

FORM 3

SOCIETY ACT

CONSTITUTION

1. The name of the Society is **BC THOROUGHBRED OWNERS & BREEDERS ASSOCIATION**.

2. The purposes of the Society are to:
 - (a) promote the racing, breeding, owning, and marketing of thoroughbred horses in British Columbia;

 - (b) provide leadership to the Thoroughbred Racing and Breeding industry in British Columbia in the form of education, training, employment, and promotion;

 - (c) assist members of the Society in dealing with race track operators, governmental agencies in British Columbia and Provincial, Federal, and International industry organizations;

 - (d) promote the interests of the Thoroughbred Racing and Breeding industry in British Columbia; and

 - (e) liaise with race track operators, governmental agencies in British Columbia and Provincial, Federal, and International industry organizations in order to further the interests of the Society.

SOCIETY ACT

Bylaws of the

BC THOROUGHBRED OWNERS & BREEDERS ASSOCIATION

Part 1 — Interpretation

1 (1) In these bylaws, unless the context otherwise requires:

“**Bylaws**” means these bylaws, as amended;

“**Constitution**” means the Constitution filed by the Society under the *Society Act*, as amended;

“**Directors**” means the Directors of the society for the time being;

“**registered address**” of a member means the member's address as recorded in the register of members;

“**Society**” means the BC Thoroughbred Owners & Breeders Association;

“**Society Act**” means the Society Act of British Columbia from time to time in force and all amendments to it;

(2) The definitions in the *Society Act* on the date these Bylaws become effective apply to these Bylaws.

2 Words importing the singular include the plural and vice versa, and words importing a male person include a female person and a corporation.

Part 2 — Membership

3 The members of the Society are the applicants for incorporation of the Society, and those persons who subsequently become members, in accordance with these Bylaws and, in either case, have not ceased to be members.

4 A person may apply in writing to the Directors for membership in the Society by completing such form as the Directors prescribe and on acceptance by the Directors is a member.

5 Every member must uphold the Constitution and comply with these Bylaws.

6 The amount of the first annual membership dues will be determined by the Directors after the incorporation of the Society and after that the annual membership dues will be determined by the Directors before January 31 in each year.

7 Annual membership dues must be paid by March 31 in each year.

8 A person ceases to be a member of the Society:

- (a) by delivering his or her resignation in writing to the Secretary of the Society or by mailing or delivering it to the address of the Society,
- (b) on his or her death or, in the case of a corporation, on dissolution,
- (c) on being expelled, or
- (d) on having been a member not in good standing for 12 consecutive months.

- 9 (1) A member may be expelled by a special resolution of the members passed at a general meeting.
- (2) The notice of special resolution for expulsion must be accompanied by a brief statement of the reasons for the proposed expulsion.
- (3) The person who is the subject of the proposed resolution for expulsion must be given an opportunity to be heard at the general meeting before the special resolution is put to a vote.
- 10 All members are in good standing except a member who has failed to pay his or her current annual membership fee, or any other subscription or debt due and owing by the member to the Society, and the member is not in good standing so long as the debt remains unpaid.
- 11 (1) To be eligible for membership in the Society, the applicant must be:
- (a) a licensed owner of thoroughbreds at a thoroughbred race track in British Columbia; or
- (b) a member in good standing with the Canadian Thoroughbred Horse Society (British Columbia Division).
- (2) Members of the Canadian Thoroughbred Horse Society (British Columbia Division) that are accepted for membership in the Society are not required to pay dues provided they remain members in good standing with the Canadian Thoroughbred Horse Society (British Columbia Division).

Part 3 — Meetings of Members

- 12 General meetings of the Society must be held at the time and place, in accordance with the *Society Act*, that the Directors decide.
- 13 Every general meeting, other than an annual general meeting, is an extraordinary general meeting.
- 14 The Directors may, when they think fit, convene an extraordinary general meeting.
- 15 (1) Notice of a general meeting must specify the place, day and hour of the meeting, and, in case of special business, the general nature of that business.
- (2) The accidental omission to give notice of a meeting to, or the non-receipt of a notice by, any of the members entitled to receive notice does not invalidate proceedings at that meeting.
- 16 The first annual general meeting of the Society must be held not more than 15 months after the date of incorporation and after that an annual general meeting must be held at least once in every calendar year and not more than 15 months after the holding of the last preceding annual general meeting.

Part 4 — Proceedings at General Meetings

- 17 Special business is:
- (a) all business at an extraordinary general meeting except the adoption of rules of order, and
- (b) all business conducted at an annual general meeting, except the following:
- (i) the adoption of rules of order;
- (ii) the consideration of the financial statements;
- (iii) the report of the Directors;
- (iv) the report of the auditor, if any;
- (v) the election of Directors;

- (vi) the appointment of the auditor, if required;
- (vii) the other business that, under these Bylaws, ought to be conducted at an annual general meeting, or business that is brought under consideration by the report of the Directors issued with the notice convening the meeting.

18 (1) Business, other than the election of a chair and the adjournment or termination of the meeting, must not be conducted at a general meeting at a time when a quorum is not present.

(2) If at any time during a general meeting there ceases to be a quorum present, business then in progress must be suspended until there is a quorum present or until the meeting is adjourned or terminated.

(3) A quorum is 25 members present or a greater number that the members may determine at a general meeting.

19 If within 30 minutes from the time appointed for a general meeting a quorum is not present, the meeting, if convened on the requisition of members, must be terminated, but in any other case, it must stand adjourned to the same day in the next week, at the same time and place, and if, at the adjourned meeting, a quorum is not present within 30 minutes from the time appointed for the meeting, the members present constitute a quorum.

20 Subject to Bylaw 21, the President of the Society, the Vice-Presidents or, in the absence of these officers, one of the other Directors present, must preside as chair of a general meeting.

21 If at a general meeting:

- (a) there is no President, Vice-Presidents or other Director present within 15 minutes after the time appointed for holding the meeting, or
- (b) the President and all the other Directors present are unwilling to act as the chair, the members present must choose one of their number to be the chair.

22 (1) A general meeting may be adjourned from time to time and from place to place, but business must not be conducted at an adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(2) When a meeting is adjourned for 10 days or more, notice of the adjourned meeting must be given as in the case of the original meeting.

(3) Except as provided in this Bylaw, it is not necessary to give notice of an adjournment or of the business to be conducted at an adjourned general meeting.

23 (1) A resolution proposed at a meeting need not be seconded, and the chair of a meeting may move or propose a resolution.

(2) In the case of a tie vote, the chair does not have a casting or second vote in addition to the vote to which he or she may be entitled as a member, and the proposed resolution does not pass.

24 (1) A member in good standing present at a meeting of members is entitled to one vote.

(2) Voting is by show of hands.

(3) Voting by proxy is not permitted.

25 A corporate member may vote by its authorized representative, who is entitled to speak and vote, and in all other respects exercise the rights of a member, and that representative must be considered as a member for all purposes with respect to a meeting of the Society.

Part 5 — Directors and Officers

26 The Society will have not less than 8 and no more than 15 Directors who, after the appointment of the first Directors, will have been either elected by the members at an annual general meeting pursuant to Bylaw 29 or appointed by the Directors pursuant to Bylaw 30.

27 The term of office for the Directors will be 4 years. One half of the Directors will be elected every two years with the exception of the first Directors, not less than 5 of which will be appointed for 4 years and not less than 5 of which will be appointed for 2 years.

28 (1) The Directors may exercise all the powers and do all the acts and things that the Society may exercise and do, and that are not by these Bylaws or by statute or otherwise lawfully directed or required to be exercised or done by the Society in a general meeting, but subject, nevertheless, to:

- (a) all laws affecting the Society,
- (b) these Bylaws, and
- (c) rules, not being inconsistent with these Bylaws, that are made from time to time by the Society in a general meeting.

(2) A rule, made by the Society in a general meeting, does not invalidate a prior act of the Directors that would have been valid if that rule had not been made.

29 (1) Directors must retire from office at the annual general meeting in the year their term expires and their successors are elected.

(2) An election may be by acclamation, otherwise it must be by ballot.

30 (1) The Directors may at any time and from time to time appoint a member as a Director to fill a vacancy in the Directors.

(2) A Director so appointed holds office only until the conclusion of the next annual general meeting of the Society, but is eligible for re-election at the meeting.

31 (1) If a Director resigns his or her office or otherwise ceases to hold office, the remaining Directors must appoint a member to take the place of the former Director.

(2) An act or proceeding of the Directors is not invalid merely because there are less than the prescribed number of Directors in office.

32 The members may, by special resolution, remove a Director, before the expiration of his or her term of office, and may elect a successor to complete the term of office.

33 A Director must not be remunerated for being or acting as a Director but a Director must be reimbursed for all expenses necessarily and reasonably incurred by the Director while engaged in the affairs of the Society.

34 The officers of the Society will consist of a President, two Vice-Presidents, a Secretary, a Treasurer and any such officers as the board of Directors may by resolution determine, provided all such officers are Directors of the Society.

35 The officers of the Society will be appointed by the board of Directors.

36 The term of office for the officers will be 2 years.

37 Of the two Vice-Presidents to be appointed by the Directors, one will be predominantly a licensed

owner and the other will be predominantly a breeder (a member of the Canadian Thoroughbred Horse Society -British Columbia Division).

Part 6 — Proceedings of Directors

38 (1) The Directors may meet at the places they think fit to conduct business, adjourn and otherwise regulate their meetings and proceedings, as they see fit.

(2) The Directors may from time to time set the quorum necessary to conduct business, and unless so set the quorum is a majority of the Directors then in office.

(3) The President is the chair of all meetings of the Directors, but if at a meeting the President is not present within 30 minutes after the time appointed for holding the meeting, one of the Vice-Presidents chosen by the Directors must act as chair, but if none of them is present the Directors present may choose one of their number to be the chair at that meeting.

(4) A Director may at any time, and the Secretary, on the request of a Director, must, convene a meeting of the Directors.

39 (1) The Directors may delegate any, but not all, of their powers to committees consisting of the Director or Directors as they think fit.

(2) A committee so formed in the exercise of the powers so delegated must conform to any rules imposed on it by the Directors, and must report every act or thing done in exercise of those powers to the earliest meeting of the Directors held after the act or thing has been done.

40 A committee must elect a chair of its meetings, but if no chair is elected, or if at a meeting the chair is not present within 30 minutes after the time appointed for holding the meeting, the Directors present who are members of the committee must choose one of their number to be the chair of the meeting.

41 The members of a committee may meet and adjourn as they think proper.

42 For a first meeting of Directors held immediately following the appointment or election of a Director or Directors at an annual or other general meeting of members, or for a meeting of the Directors at which a Director is appointed to fill a vacancy in the Directors, it is not necessary to give notice of the meeting to the newly elected or appointed Director or Directors for the meeting to be constituted, if a quorum of the Directors is present.

43 A Director who may be absent temporarily from British Columbia may send or deliver to the address of the Society a waiver of notice, which may be by letter, fax or e-mail, of any meeting of the Directors and may at any time withdraw the waiver, and until the waiver is withdrawn,

- (a) a notice of meeting of Directors is not required to be sent to that Director, and
- (b) any and all meetings of the Directors of the Society, notice of which has not been given to that Director, if a quorum of the Directors is present, are valid and effective.

44 (1) Questions arising at a meeting of the Directors and committee of Directors must be decided by a majority of votes.

(2) In the case of a tie vote, the chair does have a second or casting vote.

45 A resolution proposed at a meeting of Directors or committee of Directors need not be seconded, and the chair of a meeting may move or propose a resolution.

46 A resolution in writing, signed by all the Directors and placed with the minutes of the Directors,

is as valid and effective as if regularly passed at a meeting of Directors.

Part 7 — Duties of Officers

- 47 (1) The President presides at all meetings of the Society and of the Directors.
- (2) The President is the chief executive officer of the Society and must supervise the other officers in the execution of their duties.
- 48 During the President's absence, the Directors will determine which of the two Vice-Presidents must carry out the duties of the President.
- 49 The Secretary must:
- (a) conduct the correspondence of the Society;
 - (b) issue notices of meetings of the Society and Directors;
 - (c) keep minutes of all meetings of the Society and Directors;
 - (d) have custody of all records and documents of the Society except those required to be kept by the Treasurer;
 - (e) have custody of the common seal of the Society;
 - (f) maintain the register of members.
- 50 The Treasurer must:
- (a) keep the financial records, including books of account, necessary to comply with the *Society Act*, and
 - (b) render financial statements to the Directors, members and others when required.
- 51 (1) The offices of Secretary and Treasurer may be held by one person who is to be known as the Secretary Treasurer.
- (2) The offices of Vice-President and Treasurer may be held by one person who is to be known as the Vice-President Treasurer.
- 52 In the absence of the Secretary from a meeting, the Directors must appoint another person to act as Secretary at the meeting.

Part 8 — Executive Secretary

- 53 The Directors may appoint an Executive Secretary. The Executive Secretary will:
- (a) attend all meetings of the board and all general meetings of the Society;
 - (b) maintain bank accounts for the Society and to deposit all monies received by the Society in a chartered bank to the credit of the Society;
 - (c) administer the head office of the Society and supervise the staff employed by the Society; and
 - (d) do such other things as may be delegated by the Directors.
- 54 The Directors will determine the compensation, including benefits, payable to the Executive Secretary from time to time.

Part 9 — Seal

- 55 The Directors may provide a common seal for the Society and may destroy a seal and substitute a new seal in its place.

56 The common seal must be affixed only when authorized by a resolution of the Directors and then only in the presence of the persons specified in the resolution, or if no persons are specified, in the presence of the President and Secretary or President and Secretary Treasurer.

Part 10 — Borrowing

57 In order to carry out the purposes of the Society the Directors may, on behalf of and in the name of the Society, raise or secure the payment or repayment of money in the manner they decide, and, in particular but without limiting that power, by the issue of debentures.

58 A debenture must not be issued without the authorization of a special resolution.

59 The members may, by special resolution, restrict the borrowing powers of the Directors, but a restriction imposed expires at the next annual general meeting.

Part 11 — Auditor

60 This Part applies only if the Society is required or has resolved to have an auditor.

61 The first auditor must be appointed by the Directors who must also fill all vacancies occurring in the office of auditor.

62 At each annual general meeting the Society must appoint an auditor to hold office until the auditor is re-elected or a successor is elected at the next annual general meeting.

63 An auditor may be removed by ordinary resolution.

64 An auditor must be promptly informed in writing of the auditor's appointment or removal.

65 A Director or employee of the Society must not be its auditor.

66 The auditor may attend general meetings.

Part 12 — Notices to Members

67 A notice may be given to a member, either personally or by mail to the member at the member's registered address or by faxing it to the member if the member has a fax machine or, with the member's prior consent, by e-mail.

68 A notice sent by mail is deemed to have been given on the fifth day following the day on which the notice is posted, and in proving that notice has been given, it is sufficient to prove the notice was properly addressed and put in a Canadian post office receptacle. Where a notice is sent by fax or e-mail, service or delivery of the notice, statement or report will be deemed to have been given on the day, Saturdays, Sundays and holidays excepted, following the date of faxing or e-mailing.

69 Notice of a general meeting must be given to:

- (a) every member shown on the register of members on the day notice is given, and
- (b) the auditor, if Part 11 applies.

70 No other person is entitled to receive a notice of a general meeting.

Part 13 — Bylaws

71 On being admitted to membership, each member is entitled to, and the Society must give the member without charge, a copy of the Constitution and Bylaws of the Society.

72 These Bylaws must not be altered or added to except by special resolution.

Part 14 — Indemnity of Directors, Officers and Employees

73 Subject to the approval of the court, the Directors will cause the Society to indemnify a Director or former Director of the Society and the heirs and personal representatives of any such person against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, actually and reasonably incurred by him or them including an amount paid to settle an action or satisfy a judgment in a civil, criminal or administrative action or proceeding to which he is or they are made a party by reason of his being or having been a Director of the Society or a Director of such corporation, including any action brought by the Society. Each Director of the Society on being elected or appointed will be deemed to have contracted with the Society on the terms of the foregoing indemnity.

74 Subject to the approval of the court, the Directors will cause the Society to indemnify any officer, employee or agent of the Society and his heirs and personal representatives of any such person against all costs, charges and expenses whatsoever incurred by him or them and resulting from his acting as an officer, employee or agent of the Society. In addition the Society will indemnify the President, Vice-Presidents, Secretary and Treasurer of the Society (if he will not be a full time employee of the Society and notwithstanding that he is also a Director) and his respective heirs and legal representatives against all costs, charges and expenses whatsoever incurred by him or them and arising out of the functions assigned to the President, Vice-Presidents, Secretary and Treasurer by the Society Act or these Bylaws and each such President, Vice-Presidents, Secretary and Treasurer will on being appointed be deemed to have contracted with the Society on the terms of the foregoing indemnity.

75 The failure of a Director or officer of the Society to comply with the provisions of the *Society Act* or of the Bylaws will not invalidate any indemnity to which he is entitled under this Part.

76 The Directors will cause the Society to purchase and maintain insurance for the benefit of any person who is or was serving as a Director, officer, employee or agent of the Society and his heirs or personal representatives against any liability incurred by him as such Director, officer, employee or agent.