELATING GENERALLY TO THE ORGANIZATION AND THE TRANSACTION OF**  
**THE ACTIVITIES AND AFFAIRS OF**  
**FOOTHILLS COWBOYS ASSOCIATION**

**APPROVED BY THE BOARD ON \_\_\_\_\_**

**PRESENTED FOR CONFIRMATION TO THE MEMBERSHIP ON \_\_\_\_\_**

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## DEFINITIONS AND INTERPRETATION

1. In these Articles, any capitalized term used, but not otherwise defined, has the meaning given to that term in the Act. In addition, the following terms have the following meanings:
  - (a) "**Act**" means the *Societies Act* (Alberta) and all regulations made under that Act, as it may be amended or replaced, and any reference to a particular provision of that Act will be deemed also to be a reference to any similar provision resulting from its amendment or replacement;
  - (b) "**Annual General Meeting**" means the annual meeting of Members required by the Act to be held as described in Article 19;
  - (c) "**Association**" means the Foothills Cowboy Association;
  - (d) "**Board**" means the board of directors of the Association;
  - (e) "**Board Officers**" means the Chair, the Vice-Chair and the Past-Chair of the Association;
  - (f) "**Director**" means any individual occupying the position of director of the Association;
  - (g) "**Electronic Document**" means a document, information or a record that is "electronic" within the meaning supplied by the *Electronic Transactions Act* (Alberta);
  - (h) "**Extraordinary General Meeting**" means every meeting of Members other than an Annual General Meeting;
  - (i) "**General Meeting**" means either an Annual General Meeting or an Extraordinary General Meeting, as the context requires;
  - (j) "**Member**" means a Person that has been approved for membership in the Association pursuant to Article 6;
  - (k) "**Officer**" includes any Board Officer and the President, Vice-President, Secretary and Treasurer as appointed in accordance with these Articles;
  - (l) "**Ordinary Resolution**" means:
    - (i) a resolution passed:

- (A) at a General Meeting of which not less than twenty-one (21) days' notice specifying the intention to propose the resolution has been duly given, and
  - (B) by a simple majority (50% plus one vote) of the votes of those Members who, if entitled to do so, vote in person or by proxy;
- (ii) a resolution proposed and passed as an Ordinary Resolution at a General Meeting of which less than seven days' notice has been given, if all the Members entitled to attend and vote at the General Meeting so agree; or
  - (iii) a resolution consented to in writing by all the Members who would have been entitled at a General Meeting to vote on the resolution in person or by proxy; or
  - (iv) a resolution of the Board proposed and passed by a simple majority of Directors entitled to vote on the resolution at a meeting of the Board; or
  - (v) a resolution consented to in writing by all the Directors who would have been entitled at a meeting of the Board to vote on the resolution;
- (m) **"Person"** will be broadly interpreted and includes:
- (i) a natural person, whether acting in his or her own capacity, or in his or her capacity as executor, administrator, estate trustee, trustee or personal or legal representative, and the heirs, executors, administrators, estate trustees, trustees or other personal or legal representatives of a natural person; and
  - (ii) a corporation of any kind, a partnership of any kind, a sole proprietorship, a trust, a joint venture, an association, an unincorporated association, an unincorporated syndicate, an unincorporated organization or any other association, organization or entity of any kind;
- (n) **"Recorded Address"** means:
- (i) in the case of a Member, the street or post office box address or electronic mail address of such Member's Voting Representative as shown in the Association's records; and
  - (ii) in the case of a Director, the Director's street or post office box address or electronic mail address as shown in the Association's records or in the most recent notice of directors or notice of change of directors filed under the Act, whichever is more current;
- (o) **"Rules and Regulations of the Foothills Cowboys Association"** means the Rules and Regulations of the Foothills Cowboy Association as established, published and amended by the Association from time to time;

- (p) **"Special Resolution"** means:
- (i) a resolution passed:
    - (A) at a General Meeting of which not less than 21 days' notice specifying the intention to propose the resolution has been duly given, and
    - (B) by a majority of not less than 75% of the votes of those Members who, if entitled to do so, vote in person or by proxy;
  - (ii) a resolution proposed and passed as a Special Resolution at a General Meeting of which less than 21 days' notice has been given, if all the Members entitled to attend and vote at the General Meeting so agree; or
  - (iii) a resolution consented to in writing by all the Members who would have been entitled at a General Meeting to vote on the resolution in person or by proxy; or
  - (iv) a resolution of the Board proposed and passed by a majority of not less than seventy-five (75%) of the votes cast by Directors entitled to vote on the resolution at a meeting of the Board; or
  - (v) a resolution consented to in writing by all the Directors who would have been entitled at a meeting of the Board to vote on the resolution;
- (q) **"Voting Representative"** means an individual appointed by a Member as such in accordance with Article 10 or the Member himself if the Member is a natural person;

2. In these Articles, words signifying the singular number include the plural and vice versa, and words signifying gender include all genders.
3. The insertion of headings and the inclusion of a table of contents in these Articles are for convenience of reference only and do not affect the construction or interpretation of these Articles.
4. This Bylaw shall be effective immediately following confirmation by the Members.

#### **REGISTERED OFFICE**

5. The registered office of the Association shall be at such place as determined from time to time by resolution of the Directors.

#### **MEMBERS OF THE ASSOCIATION**

##### **Admission to Membership.**

6. Membership in the Association shall be limited to those Persons:
  - (a) participating in the organization, supervision, management and promotion of rodeo events in Canada;
  - (b) whose application for admission as a Member has been approved by Ordinary Resolution of the Board; and
  - (c) whose fee for membership in the Association has been actually received by the Association.

### **Rights, Privileges, Restrictions and Conditions of Membership**

7. **Classes of Membership.** The Board may create classes of membership in the Association and prescribe such rights, privileges, restrictions and conditions attached to each such class of membership by Special Resolution.
8. **Right to Vote.** Except for those Member whose classes of membership do not have voting rights, each Member that is not then suspended shall be entitled to one vote at all properly constituted General Meetings.
9. **Amendments to Rights, Privileges, Restrictions and Conditions of Membership.** Rights, privileges restrictions and conditions attached to a class of membership may be added to, changed or removed but only with the approval of the Members of such class. The approval of the Members of a class of membership to add to, change or remove any right, privilege, restriction or condition attaching to their class of membership must be approved by Special Resolution at a meeting held not less than 21 days and not later than 50 days after notice of such meeting is sent by the Association to the Recorded Address of each Member of such class.
10. **Voting Representative.** Each Member whose class of membership entitles it to vote shall, by notice to the Association, designate its Voting Representative, who shall be the sole individual entitled to receive notices of and vote at all General Meetings on behalf of that Member. A Member may revoke the appointment of its Voting Representative by notice to that effect to the Association, provided that such notice shall also designate a new Voting Representative of that Member.

### **Membership Fees.**

11. **Membership Fee Structure.** The Board may establish and amend from time to time a membership fee structure, with different categories of membership fees and which may or may not be based upon the various classes of membership established by the Board, providing for the payment by Members of fees in such installments and upon such dates as the Board determines by Ordinary Resolution. The categories of membership fees may include, without limitation, honorary, corporate, organization, regular, affiliate, youth, and student.

12. **Refund of Membership Fees.** In no event shall the Association be liable to refund or return any membership fees paid to the Association for any reason whatsoever.

### **Suspension and Termination of Membership**

13. **Grounds for Suspension.** A membership in the Association is suspended when:
- (a) A Member fails to pay such Member's membership fees when due; or
  - (b) The Member's membership is suspended in accordance with the Rules and Regulations of the Foothills Cowboy Association.
14. **Grounds for Termination.** A membership in the Association is terminated when:
- (a) The Member fails to pay such Member's membership fees for a period of ninety (90) days from the date the membership fees are due;
  - (b) The Member resigns by delivering written resignation to the Board in which case the resignation shall be effective upon receipt or the date of resignation specified in the resignation, whichever is later; or
  - (c) The Member is expelled or the membership is otherwise terminated in accordance with the Rules and Regulations of the Foothills Cowboy Association.
15. **Notice of Suspension or Termination.** The Association shall send notice of suspension or termination of membership to the Recorded Address of the Member.
16. **Reinstatement of Membership.** Reinstatement of membership may occur as follows:
- (a) if a Member voluntarily retired their membership, by Ordinary Resolution of the Board;
  - (b) if membership is terminated for non-payment of fees, full payment of all outstanding membership fees, plus penalties and interest thereon, shall automatically reinstate the membership of a Member; and
  - (c) if membership is terminated for any other reason, such Person's membership shall only be reinstated by Special Resolution of the Board.
17. **Appeal From Suspension or Termination.** A Member may appeal a suspension or termination to the Board provided that notice of such appeal is delivered to the Board within 30 days of the date upon which notification of suspension or termination, as applicable, is sent to the Recorded Address of the Member and complying with appeal provisions of the Rules and Regulations of the Foothills Cowboys Association. The Board shall include the appeal on its agenda for a Board meeting taking place within 6 weeks from the date of suspension or termination, as applicable, and provide the Member, or it's Voting Representative, not less than two (2) weeks' notice of the Board meeting. The suspended or terminated Member shall have the opportunity to appear at

such Board meeting to make a statement to the Board, provided that the Board may exclude the Member from its discussion and vote on the appeal following the Member's statement. The decision of the Board in respect of an appeal shall be final and binding on the Association and the Member and neither shall contest or otherwise commence any claim, litigation or action in respect of the suspension or termination.

18. **Register of Members.** All Members, including their respective class of membership and Recorded Address, shall be entered into the Association's Register of Members.

### MEETINGS OF MEMBERS

19. **Annual General Meeting.** The Annual General Meeting shall be held at such time, on such date and at such place as the Board may from time to time determine, but in any event shall be held once each calendar year and not later than sixteen months from the date of the previous Annual General Meeting, for the purpose of receiving the reports and statements required by the Act to be placed before the Annual General Meeting, electing Directors, and for the transaction of such other matters as may properly be brought before the meeting.
20. **Extraordinary General Meeting.** The Secretary, upon instructions from the President or the Board, may at any time call an Extraordinary General Meeting for the transaction of any business, the general nature of which is specified in the notice calling the meeting. Such meetings shall be held at such place as the Board may from time to time determine.
21. **Requisition of Extraordinary General Meeting by Members.** Thirty-three (33%) percent or more of the total number of Members in good standing registered as Members who are entitled to vote may request an Extraordinary General Meeting. The Association must thereafter serve on all of the Voting Representatives a notice of a meeting to be held within a period of twenty-one (21) days next following the receipt of the requisition, stipulating a date, time and place of the meeting.
22. **Notice of General Meeting.** Notice of the date, time and place of any General Meeting, the right to vote by proxy and the general nature of the business to be transacted shall be given at least twenty-one (21) days before the date of the meeting, by prepaid mail or by electronic mail sent to the Recorded Address of each Voting Representative. Notice of any General Meeting so given to any Member's Voting Representative shall constitute good and sufficient notice to such Member for all purposes. Notice of any General Meeting or special business to be transacted shall contain sufficient information to permit the Voting Representatives to form a reasoned judgment on the decision to be taken.
23. **Waiver of Notice.** A Voting Representative entitled to attend a General Meeting may, in any manner and at any time, waive notice of the meeting. Attendance of any person at a General Meeting is a waiver of notice of the meeting, except where that person attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.



24. **Quorum.** The quorum for a General Meeting shall be eleven (11) Voting Representatives personally present and entitled to vote. No business shall be transacted at a General Meeting unless a quorum is present at the opening of business. If a quorum is present at the opening of a General Meeting, the Voting Representatives present may proceed with the business of the meeting, even if a quorum is not present throughout the meeting. If fifteen minutes after the time appointed for the holding of a General Meeting a quorum is not present, the meeting, if convened upon a requisition of Members, shall be dissolved; and if the meeting was not convened upon a requisition of Members, it shall stand adjourned to the same day in the next week at the same time and place. If at such adjourned meeting a quorum is not present, those Voting Representatives who are present and entitled to vote shall be deemed to be a quorum and may transact all business which a full quorum might have done.
25. **Persons Entitled to be Present.** The only persons entitled to be present at a General Meeting will be the Voting Representatives and the Directors and others who, although not entitled to vote, are entitled or required under any provision of the Act to be present at the meeting. Any other person may be admitted only on the invitation of the Chair of the meeting.
26. **Chair of General Meeting.** The Chair of the Association shall preside as Chair at every General Meeting and in his absence the Vice-Chair, and if neither is present, or if at any meeting they are not present within fifteen minutes after the time appointed for holding the meeting, the Voting Representatives present shall choose one of the Board present and willing to take the chair, to be Chair. The Chair shall appoint an individual to prepare minutes of meetings of Members.
27. **Polls.** Any business, other than that in respect of which a poll has been demanded, may be proceeded with immediately and the taking of the poll may proceed after such business has been completed. However, if a poll is demanded regarding (i) the election of a Chair or (ii) a question of adjournment, that poll shall be taken immediately before any other business and without adjournment.
28. **Adjournment of General Meeting.** Following a resolution of adjournment passed by an Ordinary Resolution of those Voting Representatives present, the Chair may adjourn the General Meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
29. **Proxies.** A Voting Representative may appoint a proxy to represent the Member at a General Meeting. The form of proxy shall be determined by the Board from time to time. A proxy is valid only at the meeting in respect of which it is given or any adjournment of that meeting. Subject to the requirements under the Act, the decision of the Chair of any General Meeting as to the validity of any proxy shall be final and conclusive. A Voting Representative may revoke a proxy by depositing a document signed in writing by the Voting Representative at the registered office of the Association at any time up to and including the last business day preceding the day of the General Meeting or any

adjournment of it at which the proxy is to be used, or with the Chair of the General Meeting on the day of the meeting or any adjournment of it.

30. **Votes to Govern.** At every General Meeting, every question shall be determined by Ordinary Resolution other than those matters for which the Act or these Bylaws requires a Special Resolution.
31. **Right to Vote.** At every General Meeting, whether upon a show of hands or upon a poll, every Voting Representative present in person, or by proxy, and entitled to vote shall, save as to the casting vote of the Chair, have one vote only.
32. **Manner of Voting.**
  - (a) Voting at General Meetings may be done in person or by proxy.
  - (b) A vote may be taken by mail, telephone or electronic communication in the event of urgent matters which cannot reasonably await the next General Meeting. The procedure for taking such vote shall be as decided by the Board, or if they have not done so, then by the Chair. Such procedure shall include adequate notice to each Voting Representative.
  - (c) At every General Meeting, every question shall be decided in the first instance by a show of hands, or by proxy by those entitled to vote, unless before or upon declaration of the result of the show of hands a poll is demanded by at least two Voting Representatives present personally or by proxy and entitled to vote. Unless a poll is demanded, a declaration by the Chair that a resolution has been carried or carried by a particular majority, or lost, shall be conclusive and an entry to that effect in the minutes of the General Meeting shall be conclusive evidence thereof without proof of the number or proportion of the votes recorded in favour of or against such resolution.
  - (d) If a poll is demanded in the manner described above, it shall be taken in such manner as the Chair may direct, and the result of such poll shall be deemed to be the outcome of the resolution at the General Meeting at which the poll was demanded. A demand for a poll may be withdrawn.
  - (e) In the case of an equality of votes at any General Meeting, whether upon a show of hands or upon a poll or a vote by mail or electronic communication, the Chair shall be entitled to a second or casting vote.
  - (f) In case of any dispute as to the admission or rejection of any vote, the Chair shall determine the same, and such determination made in good faith shall be final and conclusive.
33. **Resolution in lieu of General Meeting.** Notwithstanding anything to the contrary in these Articles, a resolution in writing signed by or on behalf of all of the Voting Representatives, though not passed at a General Meeting, shall be of the same force and effect as if it had been duly passed at a General Meeting duly convened, and no previous

notice or convening of any General Meeting for the purpose of passing such resolution shall in such case be deemed to have been necessary whether the business transacted is special or not, and a Voting Representative may signify assent to such resolution in writing or by authorized electronic communication.

### **BOARD OF DIRECTORS**

34. (a) **Number of Directors.** The Board shall be comprised of not less than seven (7) Directors and not more than fourteen (14) Directors, and if the number of Directors is less than the minimum of seven (7), the Directors shall forthwith call a General Meeting to fill the vacancy on the Board.
- (b) **Initial Board of Directors.** The number and names of the first directors shall be determined in writing by a majority of the subscribers of the application for incorporation under the Act and their term of office shall continue until their successors are elected at the first Annual General Meeting.
- (c) **Election and Term of Directorship.** Subject to earlier termination as provided herein, a Board member shall hold his position for a period of two (2) years. The Board of Directors shall be elected at the Annual General Meeting. One half of the maximum number of Directors shall be up for election in the even numbered years, and one half of the maximum number of Directors shall be up for election in the odd numbered years. If the Board members elected are insufficient to constitute a quorum then the Board members then elected shall appoint a sufficient number of Directors to achieve the minimum number of Directors.
- (d) **Vacation of Office.** The office of director shall be automatically vacated:
- (i) If a Director resigns by delivering written resignation to the Association;
  - (ii) if he is declared to be incapable of making sound decisions by two medical professionals;
  - (iii) if he becomes bankrupt; and
  - (iv) on death.
- (e) **Vacancy.** A vacancy in the Board caused by the departure of a Director during his term may be filled for the balance of that term by a majority vote of the rest of the Board.
- (f) **Expenses and Remuneration.** Directors shall be paid their approved expenses for attending all meetings of the Board or any committee thereof or otherwise in connection with the business of the Association.
- (g) **Fiduciary Duties of Directors.** Every Director in exercising the Director's powers and discharging the Director's duties to the Association shall:

- (i) act honestly and in good faith with a view to the best interests of the Association and, in the case of Directors who are also Voting Representatives, without regard to the specific interest of the Member of which the Director is a Voting Representative;
- (ii) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances;
- (iii) not communicate confidential information of the Association to anyone not entitled to receive it;
- (iv) not use information, confidential or otherwise, that is gained in the execution of the Director's office and is not available to the Members generally, to further or seek to further the Director's private pecuniary or other interests;
- (v) not use the position of Director to secure special privileges, favours or exceptions for himself personally or any Member or other Person; and
- (vi) not use the position of Director to influence a decision to be made by another person to further the Director's private pecuniary or other interest.

#### **POWERS OF THE BOARD**

35. **Powers.** The Board shall supervise the management of the business and affairs of the Association and in discharging that responsibility shall undertake the following activities:
- (a) approve, adopt and monitor an appropriate system of corporate governance, including such policies and practices as the Board determines from time to time;
  - (b) ensure that the Board functions independently of management of the Association;
  - (c) hire and supervise (and, as necessary, terminate and replace) the officers of the Association; and
  - (d) determine whether to expand the scope of the Corporation to other countries, regions or industries, as may be deemed appropriate.
36. **No Invalidation by Members.** No resolution passed by the Members shall invalidate prior acts of the Board that would have been valid if that resolution of the Members had not been passed.

#### **MEETINGS OF DIRECTORS**

37. (a) Subject to Article 37(b), the Board shall meet to conduct business, and may regulate its meetings, as it sees fit, provided that the Secretary shall be entitled to call a meeting of the Board pursuant to instructions from the President with twenty-four (24) hour notice to the Board. A majority of the Board shall

constitute a quorum for the transaction of business. Questions arising at any meeting shall be decided by a majority of votes, and in the case of an equality of votes the Chair of the meeting shall have a second or casting vote in addition to his first vote.

- (b) The meetings of the Board may be held at any place determined by the Chair, but in any year a majority of the meetings of the Board shall be held at a place within Canada.
- (c) Meetings of the Board may be called by the Chair and failing him, the Vice-Chair or any two Directors. Notice of the time and place of a meeting of the Board will be given, in the manner provided in Article 48(a), to each Director not less than 48 hours before the time when the meeting is to be held but if the Chair considers it a matter of urgency that a meeting of the Board be convened, he may give notice of a meeting by electronic means, telephone or other communication facility no less than one hour before the meeting. No notice of a meeting will be necessary if all the Directors in office are present or if those absent waive notice of that meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called. A notice of a meeting of the Board need not specify the purpose of or the business to be transacted at the meeting.
- (d) Notwithstanding Article 37(c), for the first meeting of the Board held immediately after the Annual General Meeting, no formal notice of such meeting of the Board shall be necessary provided that a quorum of Directors is present at that meeting.
- (e) A properly constituted meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers or discretions by or under these Bylaws or the Act for the time being vested in or exercisable by the Board.
- (f) A Director may participate in a meeting of the Board or of a committee of the Board by means of telephone conference or other communications facilities that permit all persons participating in the meeting to hear each other and a Director participating in such a meeting by such means is deemed to be present at the meeting.
- (g) All acts done by any meeting of the Board or of a committee of the Board or by any individuals acting as Directors shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Directors or individuals acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such individual had been fully appointed and was qualified to be a Director.
- (h) A resolution in writing signed by original or electronically transmitted signature by all the Directors entitled to vote on the such resolution is as valid as if it had been passed at a meeting of the Board or committee of the Board. That resolution

in writing may be signed in counterparts, each of which will be deemed an original and all of which together will constitute one and the same resolution.

### COMMITTEES

38. The Board may, from time to time, appoint committees and delegate to them any of the powers of the Directors as the Board thinks fit. The membership and terms of reference, mandate, duties and remuneration of all committees shall be determined by the Board from time to time.

### THE CHAIR

39. (a) The Chair of the Association shall be such Person from time to time appointed as President in accordance with Article 41.
- (b) The Chair shall preside at all General Meetings and at all meetings of the Board. He shall have the principal responsibility for overseeing the operations and affairs of the Board and the corporate governance of the business and affairs of the Association, and without limitation to the foregoing:
- (i) shall be an ex-officio member of all standing committees, and when acting as an ex-officio member will not be included in the quorum or have a vote;
  - (ii) shall set the agenda for all meetings of the Board; and
- provide additional services from time to time as requested by the Board.

### THE VICE-CHAIR

40. The Vice-Chair shall be such Person from time to time appointed as Vice-President in accordance with Article 41. The Vice-Chair shall have all the powers and shall perform all the duties of the Chair in the absence of the Chair from his office and may also preside at meetings of the Board in the absence of the Chair.

### OFFICERS

41. **Appointment of Officers.** From time to time the Board shall appoint a President, Vice-President, Treasurer and Secretary and such other Officers as the Board deems necessary, all to serve at the pleasure of the Board for the term specified in Article 46. Nothing herein shall be deemed to prevent a Director from being elected as an Officer. A single Person may be appointed Secretary and Treasurer and in such event such Person shall perform all of the obligations of Secretary and Treasurer. All Officers are hereby vested with the authority to sign instruments, contracts, agreements and other documents on behalf of the Association.
42. **President.** The Board shall appoint a President who shall be charged with the overall management of the business and affairs of the Association, including but not limited to, ensuring implementation of all policies developed by the Board.

43. **Vice-President.** During the absence or disability of the President, his duties shall be performed and his powers exercised by the Vice-President.
44. **Secretary.** The Secretary shall attend and be the secretary of all meetings of the Board, shareholders and committees of the Board and shall enter or cause to be entered in records kept for that purpose minutes of all proceedings thereat; he shall give or cause to be given, as and when instructed, all notices to committees, Members and Voting Representatives and such other notices as may be instructed by the Board.
45. **Treasurer.** The Treasurer shall keep proper accounting records in compliance with the Act and shall be responsible for the deposit of all monies received by the Association, the safekeeping of securities and the disbursements of the funds of the Association. He shall render to the Board whenever required an account of all his transactions and he shall have such other powers and duties as the Board.
46. **Terms of Employment and Remuneration.** The Board may remove by Special Resolution any Officer of the Association. Otherwise, each Officer appointed by the Board shall hold office for two (2) years from the date of election or until his successor is appointed.

#### **ASSOCIATION SEAL**

47. **Seal.** The Association shall have a seal of such design as may be approved by the Board. The seal shall be affixed to all documents requiring execution under the corporate seal of the Association by such individuals as may be authorized, from time to time, by the Board.

#### **NOTICE**

48. (a) **Method of Giving Notice and Electronic Documents.** A notice or document required by the Act or these Articles to be sent to a Voting Representative or Director may be sent or delivered to the Recorded Address of the Voting Representative or Director, and may be sent as an Electronic Document. A notice or document sent or delivered in accordance with this Article 48(a) to a Voting Representative or Director is deemed to be received by the addressee three business days after it is deposited in a post office or public mail box. A notice or document sent as an Electronic Document is deemed to be received by the addressee on the day of transmission thereof.
- (b) **Undelivered Notices.** Where the Association sends a notice or document to a Voting Representative or Director in accordance with Article 48(a) and the notice or document is returned on two consecutive occasions because the Voting Representative or Director cannot be found, the Association is not required to send any further notices or documents to the Voting Representative or Director until he informs the Association in writing of his new Recorded Address.
- (c) **Non-Receipt and Omission of Notice.** The accidental omission to give any notice to any Voting Representative or Director, or the non-receipt of any notice

by any Voting Representative or Director, or any error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon. Any Voting Representative or Director may at any time waive notice of any meeting and may ratify and approve any and all proceedings taken thereat.

### **INDEMNITY OF DIRECTORS AND OFFICERS**

49. **Limitation of Liability.** Except as otherwise provided in the Act, no Director or Officer will be liable for any loss, cost, damage, expense or other misfortune incurred or suffered by the Association, unless it results through his or her failure, when exercising the powers and discharging the duties of his or her office, to act honestly and in good faith with a view to the best interests of the Association, or to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.
50. **Indemnity.**
- (a) The Association will indemnify a Director or Officer, a former Director or Officer, or any person who acts or acted at the Association's request as a director or officer of a body corporate of which the Association is or was a shareholder or creditor, and his or her heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him or her in respect of any civil, criminal or administrative action or proceeding to which he or she is made a party by reason of being or having been a Director or Officer or a director or officer of such body corporate, if:
    - (i) he or she acted honestly and in good faith with a view to the best interests of the Association; and
    - (ii) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he or she had reasonable grounds for believing that his or her conduct was lawful.
  - (b) The right to indemnity provided in this Article 50 will include the right to the advance of moneys from the Association for the costs, charges and expenses of a proceeding referred to in this Article 50, which moneys must be repaid by the person to whom they were advanced unless he or she:
    - (i) was substantially successful on the merits in the person's defence of the action or proceeding;
    - (ii) fulfils the conditions set out in this Article 50; and
    - (iii) is fairly and reasonably entitled to indemnity.
  - (c) The Association will also indemnify the persons listed in Article 39(a) in any other circumstances that the Act permits or requires. Nothing in these Articles



will limit the right of any person entitled to indemnity to claim indemnity apart from the provisions of these Articles.

- (d) The Association from time to time shall enter into an indemnity contract with each of its Directors and Officers, which contract shall be approved by the Board.

51. **Insurance.** Subject to the Act, the Association may purchase and maintain insurance for the benefit of any person referred to in Article 50 against any liabilities and in any amounts as the Board may determine.

### **BORROWING POWER**

52. **Borrowing Power.** For the purpose of carrying out its objects, the Association may borrow or raise or secure the payment of money in such manner as it thinks fit, and in particular by the issue of debentures but this power shall be exercised only under the authority of the Association, and in no case shall debentures be issued without approval by Special Resolution of the Members.

### **SIGNING AUTHORITY**

53. **Signing Authority.** All instruments, contracts, agreements and other documents shall be signed on behalf of the Association by any two Officers of the Association.

### **FINANCE**

54. **Fiscal Year.** The fiscal year of each Association shall commence on January 1 and end on December 31 of each year.
55. **Finances.** The Board shall establish policies and procedures to govern the management of its finances and shall submit required tax filings to appropriate government authorities.
56. **Books and Records.** The books, accounts and records of the Association shall be kept in accordance with generally accepted accounting principles in Canada.
57. **Annual Financial Review.** The books, records and accounts of the Association shall be reviewed at least once each year by a Chartered Professional Accountant or by a Board appointed audit committee comprised of two Members without signing authority. The review shall be conducted in accordance with the Act.

Dated at the \_\_\_\_\_, in the Province of Alberta, this \_\_\_ of December, 2016.