

CANADIAN QUARTER HORSE ASSOCIATION

BY-LAWS
#5/2022



AQHA
AFFILIATE



1. NAME and MISSION

a. The name of this organization shall be the CANADIAN QUARTER HORSE ASSOCIATION, also known as the CQHA, and is incorporated under the Canada Not-for-Profit Corporations Act.

b. The CQHA's general purposes, as an international affiliate of the American Quarter Horse Association (AQHA), shall be to:

- i) promote the American Quarter Horse and its welfare;
- ii) provide beneficial services for its members which enhance and encourage American Quarter Horse ownership and participation with AQHA and CQHA activities;
- iii) generate growth of AQHA and CQHA membership via the marketing, promotion, advertising and publicity of the American Quarter Horse;
- v) educate horse owners and the public regarding the benefits of registering eligible American Quarter Horses with AQHA;
- v) address the concerns of American Quarter Horse owners in Canada and communicate such concerns to AQHA and, if applicable and appropriate, the Canadian government;
- vi) work with and coordinate activities with the Canadian provincial and regional affiliates of the AQHA;
- vii) promote, both internationally and within Canada, Canadian-bred and Canadian-owned American Quarter Horses; and
- viii) expand awareness of American Quarter Horses worldwide, and comply with and develop rules and procedures to assist the International Affiliates of AQHA in this endeavour.

2. INTERPRETATION

a. In these by-laws and all other by-laws of the CQHA hereafter passed, unless the context otherwise requires, words importing the singular number, shall include the plural number, as the case may be, and vice versa, and reference to persons shall include firms and corporations.

b. Any reference herein to the “Act” or the Regulations shall, unless otherwise indicated, refer to the Canada Not-for-Profit Corporations Act and any Regulation relating to that Act, as amended.

3. HEAD OFFICE

Until changed in accordance with the Act and these by-laws, the registered office of the Canadian Quarter Horse Association shall be in the PROVINCE of Alberta.

4. MEMBERSHIP

a. Membership in the CQHA shall be open to any person, interested in furthering the objects of the CQHA. It shall consist of a person, 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. Each member in good standing shall have the right to one vote. A member is in good standing when:

- i) the current year's membership fee, any arrears of membership fees, and any other amounts owing to the CQHA have been duly paid to and received by the treasurer;
- ii) the member is not in contravention of any provisions of the laws, rules or regulations of the CQHA and the AQHA;

b. Membership will be based on the calendar year, start on January 1 and terminate on December 31.

c. There shall be annual membership fees or dues determined by the board of directors.

d. 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 or by completing the “delete profile” function on the website, which houses the CQHA membership database. Membership is neither transferable nor assignable.

5. MEMBERS' MEETINGS

a. The annual general meeting of the members shall be held within fifteen months of the previous annual general meeting and within six months after the end of the CQHA's fiscal year at a location or on a virtual platform hosted within Canada approved by the board of directors.

b. At every annual general meeting, in addition to any other business that may be transacted, the process of electing new directors will be completed and the election results ratified. The active standing committees will report. The financial statement for the last fiscal year will be presented, and a public accountant will be appointed for the ensuing year. The members may consider and transact any business, either special or general, at any member's meeting for which proper notice has been provided.

c. The board of directors, or the President, or the vice-president in the absence of the President, shall have the power to call a special general meeting of the members of the CQHA at any time.

d. The board of directors shall call a special general meeting of members on the written requisition signed by members carrying not less than ten percent (10%) of the voting rights.

e. Twenty-Five (25) members present at a general 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.

f. As determined by the board of directors, arrangements may be made for members to participate electronically in a general meeting. A person participating in a meeting by electronic means is deemed to be present at that meeting.

g. 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:

i) by telephonic, electronic or another communication facility to each member entitled to vote at the meeting, during a period of twenty-one (21) to thirty-five (35) days before the day on which the meeting is to be held;

ii) by affixing the notice, no later than thirty (30) days before the day on which the meeting is to be held, to a notice board on the CQHA website and social media platform on which information respecting the CQHA's activities is regularly posted and that is in a location frequented by members; or

iii) by publication at least once in a newsletter of the CQHA that is sent to all its members, during a period of twenty-one (21) to sixty (60) days before the day on which the meeting is to be held.

h. 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 members that request a copy.

i. 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 made.

j. Each voting member in good standing present at a meeting, shall have the right to exercise one vote. There will be no provision for proxy voting.

k. 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.

l. No error or omission in giving notice of any annual or general meeting or any adjourned meeting, whether yearly 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 the purpose of sending a notice to any member, director or officer for any meeting or otherwise, the electronic email address of the member, director or officer last recorded on the books of the CQHA shall be used.

6. ELECTED DIRECTORS

The property and business of the CQHA shall be managed by a board of directors comprised of a minimum of three and a maximum of eighteen (18) directors elected by the voting CQHA membership. The number of directors shall be determined from time to time by the members at a meeting of the members by ordinary resolution at a meeting duly called to determine the number of directors to be elected to the board of directors.

a. All directors must be members in good standing of the CQHA throughout their term and must be current members in good standing with the AQHA.

b. Elected directors shall serve for a term of three years following their election by the members. The term shall commence at the end of the AGM where their election is ratified.

c. The board of directors shall determine each year how voting to elect directors will take place. As determined by the board of directors, balloting may occur electronically before the annual meeting and/or by secret ballot at the annual meeting. The results are to be announced and ratified at the annual meeting.

d. The board of directors should be comprised of members representing all regions of Canada.

e. All directors have one vote each.

f. Notwithstanding any other provisions of these by-laws, the office of any director shall be automatically vacated:

i) if, at a general meeting of members, a resolution is passed by a majority vote of the members at the meeting that they be removed from office;

ii) if a director has resigned their office by delivering a written resignation to the Secretary of the CQHA;

iii) if a person is found by a court to be of unsound mind;

iv) if a person is convicted of a serious criminal offense or an offense under any legislation pertaining to the breeding, registration or welfare of animals that results in incarceration or a fine in excess of \$500;

v) upon death.

g. If any vacancy occurs for any reason, the board of directors, by a majority vote, may appoint a member in good standing of the CQHA to fill the vacancy, who shall serve with full privileges of an elected director until the next general meeting at which time the position will be filled by an election by the general membership.

h. The directors shall serve as such without remuneration, and no director shall directly or indirectly receive any profit from their position. A director may be paid reasonable expenses incurred by them in the performance of their duties when the board has approved those expenses 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.

i. A retiring director shall remain in office until the dissolution or adjournment of the meeting at which their retirement is accepted.

7. CANADIAN DIRECTORS OF THE AQHA

a. In compliance with the CQHA Affiliate Agreement with the AQHA, Canadian Directors of the AQHA, including Directors-At-Large, Directors Emeritus, and Honorary Vice-Presidents, all of which are elected through a process with the AQHA and their provincial affiliates, shall be invited to attend meetings of the CQHA board of directors in a non-voting advisory capacity as Associate Directors after confirmation of their position at the AQHA annual convention. They may attend meetings of the board, as long, as they remain a Director of the AQHA.

b. Canadian Directors of the AQHA who serve in an advisory capacity on the CQHA Board as Associate Directors have the following privileges and limitations:

i) will receive all board communications;

ii) will have the right to attend and participate in all board of directors' meetings but will not have voting rights;

- iii) will not have any meeting attendance requirements;
- iv) will not be included in the calculation of a quorum for directors' meeting; and
- v) may serve on any CQHA committee other than the Executive Committee and have full voting rights on the committees.

8. POWER OF DIRECTORS

a. 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.

b. The directors shall have the 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 to create 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:

- i) 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 extent and in such manner as the board of directors in its discretion may deem expedient;
- ii) to limit or increase the amount to be borrowed;
- iii) 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;
- iv) 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;
- v) 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.
- vi) to allow the leveraging of any Trust funds owned by the CQHA at a rate no greater than 50% Debt to Current Market Value of the Trust at the time of the loan application to facilitate investments, project development, education and other purposes approved by the CQHA Board of Directors. Annual loan payments must meet an incurred test of no greater than 3% of the Market Value of the Trust at the time of the loan application.

c. 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 to further the objects of the CQHA.

d. 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 perform such duties as prescribed in writing by the board of directors.

e. The board of directors shall fix remuneration for all officers, agents, employees, and committee members 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, the remuneration to such officers, agents or employees and committee members shall cease to be payable from the date of such meeting of members.

f. Resolutions in writing, including electronic transmission, voted on and approved by the elected directors, will be valid, binding and recorded in the minutes of the next directors' meeting.

9. DIRECTORS' MEETINGS

a. Meetings may be called by the President, or Vice-President or by the Secretary with direction in writing by two (2) directors.

b. Meetings of the board of directors may be held at any time and place or virtual platform, to be determined by the directors provided that forty-eight (48) hours written notice of such meeting shall be given to each director. No error or omission in giving notice of any meeting of the board of directors or any adjourned meetings 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.

c. A meeting will be held without notice immediately following the annual general meeting to select the officers and committee chairpersons, and other timely business.

d. Each elected director, including the President, is authorized to exercise one vote. All questions shall be decided by a majority of votes.

e. A director, or directors, may, if all directors of the CQHA consent, participate in a meeting of directors, or a committee of directors, employing such telephone or other communications facilities that 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.

f. 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.

g. A quorum shall be fifty percent (50%) plus one (1) of the elected directors of the CQHA. If a quorum is not achieved, the meeting can proceed and be recorded, but no actions are taken until the approval of the minutes at the next board meeting where a quorum is present.

h. 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.

i. A director shall disclose, in writing or by requesting to have it entered in the minutes of meetings of directors or committees, the nature and extent of any interest that the director has in a material contract or material transaction with the CQHA, whether made or proposed. If there is a conflict of interest, the director shall recuse themselves from voting on that transaction/motion.

10. INDEMNITIES TO DIRECTORS AND OTHERS

a. 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 (hereinafter "indemnitee").

b. CQHA shall indemnify, to the fullest extent permitted by these by-laws or the laws of Canada, any person made or threatened to be made a defendant or respondent to any threatened or pending action, suit or proceeding, whether civil, criminal, administrative or investigative because the person:

- i) was or is a director, trustee, officer, employee, member of a committee or member of a council created by the CQHA, or
- ii) was or is serving any other corporation, partnership, joint venture, trust or other business or charitable enterprise as a director, trustee, officer, or employee at the specific request of CQHA.

c. This indemnification is available only if, concerning the matters made on the basis of the underlying action, suit or proceeding, such indemnitee:

- i) acted in good faith;
- ii) acted in a manner, they reasonably believed to be in the best interests of CQHA;
- iii) had no reasonable cause to believe their conduct was illegal or unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or on a plea of nolo contendere or its equivalent, shall not of itself, create an irrebuttable presumption that the indemnitee did not meet the requirements set forth above;
- iv) this indemnity shall include all usual and customary expenses incurred in defense of or response to the action, suit or proceeding including, legal fees, costs, judgments, fines, and amounts paid in the settlement that such person reasonably incurs in connection with such action, suit or proceeding, except such costs, charges, or expenses as are occasioned by their neglect or default;
- v) the indemnification provided herein shall inure to the benefit of the indemnitee and their heirs, executors or administrators and shall not be exclusive of any other rights to which the indemnitee may be entitled under the laws of Canada, any other By-law of CQHA, a written agreement with CQHA, or the vote of the board of directors of CQHA; and,
- vi) notwithstanding the above provisions, a person shall not be indemnified with respect to any action, suit or proceeding filed by or undertaken by the CQHA against the person to whom indemnity would otherwise be available.

d. To preserve this right of indemnity, an indemnitee shall promptly notify CQHA of any actual or threatened action, suit or proceeding, whereupon CQHA shall have the right to, but not the obligation to, assume and direct the defense thereof through a lawyer(s) selected and paid for by CQHA. If, in its sole discretion, CQHA, by and through its board of directors, determines that the failure of the indemnitee to notify the CQHA of any actual or threatened action promptly, suit or proceeding prejudiced the rights of CQHA under this provision, it may deny indemnity to the person to whom indemnity would otherwise be available. The selection of lawyer(s) will be subject to the consent of the indemnitee, for which consent will not be unreasonably withheld. Any settlement, monetary or otherwise, of the action, suit or proceeding shall require the express consent of the board of directors of CQHA and absent such consent shall be the sole responsibility of the indemnitee.

11. OFFICERS

- a. 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.
- b. The position of officers, excluding the Past President, shall each be filled by an elected director. Each shall be elected at the first meeting of directors following the CQHA's annual members' meeting.
- c. An officer may be removed from office as follows:

- i) If a notice of a meeting of the directors at which a motion for removal of an officer will be made is sent to all directors not less than twenty-one (21) days before the meeting;
- ii) If the notice contains the motion as it will be made at the meeting; and,
- iii) If the motion is be passed by a majority of the voting directors based on votes cast.

d. The office of the Immediate Past President shall be filled by the retiring President when the new President is elected and shall serve until the next President replaces the current President.

12. DUTIES OF OFFICERS

a. The President is the chief executive officer and shall:

- i) preside at all regular board, emergency and annual meetings;
- ii) appoint the chairperson of all committees with the assistance and approval of the board of directors;
- iii) have general supervision of all activities of the Association;
- iv) act as spokesperson for the Association and the board of directors; and,
- v) be an ex-officio member of all committees, except the nominating committee.

b. The vice-president(s) shall:

- i) in the absence or disability of the President, or at the request of the President, perform the duties and exercise the powers of the President;
- ii) perform such other duties as shall from time to time be imposed upon them by the board of directors; and,
- iii) if more than one vice-president is elected, they will be delegated as first vice-president and second vice-president in order to define their order of command.

c. The treasurer shall:

- i) be charged with t h e responsibility to assure the secure custody of the funds and securities of the CQHA;
- ii) keep or cause to be kept, complete and accurate accounts of all assets, liabilities, receipts, and disbursements of the CQHA in the books belonging to the CQHA;
- iii) 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;
- iv) 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;
- v) present the fiscal year-end financial statement at the annual general meeting; and,
- vi) perform such other duties as may from time to time be directed by the board of directors.

d. The Secretary will work under the supervision of the President and shall:

- i) keep an accurate record of all meetings of the CQHA executive committee and board of directors;
- ii) preserve all papers, letters, and transactions of the CQHA in such a place as the directors determine;
- iii) give or cause to be given all notices required to be given to members and directors;
- iv) keep or cause to be kept an accurate record of the names, and as required postal addresses, email addresses, phone numbers, and status of all CQHA members;
- v) conduct correspondence for the CQHA;
- vi) keep on file all documents and by-laws current for reference;
- vii) transfer all books and papers of the CQHA to a newly elected secretary in a timely manner.

e. The immediate past president shall:

- i) provide historical background information and situational context pertaining to past board decisions to assist with maintaining continuity in the active management of the organization during the transition of authority;
- ii) perform other duties as shall from time to time be imposed upon them by the board of directors; and,
- iii) serve as chairperson of the nomination committee if they are still actively engaged in the affairs of the CQHA.

13. COMMITTEES

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. The standing committees listed below, of which the chairperson must be a director, will be appointed at the first board of directors meeting after the annual general meeting. In addition, from time to time, as required, operational committees will be formed to perform a specific function and may have a limited term. The chairperson of an operational committee may be any CQHA member in good standing.

a. Executive Committee:

- i) the executive committee shall be composed of the elected officers of the CQHA. From time to time, additional members may be added to this committee by a majority vote of the board of directors;
- ii) the President shall be the chair of this committee;
- iii) the executive committee shall oversee the daily operations of the CQHA and exercise such powers as are authorized by the board of directors;
- iv) any executive committee member may be removed by a majority vote of the board of directors;
- v) each executive committee member present at the meeting shall have one vote;
- vi) meetings of the executive committee shall be called by the chair and held at a time and place to be determined by the members of such committee provided that 48 hours written notice of such meeting shall be given; and,
- vii) a quorum shall consist of fifty percent (50%) plus one (1) of its members. If the committee is an odd number, the quorum will be the number over the number that is more than fifty percent (50%). For example, if the committee has five members, three would be a quorum.

b. Nomination and Credentials Committee:

- i) to establish a nomination and election process, and conduct the process on behalf of the CQHA;
- ii) to seek eligible and diverse candidates for election to the board of directors;
- iii) to verify the credentials of candidates for directors; and,
- iv) to verify members in good standing.

c. Finance Committee:

- i) to oversee the financial affairs of the CQHA; and,
- ii) with the aid of an accountant, prepare annual fiscal year-end financial statements and present them to the annual general meeting.

d. Governance Committee:

- i) review and interpret the by-laws;
- ii) review and interpret Terms of Reference of all committees;
- iii) oversee and review CQHA policies; and,
- iv) receive and prepare proposed amendments to the by-laws, report them to the board of directors and submit them to the next general meeting.

e. Discipline Committee:

- i) shall oversee all discipline matters; and,
- ii) may include a public member.

14. EXECUTION OF DOCUMENTS

a. Contracts, documents, or any instruments in writing requiring the signature of the CQHA shall be signed by the President and one other officer. All contracts, documents, and instruments in writing, so signed, shall be binding upon the CQHA without any further authorization or formality.

b. 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 to transfer and deal with any stocks, bonds, and other securities of the CQHA.

c. 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.

15. MINUTES OF BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE

a. The minutes of the board of directors and 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.

b. The Directors shall from time to time determine whether, or to what extent and at what times and places, and under what conditions or regulations the accounts and books of the CQHA or any of them shall be open to the inspection of members not being directors, and no member (not being a director) shall have any right of inspecting any account or book or document of the CQHA except as conferred by law or authorized by the Directors, or by resolution of the members, whether previous notice thereof has been given or not.

16. FISCAL YEAR

Unless otherwise ordered by the board of directors, the fiscal year of the CQHA shall be October 1 to September 30 of each year. The board of directors may change the fiscal year, from time to time, by a vote in favour of seventy-five percent (75%).

17. AMENDMENT OF BY-LAWS

a. Except for the items set out in the sections of the Act applicable to Fundamental Changes, these Bylaws may be amended or repealed as follows:

I) By Ordinary Resolution of the Directors at a meeting of the Board. The Directors will submit the amendment to the Members at the next meeting of Members, and the Members may amend the By-laws by Ordinary Resolution. The amendment is effective from the date of the resolution of the Directors. If the amendment is amended by the Members, it remains effective in the form in which it was confirmed.

II) By member proposal, as described in Section 163 of the Act. Amendments by member proposal must be approved by Ordinary Resolution of the Members at any meeting of the Members. Amendments by member proposal that are approved by the Members take effect immediately.

b. An amendment to the by-laws must be presented in writing to the Governance Committee at least sixty (60) days before the annual general meeting or a special general meeting.

c. Notice of proposed amendments and revisions to the by-laws will be sent out with the notice for the general meeting.

18. FINANCIAL STATEMENT AND ACCOUNTANT

a. At each annual meeting, the members shall appoint an 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 board of directors shall fix the remuneration of the accountant. The accountant shall not be a director, officer, or employee of the CQHA.

b. 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 office of the CQHA. Any member may, on written request, obtain a copy free of charge.

19. BOOKS AND RECORDS

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.

20. RULES, REGULATIONS and DISCIPLINE

a. The CQHA is the recognized International Affiliate of the AQHA for Canada and abides by the rules and regulations of the AQHA.

b. Furthermore, the CQHA is incorporated under the Canada Not-for-Profit Corporations Act and, unless these by-laws otherwise provide, the CQHA is governed by the Act.

c. The CQHA warrants and agrees that it will:

i) conduct its business affairs with integrity, sincerity and accuracy in an open and forthright manner:

ii) handle its business and operations in a way that promotes the image of the American Quarter Horse industry;

iii) instill confidence among its members and the public in the American Quarter Horse industry, avoiding any action conducive to discrediting the CQHA and AQHA or membership in the CQHA and AQHA; and,

iv) avoid any action or adoption of objectives and policies that are detrimental and inconsistent with the interest of AQHA, its programs, policies, objectives, and harmonious relationship of CQHA and AQHA Members.

d. In compliance with an affiliate agreement with the AQHA, the CQHA will accept and adopt the findings of the AQHA's disciplinary procedures with respect to its members. Unless waived by AQHA, persons suspended or disciplined by AQHA are ineligible to participate as officers or directors of the CQHA.

e. The board of directors 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.

f. Any member may be required to resign or be expelled by a vote of sixty-six (66) percent of the members present and entitled to vote at an annual meeting.

g. 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 should at and from that time cease to have any force and effect.

h. Unless otherwise specified by the Canada Not-For-Profit Act or the Regulations or these Bylaws, notice may be given to any member by delivering 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 all consequences of not fulfilling this responsibility.

i. All meetings of the CQHA shall be conducted in accordance with Roberts Rules of Order.

21. DISSOLUTION

Upon dissolution by the members' motion at an Annual General Meeting or Special General Meeting and three (3) years of inactivity, assets owned by the Association shall be sold to the highest bid. Funds raised by the sale of assets and residual funds shall be donated to the Shannon Burwash Memorial Scholarship Fund administered by The Calgary Foundation.

Approved by the Board of Directors and general membership of the
Corporation this _____ Day of March in the year 2022.

Signature:
President _____

Signature:
Vice-President: _____