

By-law No. 1

A by-law relating generally to the conduct of the affairs of :

WILD ROSE MOTOCROSS ASSOCIATION (“WRMA” or the “Association”)

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BE IT ENACTED as a by-law of the Association as follows:

Section 1 - General

1.01 Definitions

In this by-law and all other by-laws of the Association, unless the context otherwise requires:

- a. "Act" means the Alberta Societies Act RSA 2005 including the Regulations made pursuant to the Act, and any statute or regulations that may be substituted, as amended from time to time;
- b. "articles" means the original or restated articles of the Association or articles of amendment, amalgamation, continuance, reorganization, arrangement or revival of the Association;
- c. "board" means the board of directors of the Association and "director" means a member of the board;

- d. "by-law" means this by-law and any other by-laws of the Association as amended and which are, from time to time, in force and effect;
- e. "meeting of members" includes an annual meeting of members or a special meeting of members; "special meeting of members" includes a meeting of any class or classes of members and a special meeting of all members entitled to vote at an annual meeting of members;
- f. "ordinary resolution" means a resolution passed by a majority (for example more than 50%) of the votes cast on that resolution;
- g. "Regulations" means the regulations made under the Act, as amended, restated or in effect from time to time; and
- h. "special resolution" means a resolution passed by a majority of not less than seventy-five percent (75%) of the votes cast on that resolution.

1.02 Interpretation

In the interpretation of this by-law, words in the singular include the plural and vice-versa, words in one gender include all genders, and "person" includes an individual, body corporate, partnership, trust and unincorporated organization.

Other than as specified in 1.01 above, words and expressions defined in the Act have the same meanings when used in these by-laws.

1.03 Execution of Documents

Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by the Association may be signed by any two (2) of its officers or directors. In addition, the board may from time to time direct the manner in which and the person or persons by whom a particular document or type of document shall be executed.

Any signing officer may certify a copy of any instrument, resolution, by-law or other document of the Association to be a true copy thereof.

1.04 Banking Arrangements

The banking business of the Association shall be transacted at such bank, trust company or other firm or Association carrying on a banking business in Alberta as the board of directors may designate, appoint or authorize from time to time by resolution. The banking business or any part of it shall be transacted by an officer or officers of the Association and/or other persons as the board of directors may by resolution from time to time designate, direct or authorize.

1.05 Annual Financial Statements

The Association may, instead of sending copies of the annual financial statements and other documents referred to in the Act to the members, publish a notice to its members stating that the annual financial statements and documents

are available at the registered office of the Association and any member may, on request, obtain a copy free of charge through the registered office or by prepaid mail.

Section 2 - Membership

2.01 Membership Conditions

Subject to the articles, there shall be one class of members in the Association. Membership in the Association shall be available only to individuals interested in furthering the Association's purposes and who have applied for and been accepted into membership in the Association by resolution of the board or in such other manner as may be determined by the board. Each member shall be entitled to receive notice of, attend and vote at all meetings of the members of the Association and be entitled to access the general benefits of membership as may otherwise be determined by the board.

2.02 Notice of Meeting of Members

Notice of the time and place of a meeting of members shall be given to each member entitled to vote at the meeting by the following means:

- a. by mail, courier, personal email delivery or use of appropriate social media platforms to each member entitled to vote at the meeting, during a period of 21 to 60 days before the day on which the meeting is to be held; or
- b. by telephonic, electronic or other communication facility to each member entitled to vote at the meeting, during a period of 21 to 35 days before the day on which the meeting is to be held.

Pursuant to the Act, a special resolution of the members is required to make any amendment to the by-laws of the Association for any purpose, including a change in the manner of giving notice to members entitled to vote at a meeting of members.

Section 3 - Membership dues, termination and discipline

3.01 Annual Dues or Fees

There shall be annual dues or fees payable by members and shall from time to time be fixed by resolution of the Board.

3.02 Membership Transferability

A membership may not be transferred.

3.03 Membership Dues

Members shall be due on the first day of March each year and, if membership is not paid or otherwise renewed within one (1) calendar month of the membership renewal date, the members in default shall automatically cease to be members of the Association.

3.04 Termination of Membership

A membership in the Association is terminated when:

- a. the member dies, or, in the case of a member that is a corporation, the corporation is dissolved;
- b. a member fails to maintain any qualifications for membership described in Section 2.01 of these by-laws;
- c. the member resigns by delivering a written resignation to the chair of the board of the Association in which case such resignation shall be effective on the date specified in the resignation;
- d. the member is expelled in accordance with Section 3.03 or is otherwise terminated in accordance with the articles or by-laws;
- e. the member's term of membership expires; or
- f. the Association is liquidated or dissolved under the Act.

Subject to the articles, upon any termination of membership, the rights of the member, including any rights in the property of the Association, automatically cease to exist.

3.05 Discipline of Members

The board shall have authority to suspend or expel any member from the Association for any one or more of the following grounds:

- a. violating any provision of the articles, by-laws, or written policies of the Association;
- b. carrying out any conduct which may be detrimental to the Association as determined by the board in its sole discretion;
- c. for any other reason that the board in its sole and absolute discretion considers to be reasonable, having regard to the purpose of the Association.

In the event that the board determines that a member should be expelled or suspended from membership in the Association, the president, or such other officer as may be designated by the board, shall provide twenty (20) days notice

of suspension or expulsion to the member and shall provide reasons for the proposed suspension or expulsion. The member may make written submissions to the president, or such other officer as may be designated by the board, in response to the notice received within such twenty (20) day period. In the event that no written submissions are received by the president, the president, or such other officer as may be designated by the board, may proceed to notify the member that the member is suspended or expelled from membership in the Association. If written submissions are received in accordance with this section, the board will consider such submissions in arriving at a final decision and shall notify the member concerning such final decision within a further twenty (20) days from the date of receipt of the submissions. The board's decision shall be final and binding on the member, without any further right of appeal.

Section 4 - Meetings of Members

4.01 Persons Entitled to be Present

The only persons entitled to be present at a meeting of members shall be those entitled to vote at the meeting, the directors and the duly appointed accountant of the Association and such other persons who are entitled or required under any provision of the Act, articles or by-laws of the Association to be present at the meeting. Any other person may be admitted only on the invitation of the chair of the meeting or by resolution of the members.

4.02 Chair of the Meeting

The president shall always act as chairman of any meeting of members. In the event that the president and the vice-president of the Association are absent, the members who are present and entitled to vote at the meeting shall choose one of their number to chair the meeting.

4.03 Quorum

A quorum at any meeting of the members (unless a greater number of members are required to be present by the Act) shall be 5% of the members entitled to vote at the meeting. If a quorum is present at the opening of a meeting of members, the members present may proceed with the business of the meeting even if a quorum is not present throughout the meeting.

4.04 Votes to Govern

At any meeting of members every question shall, unless otherwise provided by the articles or by-laws or by the Act, be determined by a majority of the votes cast on the question. In case of an equality of votes either on a show of hands or on a ballot or on the results of electronic voting, the chair of the meeting in addition to an original vote shall have a second or casting vote.

4.05 Participation by Electronic Means at Members' Meetings.

At the sole discretion of the board, members may participate in members' meetings by means of telephonic, an electronic or other communications facility.

4.06 General Meetings of Members

a. Notice shall be given in accordance with Article 2.02. Only business on the agenda as provided in the meeting notice, or business related thereto shall be transacted at the meeting, unless the notice provision is waived during agenda adoption by a majority vote of those present and entitled to vote at such meeting;

b. Voting process shall be conducted in the framework of a motion, a seconder, discussion and vote. Voting on business matters and non-election matters shall be conducted by show of hands; Voting on election of officers and directors shall be conducted by secret ballot.

c. When notice of motion has been given, a simple majority of the present Members' vote will adopt the motion. Should notice of a motion not be given, a motion must secure two-thirds (2/3) of the present members' vote for adoption.

d. Motions to adopt Special Resolutions require 75% of the votes of the members present.

4.06 Special Meetings of Members

a. Initiated by Members

The Secretary shall call a special meeting of Members on receipt of a request stipulating the purpose of such meeting and signed by forty (40) members. Such meeting shall be scheduled within thirty (30) days of receipt of the request, at a date, time and place as determined by the Secretary.

b. Initiated by the Board

Special meetings shall be called upon the request of the President or one-third of the Board. Notice shall be given in accordance with Article 2.02 and only business on the agenda as provided in the meeting notice, or business related thereto shall be transacted at the meeting, unless the notice provision is waived during agenda adoption by a majority vote of those present and entitled to vote at such meeting.

Section 5 - Directors

5.01 Election and Term

Subject to the articles, the members will elect the directors at the first meeting of members and at each succeeding annual meeting at which an election of directors is required, and the directors shall be elected to hold office for a term expiring not later than the close of the third annual meeting of members following the election. For clarity, each director shall be elected to a term of not less than two years.

5.02 Remuneration

Directors shall receive no remuneration for any services provided by them in that role. Nothing herein contained shall be construed to prevent any director from serving the Association in any other capacity and receiving compensation therefore.

Section 6 - Meetings of Directors

6.01 Calling of Meetings

Meetings of the board may be called by the President or any two (2) directors at any time. If the Association has only one director, that director may call and constitute a meeting.

6.02 Notice of Meeting

Notice of the time and place for the holding of a meeting of the board shall be given to every director of the Association not less than 2 days before the time when the meeting is to be held by one of the following methods:

- a. delivered personally to the latest address as shown in the last notice that was sent by the Association in accordance with the Act;
- b. mailed by prepaid ordinary mail to the director's address as set out in (a);
- c. by telephonic, electronic, email, social media or other communication facility at the director's recorded address for that purpose; or
- d. by an electronic document in accordance with of the Act.

Notice of a meeting shall not be necessary if all of the directors are present, and none objects to the holding of the meeting, or if those absent have waived notice of or have otherwise signified their consent to the holding of such meeting. Notice

of an adjourned meeting is not required if the time and place of the adjourned meeting is announced at the original meeting. Unless the by-law otherwise provides, no notice of meeting need specify the purpose or the business to be transacted at the meeting.

6.03 Regular Meetings

The board may appoint a day or days in any month or months for regular meetings of the board at a place and hour to be named.

6.04 Votes to Govern

At all meetings of the board, every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes, the chair of the meeting in addition to an original vote shall have a second or casting vote.

6.05 Committees

The board may from time to time appoint any committee or other advisory body, as it deems necessary or appropriate for such purposes and, subject to the Act, with such powers as the board shall see fit. Any such committee may formulate its own rules of procedure, subject to such regulations or directions as the board may from time to time make. Any committee member may be removed by resolution of the board of directors.

Section 7 - Officers

7.01 Description of Offices

Unless otherwise specified by the board which may, subject to the Act modify, restrict or supplement such duties and powers, the offices of the Association, if designated and if officers are appointed, shall have the following duties and powers associated with their positions:

a. President – If appointed, the president shall be the chief executive officer of the Association and shall be responsible for implementing the strategic plans and policies of the Association. The president shall, subject to the authority of the board, have general supervision of the affairs of the Association.

b. Vice-president- if appointed, the vice-president shall stand in the stead of the president when the latter is unable to fulfill their duties.

c. Secretary – If appointed, the secretary shall attend and be the secretary of all meetings of the board, members and committees of the board. The secretary shall enter or cause to be entered in the

Association's minute book, minutes of all proceedings at such meetings; the secretary shall give, or cause to be given, as and when instructed, notices to members, directors, the public accountant and members of committees; the secretary shall be the custodian of all books, papers, records, documents and other instruments belonging to the Association.

d. Treasurer - If appointed, the treasurer monitor the finances and related matters of the Association and shall have such powers and duties as the board may specify.

The powers and duties of all other officers of the Association shall be such as the terms of their engagement call for or the board or president requires of them. The board may, from time to time and subject to the Act, vary, add to or limit the powers and duties of any officer, and any officer may be removed from office by the board for any reason. Any and all officers must be duly elected or appointed directors of the Association.

7.02 Remuneration

Officers shall receive no remuneration for any services provided by them in that role. Nothing herein contained shall be construed to prevent any officer from serving the Association in any other capacity and receiving compensation therefore.

7.03 Vacancy in Office

In the absence of a written agreement to the contrary, the board may remove, whether for cause or without cause, any officer of the Association. Unless so removed, an officer shall hold office until the earlier of:

- a. the officer's successor being appointed,
- b. the officer's resignation,
- c. such officer ceasing to be a director) or
- d. such officer's death.

If the office of any officer of the Association shall be or become vacant, the directors may, by resolution, appoint a person to fill such vacancy.

7.04 Duties of Officers may be Delegated

In the case of the absence or inability to act of any officer of the Association or for any other reason that the Board may deem sufficient, the board may delegate from time to time, all or any of the powers of such officer to any other officer or to any director for a given period of time.

Section 8 - Protection of Directors and Officers

8.01 Liability of Directors.

No director or officer for the time being of the Association shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee or for joining in any receipt or act for conformity or for any loss, damage or expense happening to the Association through the insufficiency or deficiency of title to any property acquired for or on behalf of the Association or for the insufficiency or deficiency of any security in or upon which any of the monies belonging to the Association shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or Association including any person, firm or Association with whom or which any monies, securities or effects shall be lodged or deposited or for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any monies, securities or other assets belonging to the Association or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of their respective office or trust or in relation thereto unless the same shall happen by or through their own wrongful and willful act or through their own wrongful and willful neglect or default. The directors for the time being of the Association shall not be under any duty or responsibility in respect of any contract, act or transaction whether or not made, done, or entered into in the name or on behalf of the Association, except such as shall have been submitted to and authorized or approved by the Board. If any director or officer of the Association shall be employed by or shall perform services for the Association otherwise than as a director or officer or shall be a member of a firm or a shareholder, director or officer of a company which is employed by or performs services for the Association, the fact of their being a director or officer of the Association shall not disentitle such director or officer of such firm or company, as the case may be, from receiving proper remuneration for such services.

8.02 Indemnities to Directors, Officers and Others.

(a) Subject to the provisions of the Act, as amended from time to time, the Association shall indemnify a present or former director or officer of the Association, or another individual who acts or acted at the Association's request as a director or an officer or in a similar capacity of another entity, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative or other proceeding in which the individual is involved because of that association with the Association or other entity.

(b) The Association may advance money to a director, an officer or other individual for the costs, charges and expenses of a proceeding referred to in subsection (a). The individual shall repay the money if the individual does not fulfil the conditions of subsection (c).

(c) The Association may not indemnify an individual under subsection (a) unless the individual:

(i) acted honestly and in good faith with a view to the best interests of the Association or, as the case may be, to the best interests of the other entity for which the individual acted as director or officer or in a similar capacity at the Association's request; and

(ii) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, had reasonable grounds for believing that their conduct was lawful.

(d) The Association may, with the approval of a court, indemnify an individual referred to in subsection (a), or advance money under subsection (b), in respect of an action by or on behalf of the Association or other entity to procure a judgment in its favour to which the individual is made a party because of the individual's association with the Association or other entity as described in subsection (a), against all costs, charges and expenses reasonably incurred by the individual in connection with the action, if the individual fulfils the conditions set out in subsection (c).

(e) Despite subsection (a), an individual referred to in that subsection is entitled to indemnity from the Association in respect of all costs, charges and expenses reasonably incurred by the individual in connection with the defence of any civil, criminal, administrative, investigative or other proceeding to which the individual is subject because of the individual's association with the Association or other entity as described in that subsection, if the individual seeking indemnity:

(i) was not judged by the court or other competent authority to have committed any fault or to have omitted to do anything that the individual ought to have done; and

(ii) fulfils the conditions set out in subsection (c).

(f) The Association may purchase and maintain insurance for the benefit of an individual referred to in subsection (a) against any liability incurred by the individual:

(i) in the individual's capacity as a director or an officer of the Association; or

(ii) in the individual's capacity as a director or an officer, or in a similar capacity, of another entity, if the individual acts or acted in that capacity at the Association's request.

Section 9 – Financial Reporting

9.01 The financial year of the Association shall terminate on the 31st day of December, in each year or on such other date as the board may from time to time by ordinary resolution determine.

9.02 The board shall, at its first meeting in each new calendar year after the annual meeting of members, appoint an accountant or qualified bookkeeper to audit the accounts of the Association pursuant to the requirements of the Act. The remuneration of the auditor shall be fixed by the board.

9.03 The Association shall not borrow money from any entity for any reason.

Section 10 - Dispute Resolution

10.01 Mediation and Arbitration

Disputes or controversies among members, directors, officers, committee members, or volunteers of the Association are as much as possible to be resolved in accordance with mediation and/or arbitration as provided in Section 10.02 of this by-law.

10.02 Dispute Resolution Mechanism

In the event that a dispute or controversy among members, directors, officers, committee members or volunteers of the Association arising out of or related to the articles or by-laws, or out of any aspect of the operations of the Association is not resolved in private meetings between the parties, then without prejudice to or in any other way derogating from the rights of the members, directors, officers, committee members, employees or volunteers of the Association as set out in the articles, by-laws or the Act, and as an alternative to such person instituting a law suit or legal action, such dispute or controversy shall be settled by a process of dispute resolution as follows:

- a. The dispute or controversy shall first be submitted to a panel of mediators whereby the one party appoints one mediator, the other party (or if applicable the board of the Association) appoints one mediator, and the two mediators so appointed jointly appoint a third mediator. The three mediators will then meet with the parties in question in an attempt to mediate a resolution between the parties.
- b. The number of mediators may be reduced from three to one or two upon agreement of the parties.
- c. If the parties are not successful in resolving the dispute through mediation, then the parties agree that the dispute shall be settled by arbitration before a single arbitrator, who shall not be any one of the mediators referred to

- above, in accordance with the provincial or territorial legislation governing domestic arbitrations in force in the province or territory where the registered office of the Association is situated or as otherwise agreed upon by the parties to the dispute. The parties agree that all proceedings relating to arbitration shall be kept confidential and there shall be no disclosure of any kind. The decision of the arbitrator shall be final and binding and shall not be subject to appeal on a question of fact, law or mixed fact and law.
- d. All costs of the mediators appointed in accordance with this section shall be borne equally by the parties to the dispute or the controversy.

Section 11 - Notices

11.01 Method of Giving Notices

Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served), other than notice of a meeting of members or a meeting of the board of directors, pursuant to the Act, the articles, the by-laws or otherwise to a member, director, officer or member of a committee of the board or to the public accountant shall be sufficiently given:

- a. if delivered personally to the person to whom it is to be given or if delivered to such person's address as shown in the records of the Association or in the case of notice to a director to the latest address as shown in the last notice that was sent by the Association; or
- b. if mailed to such person at such person's recorded address by prepaid ordinary or air mail; or
- c. if sent to such person by telephonic, electronic, email, social media or other communication facility at such person's recorded address for that purpose; or
- d. if provided in the form of an electronic document in accordance with the Act.

A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box; and a notice so sent by any means of transmitted or recorded communication shall be deemed to have been given when dispatched or delivered to the appropriate communication company or agency or its representative for dispatch. The secretary may change or cause to be changed the recorded address of any member, director, officer, public accountant or member of a committee of the board in accordance with any information believed by the secretary to be reliable. The declaration by the secretary that notice has been given pursuant to this by-law shall be sufficient and conclusive evidence of the giving of such notice. The signature of any director or officer of the Association to any notice or other

document to be given by the Association may be written, stamped, type-written or printed or partly written, stamped, type-written or printed.

11.02 Invalidity of any provisions of this by-law

The invalidity or unenforceability of any provision of this by-law shall not affect the validity or enforceability of the remaining provisions of this by-law.

11.03 Omissions and Errors

The accidental omission to give any notice to any member, director, officer, member of a committee of the board or public accountant, or the non-receipt of any notice by any such person where the Association has provided notice in accordance with the by-laws or any error in any notice not affecting its substance shall not invalidate any action taken at any meeting to which the notice pertained or otherwise founded on such notice.

Section 12 - Effective Date

12.01 Effective Date

Subject to matters requiring a special resolution, this by-law shall be effective when made by the board.

CERTIFIED to be By-Law No. 1 of the Association, as enacted by the directors of the Association by resolution on the _ day of January, 2021 and confirmed by the members of the Association by special resolution on the _ day of January, 2021.

Dated as of the _ day of _____, 20_____.

[Indicate name of director/officer]