



MID-CANADA MARINE DEALERS ASSOCIATION INC.

(the “Corporation”)

BY-LAW NO. 1/86

BE IT ENACTED as the General By-laws of the Corporation as follows:

1. CORPORATE SEAL

1.1. The seal of the Corporation shall be in such form as shall be prescribed by the Directors of the Corporation.

2. MEMBERSHIP

2.1. The Corporation shall have the following classes of membership:

1. **Dealer Members.** Are members that operate a marine dealership. Each dealership shall only be entitled to one Dealer Membership. Dealer Members shall be entitled to one vote.
2. **Associate Members.** Are members who do not own and operate a marine dealership. Associate Members shall not be entitled to a vote unless they also have a representative on the Board of Directors of the Corporation, in which case they shall be entitled to one vote.

The Board of Directors shall have the sole discretion to designate which class of membership a particular member will be given.

2.2. Membership in the Corporation shall be limited to those persons who are the incorporators of the Corporation and any other applicant for membership approved by a majority of the Directors of the Corporation at such time. Representation provided by a member shall be through a senior executive of a corporate member or owner or part owner of a firm.

2.3. The Directors may by motion establish and change from to time in their absolute discretion policy or policies respecting:

- (a) criteria for membership when considering an applicant for membership in Mid-Canada Marine Dealers Association;
- (b) the design, development, management of all aspects of the annual boat show or any similar exhibition;

and the Board of Directors in so doing may designate such committee(s) to carry out such policies on such terms as may be determined by the Board of Directors.

3. **HEAD OFFICE**

3.1 The head office of the Corporation shall be located at the City of Winnipeg in Manitoba, or at such other specific place as the Directors of the Corporation determine.

4. **BOARD OF DIRECTORS**

4.1 The property and business of the Corporation shall be managed by a Board of Directors consisting of not less than five or more than fifteen such Directors.

4.2 A minimum of five (5) members of the Board of Directors shall constitute a quorum for the transaction of business.

4.3 The office of Director shall be automatically vacated:

- (a) if such person is found to be of unsound mind.
- (b) if such person becomes bankrupt or suspends payment of his debts or compounds with his creditors.
- (c) if the entity that such person represents ceases to be a Member of the Corporation.

4.4 A Director who fails to attend three consecutive meetings of the Board of Directors may be removed from the Board by a majority vote of the Board of Directors.

4.5 Subject to the limitations of the Articles, other sections of the by-laws, and the Corporations Act (Manitoba), all corporate powers of the Corporation shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be controlled by the Board of Directors. Without limiting the general powers, the Board of Directors shall have the following powers:

- (a) To select, appoint and remove officers, agents, and employees of the Corporation, and prescribe such powers and duties for them as may not be inconsistent with the law, the Articles or the by-laws;

- (b) To constitute such committees as the Board sees fit, composed of such persons as it shall see fit, whether Directors or not and to designate the duties of such committees as the Board shall from time to time determine;
 - (c) To conduct, manage and control the affairs and business of the Corporation, and to make rules and regulations not inconsistent with law, the Articles or the by-laws;
 - (d) To borrow money and incur indebtedness for the purpose of the Corporation, and for that purpose to cause to be executed and delivered, in the Corporation's name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, or other evidence of debt or securities.
 - (e) To fix the term of office of any officer, agent or employee and may change said term of office from time to time, and to create such employee positions and assign such duties by way of job description or otherwise as the Board of Directors may desire.
- 4.6 At all meetings of the Board of Directors every motion shall be decided by a majority of the votes of the directors present in person. Every motion shall be decided in the first instance by a show of hands unless a poll is demanded by any Director. Unless a poll is demanded, a declaration by the Chairperson that a resolution has been carried or not carried and an entry to that effect in the minutes shall be sufficient evidence of the fact without proof of the number or the proportion of the votes recorded in favour of or against such resolutions. In case of an equality of votes at any meetings of the Directors, whether upon a show of hands or at a poll, the Chairperson is entitled to a casting vote.
- 4.7 Directors and officers shall not receive any compensation for their services as Directors except as authorized by resolution of the Directors. A Director shall be reimbursed for reasonable expenses incurred in the performance of duties assigned to such Director.

5. **RESOLUTION OF DIRECTORS IN LIEU OF MEETING**

- 5.1 A resolution in writing signed by all the Directors entitled to vote at a meeting of Directors or Committee of Directors is as valid as if it had been passed at a meeting of Directors or Committee of Directors and shall be effective as at the date of execution by the first Director.

6. **OFFICERS OF THE BOARDS**

- 6.1 The officers of the Board shall be:
- (a) President;

- (b) Vice-President;
 - (c) Secretary/Treasurer;
 - (d) Any other office which may be appointed.
- 6.2 The President, the Vice-President, the Secretary/Treasurer and any other officer created shall be appointed by the Board of Directors at their first meeting each year. The President and the Vice-President must also be representatives of Dealer Members.
- 6.3 Where for any reason a vacancy occurs in the office of:
- (a) President: A Director shall be appointed to fill the vacancy at the next regular meeting of the Board of Directors.
 - (b) Vice-President or Secretary/Treasurer: The Board of Directors shall appoint a Director to replace such officer or may assign their respective duties to an employee, and in case of only a temporary absence or inability to act, the Board of Directors may either appoint a Director or any employee to act for such officer during that temporary period.
- 6.4 (a) The President shall:
- (i) be responsible for calling and shall preside at all meetings of the Board of Directors;
 - (ii) be an ex-officio member of all committees; and
 - (iii) carry out such other duties as may be assigned to such officer by the Board of Directors.
- (b) The Vice-President shall:
- (i) carry out such other duties as may be assigned to such officer by the Board of Directors.
- (c) The Secretary/Treasurer duties may include the following, as directed by the Board:
- (i) cause notice to be given of and attend all meetings;
 - (ii) cause an accurate and complete record to be kept of the minutes of all meetings and all transactions of the Board of Directors;
 - (iii) be responsible for the custody of all official documents and the seal of the Corporation;

- (iv) cause all correspondence to be attended to; and
- (v) perform such other duties as ordinarily pertain to the office of such person.
- (vi) keep full and accurate accounts of all receipts and disbursements of the Corporation in proper books of account;
- (vii) deposit all money or other valuables in the name and to the credit of the Corporation in such banks as may from time to time be designated by the Board of Directors;
- (viii) disburse the funds of the Corporation under the direction of the Board of Directors, taking proper vouchers therefore;
- (ix) render to the Board of Directors at the regular meetings or whenever required of such officer an account of all transactions as Treasurer, and of the financial position of the Corporation; and
- (x) perform such other duties as may from time to time be determined by the Board of Directors.

7. **MEETINGS**

- 7.1 The annual meeting of the Members of the Corporation shall be held at the head office of the Corporation or such other place as the Directors may designate at least once in each calendar year. At such meeting the Members entitled to vote shall elect the Board of Directors.
- 7.2 Each Dealer Member shall be entitled to one vote at meetings of the Members of the Corporation. Each Associate Member who also has a representative serving as a Director of the Corporation shall also be entitled to one vote at meetings of the Members of the Corporation. A majority decision of the Members of the Corporation entitled to vote and present at such meeting shall decide any matters put to a vote at such meeting. More than one person may represent a Member entitled to vote at meetings but said Member will only be entitled to one vote.

8. **RESOLUTION IN WRITING**

- 8.1 A resolution in writing signed by all the Members entitled to vote on that resolution at a meeting of Members is as valid as if it had been passed at a meeting of the Members unless a written dissent with respect to the subject matter of the resolution is submitted by a Member entitled to vote on that resolution or the auditors in accordance with the Act.

9. **AMENDMENT OF BY-LAW**

- 9.1 By-laws of the Corporation may be enacted, and the by-laws repealed or amended by by-law enacted, by a majority of the Directors at a meeting of the Board of Directors and sanctioned by an affirmative vote of at least two-thirds of the Members entitled to vote and present at a meeting duly called for the purpose of considering the said by-law.
- 9.2 The financial year end of the Corporation shall be September 30th in each year or such other date as the Directors may set from time to time.

10. **AUDITORS**

- 10.1 The Members entitled to vote shall at each annual meeting appoint an auditor or accountant to prepare and submit periodic and annual accounts of the Corporation, to hold office until the next annual meeting provided that the Directors may fill any casual vacancy in the office of the auditor or accountant. The remuneration of the auditor or accountant shall be fixed by the Board of Directors.

11. **SIGNATURE AND CERTIFICATION OF DOCUMENTS**

- 11.1 Contracts, documents or any instruments in writing requiring the signature of the Corporation, shall be signed by any two of the President, Vice-President and Secretary/Treasurer, or any one of the aforesaid together with any Director or as may be directed by resolution of the directors, and all contracts, documents and instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. The Directors shall have power from time to time by by-law to appoint an officer or officers or director or directors on behalf of the Corporation either to sign contracts, documents and instruments in writing generally or to sign specific contracts, documents and instruments in writing. The seal of the Corporation when required may be affixed to contracts, documents and instruments in writing signed as aforesaid or by any officer, officers, director or directors appointed by resolution of the Board of Directors.

12. **REMUNERATION OF DIRECTORS, OFFICERS AND EMPLOYEES**

- 12.1 The remuneration to be paid to the Directors, officers and employees shall be such as the Board of Directors shall by resolution from time to time determine and such remuneration may be in addition to the salary paid to any officer of the Corporation who is also a member of the Board of Directors. The Directors may also by resolution award special remuneration to any Director or officer undertaking any special service on the Corporation's behalf other than the routine work ordinarily required of a Director or officer by the Corporation and confirmation of any such resolution or resolutions by the Members shall not be required. The Directors and officers shall also be entitled to be paid their travelling and

other expenses properly incurred by them in connection with the affairs of the Corporation.

13. **FOR PROTECTION OF DIRECTORS, OFFICERS AND OTHERS**

13.1 Limitation of Liability - No Director or officer of the Corporation 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 other act for conformity, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by order of the Board for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in or upon which any of the monies of the Corporation shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the monies, securities or effects of the Corporation shall be deposited, or for any loss occasioned by or any error of judgment or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same are occasioned by his own willful neglect or default, provided that nothing herein shall relieve any Director or officer of any liability imposed upon him by the Corporations Act of Manitoba or applicable legislation (the "Act") .

13.2 Indemnity - Except in respect of an action by or on behalf of the Corporation to procure a judgment in its favour, the Corporation shall indemnify a Director or officer of the Corporation, a former director or officer of the Corporation or a person who acts or acted at the Corporation's request as a Director or officer of another corporation of which this Corporation is or was a Member or creditor, and his heirs and legal representatives, against all costs, charged and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him in respect of any civil, criminal or administrative action or proceeding to which he is made a party by reason of being or having been a Director or officer of such corporation or another corporation, if:

- (a) he acted honestly and in good faith with a view to the best interests of the Corporation, and
- (b) In the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he has reasonable grounds for believing that his conduct was lawful.

13.3 The Corporation shall, with the approval of a court indemnify any person referred to in 24.02 in respect of an action by or on behalf of the Corporation or another corporation to procure judgment in its favour, to which he is made a party by reason of being or having been a Director or an officer of the Corporation or another corporation against all costs, charges and expenses reasonably incurred by him in connection with such

action if he acted honestly and in good faith with a view to the best interests of the Corporation and in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he had reasonable grounds for believing that his conduct was lawful.

13.4 In accordance with the provisions of the Act, the Corporation shall indemnify any person referred to in paragraph 24.02 who has been substantially successful in the defence of any civil, criminal or administrative action or proceeding to which he is made a party by reason of being or having been a Director or Officer of the Corporation or another corporation against all costs, charges and expenses reasonably incurred by him in respect of such action or proceedings.

13.5 Insurance - Subject to the limitations contained in the Act, the Corporation may purchase and maintain such insurance for the benefit of its Directors and officers as the Board may from time to time determine.

14. **INFORMATION AVAILABLE TO MEMBERS**

14.1 No Member shall be entitled to discovery of any information respecting any details or conduct of the Corporation's business which in the opinion of the Directors it will be inexpedient in the interests of the Members to communicate.

14.2 The Directors may from time to time determine whether and to what extent and at what time and place and under what conditions or regulations the accounts and books of the Corporation or any of them shall be open to the inspection of Members, and no Member shall have any right of inspecting any account or book or document of the Corporation except as conferred by statute or authorized by the Board of Directors.

PASSED AND ENACTED the _____ day of October, 2008 .

PRESIDENT

SECRETARY/TREASURER