

CQHA

CANADIAN QUARTER
HORSE ASSOCIATION

CANADIAN QUARTER HORSE ASSOCIATION BY-LAW #5/2020

CORPORATE SEAL

1. The seal, an impression whereof is stamped in the margin hereof, shall be the seal of the Canadian Quarter Horse Association corporation (CQHA).

HEAD OFFICE

2. (a) until changed in accordance with the Canada Not-for-Profit Act or these bylaws the head office of the Canadian Quarter Horse Association shall be in the (City-Municipality) of WEYBURN, IN THE PROVINCE OF SASKATCHEWAN.

(b) The directors may, by motion at any regular meeting of the board of directors at which no less than 85 percent of the then current voting directors are present, designate a new head office for the CQHA provided that the motion is approved by not less than 66 percent of the directors present and eligible to vote on the motion.

CONDITIONS OF MEMBERSHIP

3. Membership in the CQHA shall be limited to any person, corporation, or other legal entity interested in furthering the objects of the CQHA and shall consist of a person, corporation, or other legal entity whose application for admission as a member has received the approval of the board of directors of the corporation. Only members in good standing are entitled to the rights and privileges of membership. A member is in good standing when:

(a) The current year's membership fee, and any arrears of membership fees, and any other amounts owing to the CQHA, have been duly paid to and received by the treasurer;

(b) The member is not in contravention of any provisions of the laws, rules or regulations of the CQHA duly made;

(c) The member is not in violation of any rule or regulation of the American Quarter Horse Association. Each member in good standing shall have the right to one vote.

Prior to exercising any rights or performing any duties of a member, a corporation or other legal entity that becomes a member must supply the CQHA with written authorization of one named individual duly authorized by the entity to exercise the rights and perform duties of the member.

4. There shall be membership fees or dues as directed by the board of directors.
5. Any member may withdraw from the CQHA by delivering to the CQHA a written resignation and lodging a copy of the same with the secretary of the CQHA. Membership is neither transferable nor assignable.
6. Any member may be required to resign by a vote of 66 percent of the members present and entitled to vote at an annual meeting.
7. In compliance with a marketing partnership agreement with the American Quarter Horse Association, the CQHA will accept and adopt the findings of the AQHA's disciplinary procedures with respect to its members.

Furthermore, the board has the authority to suspend or expel a member who, is not in good standing, or who violates any provision of the articles, by-laws or written policy, of the CQHA, engages in, abets, or condones any conduct detrimental to the CQHA or inconsistent with the CQHA's objectives as determined by the board in its sole discretion, or for any other reason that the board in its sole and absolute discretion considers to be reasonable having regard to the purpose of the CQHA.

In the event that the board determines that a member should be expelled or suspended from membership in the CQHA, then the president, or such other person as may have been designated by the board, shall immediately provide notice to the member of the expulsion or suspension of the member along with the grounds for the expulsion or suspension. The member shall have 21 days from the giving of notice to the member to provide the board with the member's written submission on the expulsion or suspension. The written submissions will be considered by the board in reaching its final decision which shall be made within 20 days of the receipt of the member's written submission. In the event no

written submission is received by the CQHA within the 21 days provided for herein, then the board shall proceed to a final decision without further notice to or submissions from or on behalf of the member. The member will be provided with the final decision of the board forthwith after the decision is made. In its determination the board may accept or reject any evidence as the board considers appropriate and is not bound by the rules of law concerning evidence. The board may require any evidence to be sworn or affirmed, or to be provided under oath.

The board may accept any evidence that it considers appropriate and is not bound by the rules of law concerning evidence. The testimony of witnesses is to be under oath or affirmation administered by the chairperson of the hearing committee. A member whose conduct is the subject of a hearing is competent and compellable to give evidence at the hearing. If the member whose conduct is the subject of the hearing fails to attend the hearing, the board, on proof of service of the notice of hearing, may proceed with the hearing in the member's absence.

MEMBERS' MEETINGS

8. The annual meeting of the members shall be held within six months after the end of the CQHA's fiscal year, in the city where the head office of the CQHA is situated or at a location within Canada that the directors determine.
9. At every annual meeting, in addition to any other business that may be transacted, the report of the directors, the financial statement and the report of the public accountant shall be presented, and public accountants appointed for the ensuing year. The members may consider and transact any business either special or general at any meeting of the members. The board of directors or the president or vice-president shall have power to call, at any time, a general meeting of the members of the CQHA. The board of directors shall call a special general meeting of members on the written requisition signed by members carrying not less than 5 percent of the voting rights.

15 members present in-person at a meeting will constitute a quorum.

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.

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

- (a) By mail, courier or personal delivery 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;
- (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;
- (c) by affixing the notice, no later than 30 days before the day on which the meeting is to be held, to a notice board on which information respecting the CQHA's activities is regularly posted and that is located in a place frequented by members;
- (d) In the case that the CQHA has more than 250 members, by publication:
 - (i) at least once in each of the three weeks immediately before the day on which the meeting is to be held in one or more newspapers circulated in the municipalities in which the majority of the members of the CQHA reside as shown by their addresses in the register of members, or;
 - (ii) At least once in a publication of the CQHA that is sent to all its members, during a period of 21 to 60 days before the day on which the meeting is to be held.
- (e) for the purpose of subsection 162(1) of the Canada Not-for-profit Act, if the by-laws provide for an electronic means of giving notice, the by-laws shall also delineate one or more of the methods set out in paragraphs (1)(a), (c) or (d) as a non-electronic alternative manner of doing so to be used if a member requests that the notice be given by non-electronic means and, despite subsection 162(2) of the Canada Not-for-profit Act, if no alternative manner is set out in the by-laws, the CQHA shall only send a copy of the notice to member that request a copy.

Notice of any meeting where special business will be transacted shall contain sufficient information to permit the member to form a reasoned judgment on the decision to be taken.

Each voting member present at a meeting shall have the right to exercise one vote.

11. A majority of the votes cast by the members present and carrying voting rights shall determine the questions in meetings, except where the vote or consent of a greater number of members is required by the Canada Not-for-Profit Act or these by-laws.
12. No error or omission in giving notice of any annual or general meeting or any adjourned meeting, whether annual or general, of the members of the CQHA shall invalidate such meeting or make void any proceedings taken thereat. Any member may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat. For purpose of sending notice to any member, director or officer for any meeting or otherwise, the address of the member, director or officer shall be his/her last address recorded on the books of the CQHA.

BOARD OF DIRECTORS

13. The property and business of the CQHA shall be managed by a board of directors, comprised of a minimum of 3 and a maximum of 36 total elected or appointed directors. The number of directors shall be determined from time to time by a majority of the directors at a meeting of the board of directors and sanctioned by an affirmative vote of at least 66 percent of the members at a meeting duly called for the purpose of determining the number of directors to be elected to the board of directors.
14. Directors elected or appointed under paragraph 19, and directors nominated and confirmed under paragraph 20 below, must be members in good standing throughout their term and must be current members in good standing with the AQHA.
15. Directors shall serve for a term of 1 to 3 years following their election by the members at the annual meeting of members with the voting eligible to take place electronically prior to the annual meeting with the results announced and ratified at the meeting.
16. 1. Notwithstanding any other provisions of these bylaws, the office of any director shall be automatically vacated:
 - (a) If the director fails to attend 50 percent of the board of directors' meetings;

- (b) If at a special general meeting of members, a resolution is passed by a majority vote of the members present at the meeting that he/she be removed from office;
- (c) If a director has resigned his/her office by delivering a written resignation to the secretary of the CQHA;
- (d) If he/she is found by a court to be of unsound mind;
- (e) If he/she becomes bankrupt or insolvent;
- (f) On death;

provided that if any vacancy shall occur for any reason contained in this paragraph, the board of directors by majority vote, may, by appointment, fill the vacancy with a member in good standing of the CQHA who shall serve until the first annual meeting of the members held after the appointment.

2. Provided that if any vacancy in the board of directors shall occur for any reason, the board of directors by majority vote, may, by appointment, fill the vacancy with a member in good standing of the CQHA who shall serve until the first annual meeting of the members held after the appointment.

- 17. The directors shall serve as such without remuneration and no director shall directly or indirectly receive any profit from his/her position. A director may be paid reasonable expenses incurred by him/her in the performance of his/her duties when those expenses have been approved by the board of directors at their meeting. Nothing herein contained shall be construed to preclude any director from serving the CQHA as an officer or in any other capacity and receiving compensation therefor.
- 18. A retiring director shall remain in office until the dissolution or adjournment of the meeting at which his/her retirement is accepted.

PROVINCIAL ASSOCIATION DIRECTORS

- 19. (a) The properly constituted quarter horse association of a Canadian province or territory shall be allowed to nominate one director to the CQHA on the conditions that:
 - (i) Not less than 75 percent of the provincial or territorial associations' members in good standing are also members in good standing of the CQHA at July 1 of the current year;

- (ii) The nomination is confirmed by a vote of the membership of the CQHA at the next annual meeting following the nomination.
- (b) Provincial / territorial association directors shall serve for a term of 3 years provided that:
 - (i) In each year of the term condition 19(a)(i) is met;
 - (ii) Their appointment is not canceled or revoked by the provincial/territorial association which appointed the directors;
 - (iii) They meet all other requirements for being a director as set out in these by-laws including a member in good standing of the CQHA and AQHA.

CANADIAN DIRECTORS OF THE AQHA

- 20. (a) Canadian directors of the AQHA, including Directors-At-Large and Directors Emeritus, who do not meet the attendance requirements of being a full CQHA director but would like to stay involved with the CQHA may move to an advisory board position and become an Associate CQHA Director. As an Associate Director of the CQHA, AQHA directors would receive all board of directors' communications, and may attend and participate in board of directors' meetings but would not have a vote and would not be considered in determining a quorum.

DIRECTOR OF ORGANIZATION WITH COMMON OBJECTIVES

- 21. (a) an organization which seeks to support and further the objectives of the CQHA may apply to the board of directors to nominate a director to the board;
- (b) Any such applications shall be in writing and contain all information as the board may in its discretion require;
- (c) The board may approve or deny any such application as it sees fit;
- (d) Following the approval of by the directors the nomination shall be placed before the membership to be voted upon by the members at the annual meeting of the members of the CQHA;

- (e) Directors of organizations with common objectives shall serve for a term of 3 years provided that:
 - (i) In each year of the term the organization supports and furthers the objectives of the CQHA;
 - (ii) Their appointment is not canceled or revoked by the organization which nominated the director;
 - (iii) They meet all other requirements for being a director as set out in these by-laws including being a member in good-standing of the CQHA and AQHA.

POWER OF DIRECTORS

- 22. The directors of the CQHA may administer the affairs of the CQHA in all things and make or cause to be made for the CQHA, in its name, any kind of contract which the CQHA may lawfully enter into and, save as hereinafter provided, generally, may exercise all such other powers and do all such other acts and things as the CQHA is by its charter or otherwise authorized to exercise and do.
- 23. The directors shall have power to authorize expenditures on behalf of the CQHA from time to time and may delegate by resolution to an officer or officers of the CQHA the right to employ and pay salaries to employees. The directors shall have the power to enter into a trust arrangement with a trust company for the purpose of creating a trust fund in which the capital and interest may be made available for the benefit of promoting the interest of the CQHA in accordance with such terms as the board of directors may prescribe. The board of directors is hereby authorized, from time to time:
 - (a) to borrow money upon the credit of the CQHA, from any bank, corporation, firm or person, upon such terms covenants and conditions at such times, in such sums, to such an extend and in such manner as the board of directors in its discretion may deem expedient;
 - (b) To limit or increase the amount to be borrowed;
 - (c) to issue or cause to be issued bonds, debentures or other securities of the CQHA and to pledge or sell the same for such sums, upon

such terms, covenants and conditions and at such prices as may be deemed expedient by the board of directors;

- (d) to secure any such bond, debentures or other securities, or any other present or future borrowing or liability of the CQHA, by mortgage, hypothec, charge or pledge of all or any currently owned or subsequently acquired real and personal, movable and immovable, property of the CQHA, and the undertaking and rights of the CQHA;
 - (e) Nothing herein limits or restricts the borrowing of money by the CQHA on bills of exchange or promissory notes made, drawn, accepted by or on behalf of the CQHA.
24. The board of directors shall take such steps as they may deem requisite to enable the CQHA to acquire, accept, solicit or receive legacies, gifts, grants, settlements, bequests, endowments and donations of any kind whatsoever for the purpose of furthering the objects of the CQHA.
25. The board of directors may appoint such agents and engage such employees as it shall deem necessary from time to time, and such persons shall have such authority and shall perform such duties as shall be prescribed in writing by the board of directors at the time of such appointment.
26. Remuneration for all officers, agents, employees and committee members shall be fixed by the board of directors by resolution. Such resolution shall have force and effect only until the next meeting of members when such resolution shall be confirmed by resolution of the members, or in the absence of such confirmation by the members, then the remuneration to such officers, agents or employees and committee members shall cease to be payable from the date of such meeting of members.

DIRECTORS' MEETINGS

27. Meetings of the board of directors may be held at any time and place to be determined by the directors provided that 48 hours written notice of such meeting shall be given, other than by postal mail, to each director. Notice by mail shall be sent at least 14 days prior to the meeting. There shall be at least one meeting per year of the board of directors. No error or omission in giving notice of any meeting of the board of directors or any adjourned meeting of the board of directors of the CQHA shall invalidate such meeting or make void any proceedings taken thereat. Any director may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat. Each director is authorized to exercise one vote.

A director, or directors, may, if all directors of the CQHA consent, participate in a meeting of directors, or a committee of directors, by means of such telephone or other communications facilities as permit all persons participating in the meeting to hear each other, and a director participating in such a meeting by such means is deemed for the purposes of the Canada Not-for-profit Act to be present at that meeting.

28. Any meeting of the board of directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers, and discretions by or under the by-laws of the CQHA.

A quorum shall require the greater of, six directors, or 50 percent of the directors of the CQHA, all present at a duly-called meeting of the directors of the CQHA.

If a quorum is present at the opening of a meeting of directors, the directors present may proceed with the business of the meeting even if a quorum is not present throughout the meeting.

INDEMNITIES TO DIRECTORS AND OTHERS

29. Every director or officer of the CQHA or other person who has undertaken or is about to undertake any liability on behalf of the CQHA or any company controlled by it 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 of the CQHA, from and against:
- (a) all costs, charges and expenses which such director, officer or other person sustains or incurs in or about any action, suit or proceedings which is brought, commenced or prosecuted against him/her, or in respect of any act, deed, matter of thing whatsoever, made, done or permitted by him/her, in or about the execution of the duties of his/her office or in respect of any such liability;
 - (b) All other costs, charges and expenses which he/she sustains or incurs in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by his/her own neglect or default.

OFFICERS

30. The officers of the CQHA shall be president, vice-president(s), secretary, treasurer and immediate past-president. A person shall not serve more than six consecutive years in any one office of the CQHA.
31. (a) the office of president and of vice-president(s) shall each be filled by a director. Each shall be elected at the first meeting of directors following the CQHA's annual members' meeting. Subject to the limitation imposed by paragraph 30, a directors' resolution appointing a president or vice-president must specify the term of the appointment and the number of consecutive terms for the appointment.
- (b) The president or the vice-president(s) may be removed from office as follows:
- (i) Notice of a meeting of the directors at which a motion for removal of an officer will be made, must be sent to all directors not less than 21 days prior to the meeting;
 - (ii) The notice must contain the motion as it will be made to the meeting;
 - (iii) The motion shall only be passed on a vote of not less than 75 percent of the present and eligible voting directors.
32. (a) the office of Immediate past-president shall be filled by the retiring president when the new president is elected and shall serve until the current president is replaced by the next president.
33. (a) the office of secretary and treasurer shall be filled by a director. Each position shall be appointed by resolution of the board of directors at the first meeting of the directors following the annual meeting of the members;
- (b) Subject to the limitation imposed by paragraph 30, a directors' resolution appointing a secretary or treasurer must specify the term of the appointment and the number of consecutive terms for the appointment;
- (c) The procedure for removal of a secretary or treasurer shall be the same as set out in Section 31(b).

DUTIES OF OFFICERS

34. The president shall be the chief executive officer of the CQHA. He/she shall preside at all meetings of the CQHA on and of the board of directors. He/she shall be an ex-officio member of all board committees. He/she shall have the general and active management of the affairs of the CQHA. He/she shall see that all orders and resolutions of the board of directors are carried into effect.
35. A vice-president shall, in the absence or disability of the president, perform the duties and exercise the powers of the president and shall perform such other duties as shall from time to time be imposed upon him/her by the board of directors.
36. The treasurer shall be charged with responsibility to assure the secure custody of the funds and securities of the CQHA and shall keep or cause to be kept, full and accurate accounts of all assets, liabilities, receipts and disbursements of the CQHA in the books belonging to the CQHA. He/she shall deposit or cause to be deposited all monies, securities and other valuable effects in the name and to the credit of the CQHA in such chartered bank or trust company, or, in the case of securities, in such registered dealer in securities as may be designated by the board of directors from time to time. He/she shall oversee disbursing funds of the CQHA as may be directed by proper authority taking proper vouchers for such disbursements and shall render to the president and directors at the regular meeting of the board of directors, or whenever they may require it, an accounting of all the transactions and a statement of the financial position, of the CQHA. He/she shall also perform such other duties as may from time to time be directed by the board of directors.
37. The secretary may be empowered by the board of directors, upon resolution of the board of directors, to carry out the affairs of the CQHA generally under the supervision of the officers thereof. He/she shall attend all meetings and act as clerk thereof and record all votes and minutes of all proceedings in the books to be kept for that purpose. He/she shall give or cause to be given notice of all meetings of the members and of the board of directors and shall perform such other duties as may be prescribed by the board of directors or president, under whose supervision he/she shall be. He/she shall be the custodian of the seal of the CQHA, which he/she shall deliver only when authorized by a resolution of the board of directors to do so and to such person or persons as may be named in the resolution.
38. The immediate past president shall provide historical background information and/or situational context pertaining to past board decisions, to assist with maintaining continuity in the active management of the organization during the

transition of authority and such other duties as shall from time to time be imposed upon him/her by the board of directors.

COMMITTEES

39. The board of directors may appoint committees whose members will hold their offices at the will of the board of directors. The directors shall determine the duties of such committees and may fix, by resolution, any remuneration to be paid.

EXECUTIVE COMMITTEE

40. There shall be an executive committee composed of the elected officers of the CQHA. The executive committee shall exercise such powers as are authorized by the board of directors. Any executive committee member may be removed by a majority vote of the board of directors. Executive committee members shall receive no remuneration for serving as such, but are entitled to reasonable expenses incurred in the exercise of their duty as approved by the board of directors. Each executive committee member present at the meeting shall have one vote.
41. Meetings of the executive committee shall be held at any time and place to be determined by the members of such committee provided that 48 hours written notice of such meeting shall be given, other than by mail, to each member of the committee. Notice by mail shall be sent at least 14 days prior to the meeting. Three members of such committee shall constitute a quorum. No error or omission in giving notice of any meeting of the executive committee or any adjourned meeting of the executive committee of the CQHA shall invalidate such meeting or make void any proceedings taken thereat. Any member of such committee may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat.

EXECUTION OF DOCUMENTS

42. (a) Contracts, documents or any instruments in writing requiring the signature of the CQHA, shall be signed by any two officers. All contracts, documents and instruments in writing, so signed, shall be binding upon the CQHA without any further authorization or formality. The directors shall have power, from time to time, by resolution to appoint an officer or officers on behalf of the CQHA to sign specific contracts, documents or instruments in writing. The directors may give the CQHA's "Power of Attorney" to any registered dealer in securities for the purposes of the transferring of and dealing with any stocks, bonds, and other securities of the CQHA. The

seal of the CQHA when required may be affixed to contracts, documents and instruments in writing signed as aforesaid or by any officer or officers appointed by resolution of the board of directors;

- (b) Any two officers may certify that a particular document is a document of the CQHA.

MINUTES OF BOARD OF DIRECTORS (AND EXECUTIVE COMMITTEE)

- 43. The minutes of the board of directors (or the minutes of the executive committee) shall not be available to the general membership of the CQHA, but shall be available to the board of directors each of whom shall receive a copy of such minutes.

FISCAL YEAR

- 44. Unless otherwise ordered by the board of directors, the fiscal year of the CQHA shall be October 1 to September 30 of each year.

AMENDMENT OF BY-LAWS

- 45. The directors may, by resolution, make, amend or repeal any by-laws that regulate the activities or affairs of the CQHA, except in respect of matters referred to in subsection 197(1) of the Canada Not-for-Profit Act.

FINANCIAL STATEMENT AND PUBLIC ACCOUNTANT

- 46. The members shall, at each annual meeting, appoint a public accountant to compile annual financial statements as required by the Canada Not-for-Profit Act to report to the members at the next annual meeting. The public accountant shall hold office until the next annual meeting, provided that the directors may fill any casual vacancy in the office of the public accountant. The remuneration of the public accountant shall be fixed by the board of directors. The public accountant shall not be a director, officer or employee of the CQHA.

The CQHA shall, instead of providing copies of the annual financial statements and other documents referred to in section 172(1) of the Act to the members, publish a notice to its members stating that the annual financial statements and documents provided in subsection 172(1) of the Act are available at the

registered office of the CQHA. Any member may, on written request, obtain a copy free of charge at the registered office, or by prepaid mail.

BOOKS AND RECORDS

47. The directors shall see that all necessary seals, books and records of the CQHA required by the by-laws of the CQHA or by any applicable statute or law are regularly and properly kept. The corporate seal shall be retained at the Head Office of the CQHA.

RULES AND REGULATIONS

48. The CQHA is the recognized International Affiliate of the AQHA for Canada and abides by the rules and regulations of the AQHA.
49. The board of directors may prescribe such rules and regulations not inconsistent with these by-laws relating to the management and operation of the CQHA as they deem expedient, provided that such rules and regulations shall have force and effect only until the next meeting of the members of the CQHA when they shall be confirmed. Failing such confirmation at such annual meeting of members, said rules and regulations shall at and from that time cease to have any force and effect.

INTERPRETATION

50. In these by-laws and in all other by-laws of the CQHA hereafter passed unless the context otherwise requires, words importing the singular number, or the masculine gender, shall include the plural number or the feminine gender, as the case may be, and vice versa, and references to persons shall include firms and corporations.
51. Any reference herein to the "Act" or the Regulations shall unless otherwise indicated be a reference to the **Canada Not-for-profit Corporations Act** and any Regulation relating to that Act.
52. Unless otherwise specified by the Canada Not-For-Profit Act or the Regulations or these By-laws, notice may be given to any member by delivery of a copy of the notice to the member at the address/contact information of the member as provided to the CQHA by the member. Members are solely responsible for

ensuring that the CQHA has the member's correct and current address and for all consequences of not fulfilling this responsibility.

Approved by the Board of Directors of the Corporation this 24 Day of November, 2020.

A handwritten signature in black ink, appearing to read "Dr. Gilles Seguin". The signature is fluid and cursive, with a large initial "G" and "S".

Dr. Gilles Seguin
President