

A by-law relating generally to the conduct of the affairs of  
**Canadian Ski Marathon Incorporated/Marathon Canadien de Ski Incorporé**  
(the "Corporation").

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

## 1. Definitions

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

"**Act**" means the *Canada Not-For-Profit Corporations Act* S.C. 2009, c. 23 including the Regulations made pursuant to the Act, and any statute or regulations that may be substituted, as amended from time to time;

"**articles**" means the original or restated articles of incorporation or articles of amendment, amalgamation, continuance, reorganization, arrangement or revival of the Corporation;

"**board**" means the board of directors of the Corporation and "director" means a member of the board;

"**by-law**" means this by-law and any other by-law of the Corporation as amended and which are, from time to time, in force and effect;

"**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;

"**ordinary resolution**" means a resolution passed by a majority of not less than 50% plus 1 of the votes cast on that resolution;

"**proposal**" means a proposal submitted by a member of the Corporation that meets the requirements of section 163 (Member Proposals) of the Act;

"**Regulations**" means the regulations made under the Act, as amended, restated or in effect from time to time; and

"**special resolution**" means a resolution passed by a majority of not less than two-thirds (2/3) of the votes cast on that resolution.

## 2. 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 above, words and expressions defined in the Act have the same meanings when used in these by-laws.

### **3. Corporate Seal**

The seal, an impression of which is stamped in the margin of this document, shall be the seal of the corporation. The secretary of the Corporation shall be the custodian of the corporate seal.

### **4. Execution of Documents**

Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by the Corporation may be signed by any two (2) of its officers or directors including one of: the president, secretary or treasurer. 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 person authorized to sign any document may affix the corporate seal (if any) to the document. Any signing officer may certify a copy of any instrument, resolution, by-law or other document of the Corporation to be a true copy thereof.

### **5. Financial Year End**

The financial year end of the Corporation shall be April 30 in each year.

### **6. Banking Arrangements**

The banking business of the Corporation shall be transacted at such bank, trust company or other firm or corporation carrying on a banking business in Canada or elsewhere 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 Corporation and/or other persons as the board of directors may by resolution from time to time designate, direct or authorize.

### **7. Borrowing Powers**

The directors of the Corporation may, without authorization of the members,

- a. borrow money on the credit of the corporation;
- b. issue, reissue, sell, pledge or hypothecate debt obligations of the corporation;
- c. give a guarantee on behalf and
- d. mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the corporation, owned or subsequently acquired, to secure any debt obligation of the corporation.

### **8. Annual Financial Statements**

The Corporation shall post for members a copy of the annual financial statements and other documents referred to in subsection 172(1) (Annual Financial Statements) of the Act or a copy of a publication of the Corporation reproducing the information contained in the documents.

## **9. Membership Conditions**

Subject to the articles, there shall be one class of members in the Corporation. Membership in the Corporation shall be available to skiers registered for the current year and the previous year, volunteers as designated annually by the Board of Directors, current members of the Board of Directors and former members of the Board who have served on the Board in the past five years. Each member shall be entitled to receive notice of, attend and vote at all meetings of the members of the Corporation. Each member is entitled to one vote at meetings of the members.

Pursuant to subsection 197(1) (Fundamental Change) of the Act, a special resolution of the members is required to make any amendments to this section of the by-laws if those amendments affect membership rights and/or conditions described in paragraphs 197(1)(e), (h), (l) or (m).

## **10. Transferring Membership**

A membership cannot be transferred.

Pursuant to Section 197(1) (Fundamental Change) of the Act, a special resolution of the members is required to make any amendment to add, change or delete this section of the by-laws.

## **11. Notice of Members Meeting**

Notice of the time and place of a meeting of members shall be posted for members 21 days before the day on which the meeting is to be held.

Pursuant to subsection 197(1) (Fundamental Change) of the Act, a special resolution of the members is required to make any amendment to the by-laws of the Corporation to change the manner of giving notice to members entitled to vote at a meeting of members.

## **12. Members Calling a Members' Meeting**

The Board of Directors may call a special meeting of members on receiving written requests for a meeting from two percent of the members.

## **13. Absentee Voting at Members' Meetings**

Members can participate in meetings of members in person or by electronic means. Members participating by electronic means can vote and have their votes counted.

The corporation shall recognize any individual authorized in writing by a member to represent that member at meetings. The individual may exercise on behalf of the member all the powers of that member.

Pursuant to subsection 197(1) (Fundamental Change) of the Act, a special resolution of the members is required to make any amendment to the by-laws of the Corporation to change this method of voting by members not in attendance at a meeting of members.

#### **14. Termination of Membership**

A membership in the Corporation is terminated when:

- a. the member dies or resigns;
- b. the member is expelled or their membership is otherwise terminated in accordance with the articles or by-laws; or
- c. the Corporation is liquidated and dissolved under the Act.

#### **15. Effect of Termination of Membership**

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

#### **16. Discipline of Members**

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

- a. violating any provision of the articles, by-laws, or written policies of the Corporation;
- b. carrying out any conduct which may be detrimental to the Corporation 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 Corporation.

In the event that the board determines that a member should be expelled or suspended from membership in the Corporation, 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 Corporation. 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.

#### **17. Proposals Nominating Directors**

Directors may be nominated by the Board and formally elected at a general meeting of members. They can participate in Board meetings and activities prior to their election the annual general meeting.

Subject to the Regulations under the Act, nominations for the election of directors can be made by the general membership.

#### **18. Cost of Publishing Proposals for Annual Members' Meetings**

The Corporation will pay cost of publishing proposals for meetings of members. Individuals can pay.

#### **19. Place of Members' Meeting**

Subject to compliance with section 159 (Place of Members' Meetings) of the Act, meetings of the members may be held at any place within Canada determined by the board.

#### **20. Persons Entitled to be Present at Members' Meetings**

Members, directors and the public accountant of the Corporation are entitled to be present at a meeting of members. However, only those members entitled to vote at the members' meeting according to the provisions of the Act, articles and by-laws are entitled to cast a vote at the meeting.

#### **21. Chair of Members' Meetings**

In the event that the chair of the board and the vice-chair of the board are absent, the members who are present and entitled to vote at the meeting shall choose one of their number to chair the meeting.

#### **22. Quorum at Members' Meetings**

A quorum at a meeting of members will be 10 including at least two members of the Board of Directors.

#### **23. Voting at Members' Meetings**

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 questions. 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 will cast a deciding vote.

#### **24. Participation by Electronic Means at Members' Meetings**

If the Corporation chooses to make available a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during a meeting of members, any person entitled to attend such meeting may participate in the meeting by means of such telephonic, electronic or other communication facility in the manner provided by the Act. A person participating in a meeting by such means is deemed to be present at the meeting. Notwithstanding any other provision of this by-law, any person participating in a meeting of members pursuant to this section who is entitled to vote at that meeting may vote, in accordance with the Act, by means of any telephonic, electronic or other communication facility that the Corporation has made available for that purpose.

#### **25. Members' Meeting Held Entirely by Electronic Means**

If the directors or members of the Corporation call a meeting of members pursuant to the Act, those directors or members, as the case may be, may determine that the meeting shall be held, in accordance with the Act and the Regulations, entirely by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting.

#### **26. The Board of Directors shall be responsible for managing the affairs of the corporation, including but not limited to determining:**

- a. when the annual ski marathon of the Corporation shall be held;
- b. the course over which the marathon is to be run;
- c. the terms and conditions under which applicants will participate in the marathon;
- d. the classes of participants;
- e. the prizes and awards, if any, which may be awarded for participation in the marathon;
- f. the registration fees and charges connected therewith;
- g. the terms and conditions under which the Corporation acquires any right or interest in or over any real or personal property movable or immovable, for the purpose of or connected with the ski marathon;
- h. measures to provide for the safety of skiers;
- i. owning and managing the Canadian Ski Marathon brand and related intellectual property; and

- j. such further actions as they may deem to be in the interests of the ski marathon or to carry out the objects of the Corporation.

#### **27. Number of Directors**

The board shall be comprised of the fixed number of directors as determined from time to time by the members by ordinary resolution or, if the ordinary resolution empowers the directors to determine the number, by resolution of the board.

#### **28. Term of Office of Directors**

The directors shall be elected to hold office for terms of two years.

#### **29. Calling of Meetings of Board of Directors**

Meetings of the board may be called by the chair of the board, the vice-chair of the board or any two (2) directors at any time.

#### **30. Notice of Meeting of Board of Directors**

Notice of the time and place for the holding of a meeting of the board shall be given to every director of the Corporation not less than 7 days before the time when the meeting is to be held by one of the following methods: by telephonic, electronic or other communication facility at the director's recorded address for that purpose; or by an electronic document in accordance with Part 17 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. E-meetings for board.

#### **31. Regular Meetings of the Board of Directors**

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. A copy of any resolution of the board fixing the place and time of such regular meetings of the board shall be sent to each director forthwith after being passed, but no other notice shall be required for any such regular meeting except if subsection 136(3) (Notice of Meeting) of the Act requires the purpose thereof or the business to be transacted to be specified in the notice.

#### **32. Voting at Meetings of the Board of Directors**

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 shall cast a deciding vote.

#### **33. Committees of the Board of Directors**

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.

#### **34. Indemnities to Directors and Others**

Every director of the Corporation and their heirs, executors and administrators, and estate and effects, respectively, shall from time to time and at all times, be indemnified and saved harmless out of the funds or insurance policies of the Corporation, from and against; all costs, charges and expenses which such director, sustains or incurs in or about any action, suit or proceedings which is brought, commenced or prosecuted against him, or in respect of any act, deed, matter of thing whatsoever, made, done or permitted by him, in or about the execution of the duties of his office or in respect of any such liability; all other costs, charges and expenses which he sustains or incurs in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by his own willful neglect or default.

#### **35. Appointment of Officers**

The board may designate the offices of the Corporation, appoint officers on an annual or more frequent basis, specify their duties and, subject to the Act, delegate to such officers the power to manage the affairs of the Corporation. A director may not be appointed to any office of the Corporation. An officer may not be a director. Two or more offices may be held by the same person.

#### **36. Officers of the Corporation**

Unless otherwise specified by the board (which may, subject to the Act modify, restrict or supplement such duties and powers), the offices of the Corporation, if designated and if officers are appointed, shall have the following duties and powers associated with their positions: The President -- if appointed, shall be a director and, when present, preside at all meetings of the board of directors and of the members. The President shall have such other duties and powers as the board may specify. 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 Corporation'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 Corporation. Treasurer – If appointed, the treasurer shall have



such powers and duties as the board may specify. Other directors -- If appointed, with responsibilities determined by the Board

### **37. Officer Vacancies**

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

- a. the officer's successor being appointed,
- b. the officer's resignation, or
- c. such officer's death.

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

### **38. Method of Giving Notice**

Any notice (which term includes any communication or document), other than notice of a meeting of members or a meeting of the board of directors, to be given (which term includes sent, delivered or served) 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: if sent to such person by telephonic, electronic or other communication facility at such person's recorded address for that purpose; or if provided in the form of an electronic document in accordance with Part 17 of the Act. 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.

### **39. Invalidity of Provisions of this By-law**

The invalidity or unenforceability of any provision of these By-laws shall not affect the validity or enforceability of the remaining provisions.

### **40. 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 Corporation 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.

#### **41. Dispute Resolution Mechanism**

In the event that a dispute or controversy among members, directors, officers, committee members or volunteers of the Corporation arising out of or related to the articles or by-laws, or out of any aspect of the operations of the Corporation 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 Corporation 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:

- 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 Corporation) 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.
- The number of mediators may be reduced from three to one or two upon agreement of the parties.
- 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 Corporation 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.

All costs of the mediators appointed in accordance with this section shall be borne equally by the parties to the dispute or the controversy. All costs of the arbitrators appointed in accordance with this section shall be borne by such parties as may be determined by the arbitrators.

#### **42. By-laws and Effective Date**

Subject to the articles, the board of directors may, by resolution, make, amend or repeal any by-laws that regulate the activities or affairs of the Corporation. Any such by-law, amendment or repeal shall be effective from the date of the resolution of directors until the next meeting of members where it may be confirmed, rejected or amended by the members by ordinary resolution. If the by-

law, amendment or repeal is confirmed or confirmed as amended by the members it remains effective in the form in which it was confirmed. The by-law, amendment or repeal ceases to have effect if it is not submitted to the members at the next meeting of members or if it is rejected by the members at the meeting.

This section does not apply to a by-law that requires a special resolution of the members according to subsection 197(1) (fundamental change) of the Act because such by-law amendments or repeals are only effective when confirmed by members.