



BY-LAW NO.3
2022

A BY-LAW RELATING GENERALLY TO THE TRANSACTION OF THE BUSINESS
AND AFFAIRS OF

CANADIAN BUSINESS AVIATION ASSOCIATION

BE IT ENACTED and it is hereby enacted as By-law of

CANADIAN BUSINESS AVIATION ASSOCIATION (the "Association")

1. Definitions

1.1 In this By-law and all other By-laws and resolutions of the Association, unless the context otherwise requires:

- (a) "**Act**" means the *Canada Not-for-profit Corporations Act* S.C. 2009, c.23, including the Regulations made pursuant to the Act as amended, restated or in effect from time to time, and any statute or regulations that may be substituted, as amended from time to time;
- (b) "**Articles**" means the original or restated articles of incorporation or articles of amendment, amalgamation, continuance, reorganization, arrangement or revival of the Association;
- (c) "**Associate**" has the meaning set out in Section 4.2;
- (d) "**Board**" means the board of directors of the Association;
- (e) "**By-laws**" means this by-law and all other by-laws of the Association as amended and which are, from time to time, in force and effect;
- (f) "**Director**" means a member of the Board;
- (g) "**Members**" means the members of the Association as described in Section 2;
- (h) "**Operator**" has the meaning set out in Section 4.1;
- (i) "**Ordinary Resolution**" means a resolution passed by a majority of not less than 50% plus 1 of the votes cast on that resolution;
- (j) "**Special Resolution**" means a resolution passed by a majority of not less than two-thirds (2/3) of the votes cast on that resolution.

2. Membership

There shall be one class of Members consisting of Operators and Associates (as hereinafter defined).

3. Assignability

Memberships are not transferable or assignable in any manner whatsoever.

4. Members

- 4.1 "Operator" consists of any commercial or industrial enterprise (corporation, company, partnership, management company, financial institution, proprietorship, or individual) which is engaged in business, commerce, trade or industry, or governments, and which owns or operates one or more Canadian commercially, privately or State registered aircraft.

- 4.2 "Associate" consists of any commercial or industrial enterprise (corporation, company, partnership, financial institution, proprietorship, or individual) which is engaged in business, commerce, trade or industry, or governments, and which provides support products or services to the owners and operators of Canadian commercially, privately- or State-registered aircraft.
- 4.3 Each Member shall have the right to one (1) vote at all meetings of the Association and shall be eligible for a seat on the Board. A Member shall designate in writing one of its officers or employees to represent it at meetings of the Association, and may from time to time, in the absence of such designee, designate in writing an alternate officer or employee to represent it in the affairs of the Association.
- 4.4 Ten (10) Members present in person at a meeting of Members will constitute a quorum.

5. Affiliates

- 5.1 Any Canadian aviation industry association with similar interests or enterprise which owns or operates aircraft which are exclusively registered in a nation other than Canada may apply to become an Affiliate of the Association. All applications for Affiliate status are subject to the approval by the Association.
- 5.2 An Affiliate is not a Member of the Association within the meaning of these By-laws, or a member within the meaning of the Act. An Affiliate may be heard at any meeting of the Association but shall not have the right to vote.
- 5.3 An Affiliate may designate one of its officers or employees as its primary contact with the Association.

6. Honorary Patron

- 6.1 The Board may with the nominee's agreement and by affirmative vote of a majority of the Board elect as an Honorary Patron of the Association any Association, company, proprietorship, partnership, institution or individual who in its opinion has made a noteworthy contribution to the field of business aviation particularly as it applies to the aims and objectives of the Association.
- 6.2 An Honorary Patron is not a Member of the Association within the meaning of these By-laws or a member within the meaning of the Act and shall be exempt from the payment of dues. An Honorary Patron may be heard at any meeting of the Association on any matter pertaining to aviation and within the scope of the Association's activities but shall not have the right to vote. An Honorary Patron shall not be eligible for a seat on the Board.

7. Application for Membership

- 7.1 All application for membership shall be submitted to the Association for approval. Notice of acceptance or rejection shall be given to the applicant promptly.

A Member's liability for dues shall commence on the first of the month following the date of the application for membership was accepted.

No Member shall have the right to vote until they shall have paid their dues.

8. Termination/Expulsion

A Member shall be expelled from the Association by the Board for conduct prejudicial to the welfare of the Association or its Members, in the Board's sole discretion, acting reasonably, after notice and an opportunity for a hearing. A Member may be expelled for failure to pay fees within ninety days (90) after renewal date.

9. Fees

9.1 The Board shall determine the fees for Operators, Associates and Affiliates. Any changes in the amount of annual fees shall not be effective until thirty (30) days after Operators, Associates and/or Affiliates, as applicable, are notified in writing of such change.

9.2 No assessment, other than annual fees, may be levied by the Board against the Operators or Associates unless first authorized by a majority of the votes cast by Members in good standing and entitled to vote at a special meeting which may be called for that purpose.

10. Members' Meetings

10.1 The annual or any other meeting of the Members shall be held at the registered office of the Association or at any place in Canada as the Board may determine or, if all of the Members entitled to vote at such meeting so agree, outside Canada, and, subject to Section 10.2, on such day as the Board shall appoint.

10.2 The Board shall hold an annual meeting no later than fifteen (15) months after the last preceding annual meeting but not later than six (6) months after the end of the Association's preceding financial year. At every annual meeting, in addition to any other business that may be transacted, the report of the Directors, the financial statements, and the report of the external auditor shall be presented and the external auditor 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 or the President and CEO shall have power to call a general meeting of the Members of the Association. The Board shall call a special meeting of Members on written requisition of Members carrying not less than 5% of the voting rights.

10.3 Thirty (30) days' notice shall be given to each voting Member of any annual or special meeting of Members. Notice of any meeting where special business will be transacted shall state the nature of the business in sufficient detail to permit the Member to form a reasoned judgment on the business to be transacted and provide the text of any Special Resolution or By-law to be submitted to the meeting. Notice of each meeting of Members must remind the Member if he has the right to vote by proxy.

10.4 Each voting Member present at a meeting shall have the right to exercise one vote. Subject to compliance with the Act, a Member may, by means of a written proxy, appoint a proxy holder, who shall be a Member, to attend and act at a specific meeting of Members,

in the manner and to the extent authorized by the proxy, subject to the following requirements:

- (a) a proxy is valid only at the meeting in respect of which it is given or at a continuation of that meeting after an adjournment;
- (b) a Member may revoke a proxy by depositing an instrument or act in writing executed by the delegate
 - (i) at the registered office of the Association no later than the last business day preceding the day of the meeting, or the last business day preceding the day of the continuation of that meeting after an adjournment of that meeting, at which the proxy is to be used, or
 - (ii) with the Chair on the day of the meeting or the day of the continuation of that meeting after an adjournment of that meeting;
- (c) a proxyholder or an alternate proxyholder has the same rights as the Member by whom they were appointed, including the right to speak at a Meeting of Members in respect of any matter, to vote by way of ballot at the meeting, to demand a ballot at the meeting and, except where a proxyholder or an alternate proxyholder has conflicting instructions from more than one Member, to vote at the meeting by way of a show of hands;
- (d) such proxy designation shall be received in the form and manner as prescribed by the Association from time to time; provided that it shall comply with the requirements of the Act and the Regulations; and
- (e) a form of proxy that, if signed, has the effect of conferring a discretionary authority in respect of amendments to matters identified in the notice of meeting or other matters that may properly come before the meeting must contain a specific statement to that effect.

10.5 A member may, participate in an Annual General Meeting of members by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting, and a member participating in such a meeting is deemed to be present at the meeting.

11. Directors

11.1 The Board shall provide governance to the Association, represent the Association to the community, and accept the legal authority for the Association.

11.2 Directors, including officers of the Board, have no authority to approve actions by the Association, to direct staff, or to speak on behalf of, or for the Association unless given such authority by the Board as a whole.

11.3 Until changed in accordance with the Act, the Board shall consist of that number of directors, being a minimum of nine (9) and a maximum of thirteen (13), as determined from time to time, by special resolution or, if the special resolution empowers the directors to determine the number, by resolution of the Board.

11.4 The following persons are disqualified from being a Director:

- (a) anyone who is less than 18 years of age;
- (b) anyone who has been declared incapable by a court in Canada or in another country;
- (c) a person who is not an individual; and
- (d) a person who has the status of bankrupt.

11.5 At least 50% of the Board shall be elected from among persons who at the time of their initial election to the board are (1) either affiliated with an Operator, or (2) in the employ of an Operator. Failure to maintain an affiliation or employment with an Operator during the Director's term does not disqualify a person from continuing act as a Director nor from being re-elected provided that the terms (as set out in section 11.6 herein) are consecutive. For greater certainty, if a Director qualifies as an affiliate of an Operator or in the employ of an Operator at their initial election to the Board, that Director shall qualify under this section 11.5 for the initial two year term up to a maximum of three (3) consecutive terms as set out in section 11.6 herein.

11.6 The Directors shall be elected for terms of two (2) years. The maximum service on the Board is three (3) consecutive terms then the Director must step aside for at least one (1) year at which time they are again eligible for election. The Board may extend the number of successive terms of a Director under extraordinary circumstances to be determined by the Board.

11.7 The office of Director shall be automatically vacated:

- (a) if the Director ceases to meet the eligibility requirements set forth in Section 11.4 of this By-law;
- (b) if at a special meeting of Members, an Ordinary Resolution is passed to remove the Director from office, in which case the Members may elect a qualified individual to fill the resulting vacancy for the remainder of the term of the Director so removed, failing which such vacancy may be filled by the Board;
- (c) if a Director has resigned his office by delivering a written resignation to the Chair or Secretary of the Association;
- (d) on death;

provided that if any vacancy shall occur for any reason in this paragraph contained, subject to the Act and to Section 11.8, the Board may fill such

vacancy for the remainder of the term by a qualified individual by Ordinary Resolution.

- 11.8 Each Director so elected shall hold office until their successor is elected and qualified at the next annual meeting or their earlier resignation or removal.
- 11.9 The Directors shall serve as such without remuneration and no Director shall directly or indirectly receive any profit from his position as such; provided that a Director may be paid reasonable expenses incurred by him in the performance of his duties. Nothing herein contained shall be construed to preclude any Director from serving the Association as an officer or in any other capacity and receiving compensation therefore.
- 11.10 A retiring Director shall remain in office until the dissolution or adjournment of the meeting at which his retirement is accepted and his successor is elected.

12. Nominations

- 12.1 At least thirty (30) days prior to the date of the annual meeting of the Association, a committee of the Board that has been tasked by the Board to deal with nominations shall submit to the Members of the Association entitled to vote at the annual general meeting, the names of the nominees.

13. Election

The election of Directors shall be held at the annual meeting of Members by a show of hands unless otherwise demanded. At each annual meeting, the Directors whose term is to expire shall retire, but shall be eligible for re-election subject to the provisions of the By-laws of the Association. A Director retiring at an annual meeting shall remain in office until the dissolution or adjournment of such meeting unless such meeting was called for the purpose of removing that Director from office, in which case the Director removed from office shall vacate forthwith upon the passing of the resolution for removal.

14. Powers of Directors

- 14.1 The Directors of the Association may administer the affairs of the Association in all things and make or cause to be made for the Association, in its name, any kind of contract which the Association 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 Association is by its charter or otherwise authorized to exercise and do.
- 14.2 The Directors shall have power to authorize expenditures on behalf of the Association from time to time and may delegate by Ordinary Resolution to an officer or officers of the Association 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 Association in accordance with such terms as the Board may prescribe.

- 14.3 The Board may, without authorization of the Members:
- (a) borrow money on the credit of the Association;
 - (b) issue, reissue, sell, pledge or hypothecate debt obligations of the Association;
 - (c) give a guarantee on behalf of the Association to secure performance of an obligation of any person; and
 - (d) mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Association, owned or subsequently acquired, to secure any debt obligation of the Association.
- 14.4 The Board shall take such steps as they may deem requisite to enable the Association to acquire, accept, solicit or receive legacies, gifts, grants, settlements, bequests, endowments and donations of any kind whatsoever for the purpose of furthering the purposes of the Association.

15. Directors' Meetings

- 15.1 Meetings of the Board may be held at any time and place to be determined by the Directors provided that 72 hours written notice of such meeting shall be given, other than by mail, to each Director. There shall be at least two (2) meetings per year of the Board. No error or omission in giving notice of any meeting of the Board or any adjourned meeting of the Board of the Association shall invalidate such meeting or make void any proceedings taken there at and 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.
- 15.2 A majority of the directors elected to office constitutes a quorum at any meeting of directors, and, notwithstanding any vacancy among the directors, a quorum of directors may exercise all the powers of the directors.
- 15.3 The chair of any meeting of the board shall be the first mentioned of such of the following officers as have been appointed and who is a director and is present at the meeting; Chair of the Board, Vice Chair or President and CEO. If no such officer is present, the directors present shall choose one of their number to be Chair.
- 15.4 Each Director is authorized to exercise one (1) vote. All resolutions, except resolutions relating to any proposed changes to these By-Laws, or the Articles of the Association, shall be passed by the Board by an Ordinary Resolution. Resolutions relating to any proposed changes to these By-Laws or the Articles of the Association, shall be passed by the Board by a Special Resolution. In the event of a tie in the number of votes cast in consideration of an Ordinary Resolution, the Board's Chair's initial vote shall decide the matter. A Director may, subject to the policies and procedures of the Board in effect from time to time, appoint another person as a proxy for the Director, to attend and act at a specific meeting of the Board, in the manner and to the extent.

- 15.5 The Directors of the Association may, if all Directors are in agreement and have provided their consent, participate in a meeting of Directors or of a committee of Directors using telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting. A Director participating at such meeting by such means shall be deemed, for the purposes of the Act, to be present in person. The Board shall be responsible for ensuring that the means of communication being used is sufficiently secure given the matters under consideration, determining that a quorum is present and establishing how votes are to be recorded.

16. Indemnities to Directors and Others

- 16.1 The Association shall indemnify a Director, an officer of the Association, a former Director or officer of the Association, or another individual who acts or acted at the Association's request as a Director or officer or in a similar capacity of another entity, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by such person in respect of any civil, criminal, administrative, or investigative action or other proceeding in which the individual is involved because of that association with the Association or other entity if:
- (a) the person acted honestly and in good faith with a view to the best interests of the Association or, as the case may be, to the best interests of the other entity for which the individual acted as Director or officer or in a similar capacity at the Association's request; and
 - (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the person had reasonable grounds for believing that the conduct was lawful.
- 16.2 The Association shall indemnify such person in all such other matters, actions, proceedings and circumstances as may be permitted by the Act or the law. Nothing in this By-law shall limit the right of any person entitled to indemnity to claim indemnity apart from the provisions of this By-law.

17. Officers

- 17.1 The officers of the Association shall be a Chair, a Vice Chair, a President and CEO, a Secretary, and a Treasurer, and any such other officers as the Board may determine. With the exception of the President and CEO, any two offices may be held by the same person. Other than the Chair and Vice Chair, officers need not be Directors.
- 17.2 The officers of the Association shall be appointed by Ordinary Resolution of the Board.
- 17.3 The officers of the Association, with the exception of the President and CEO, shall hold office for two (2) years from the date of appointment or until their successors are appointed in their stead. The term of office of the President and CEO shall be in accordance with the terms of the employment agreement entered into between the Association and the President and CEO. Officers may

be renewed at the discretion of the Board. Officers, other than the President and CEO, shall be subject to removal by Ordinary Resolution of the Board at any time. The President and CEO may be removed from office in accordance with the terms of the employment agreement entered into between the Association and the President and CEO.

18. Duties of Officers

- 18.1 The Chair or in the absence of the Chair, the Vice Chair, shall act as chair at each meeting of the Board and at each meeting of the Members. If at any such meeting the Chair and the Vice Chair are absent, the Directors present choose one of their numbers to be Chair of the meeting. The Chair and the Vice Chair of the Board shall be chosen from among the elected Directors.
- 18.2 The President and CEO shall be the Chief Executive Officer of the Association and shall be a full-time employee of the Association, unless the Board otherwise determines. The President and CEO shall, subject to the direction of the Board:
- (a) act as a general administrative manager of the Association;
 - (b) be responsible for ensuring that all orders and resolutions of the Board are carried into effect;
 - (c) be responsible for establishing and maintaining appropriate liaison and flow of information between the Association, its regional chapters, and government authorities;
 - (d) maintain in current condition books and records as the Board may from time to time determine;
 - (e) develop and recommend policies, procedures, practices and programs for furthering the purposes of the Association;
 - (f) assist the officers of the Association in carrying out their respective duties; and
 - (g) have such other duties and powers as may, from time to time, be determined and directed by the Board.
- 18.3 The President and CEO shall be appointed by the Board and in exercising required duties shall be responsible through the Chair of the Board to the Board.
- 18.4 The Secretary shall give or cause to be given notice of all meetings of the Members and of the Board and shall perform such other duties as may be prescribed by the Board or President and CEO, under whose supervision the Secretary shall be. A recording secretary may be empowered by the Secretary, upon approval of the Board, to carry out some or all of the duties of the Secretary under the supervision of the Secretary and 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.

- 18.5 The Secretary shall oversee the maintenance of all Board records and ensure their accuracy. The Secretary shall oversee the keeping of minutes of all Board meetings and review them. The Secretary also performs such other duties as may from time to time be directed by the Board.
- 18.6 The duties of all other officers of the Association shall be such as the terms of their engagement call for or the Board requires of them.

19. Committees

- 19.1 The Board may establish standing and special committees by way of ordinary resolution. The Board shall determine the duties, composition, and leadership of such committees. Each committee shall exercise such powers as are delegated to such committee by the Board, except those which may not be delegated by the Board pursuant to Subsection 138(2) of the Act (which includes matters that require member approval, filling vacancies on the Board, approving financial statements, amending By-laws and establishing contributions to be paid by Members).
- 19.2 The Board shall ensure that among the duties of its standing committees, at least one committee is tasked with the following responsibilities:
- (a) **Financial Oversight:** Oversight of the (i) preparation of the President and CEO's regular financial reports on key financial events, trends, concerns, and an assessment of fiscal health, (ii) the development and Board review of financial policies, (iii) preparation of the annual budget and presentation of the budget to the Board for approval, and (iv) review of the annual audit, meetings with the external auditor and answering Directors' questions about the audit.
 - (b) **Nominations:** Leading the nomination process and preparing, for approval by the Board, a slate of nominees for election at the next annual general meeting. The slate of candidates, once approved by the Board, shall be submitted to the Members for election at the next annual general meeting as provided for in Section 12 above.

20. Execution of Documents

Contracts, documents or any instruments in writing requiring the signature of the Association, may be signed:

- (a) by the President and CEO for obligations of a maximum of \$24,999 (CAD);
- (b) by the President and CEO and one of the Chair, Vice Chair or Treasurer for obligations of a value of \$25,000 (CAD) or greater. Or any Lease/Service Commitment greater than one (1) year term;
- (c) by the President and CEO by a specific resolution of the Board;
- (d) by any two directors by a specific resolution of the Board; or any and all contracts, documents and instruments in writing so signed shall be binding upon the Association without any further authorization or formality. The Directors shall have power from time to time by Ordinary Resolution to appoint an officer or officers on behalf of the Association

to sign specific contracts, documents and instruments in writing. The Directors may give the Association'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 Association.

21. Minutes of Board

The minutes of the Board and the minutes of the Executive Committee shall not be available to the general membership of the Association but shall be available to the Board, each of whom shall receive a copy of such minutes.

22. Notices

24.1 Any notice (which term includes any communication or document) to be given pursuant to the Act, the Articles, the By-laws or otherwise to a Member, Director, officer or member of a committee of the Board or to the external auditor shall be sufficiently given:

- (a) if delivered personally to the person to whom it is to be given or if delivered to such person's address as shown in the records of the Association or in the case of notice to a Director to the latest address as shown in the last notice that was sent by the Association to Industry Canada in accordance with Section 128 or 134; or
- (b) if mailed to such person at such person's recorded address by prepaid ordinary or air mail; or
- (c) if sent to such person by telephonic, electronic or other communication facility at such person's recorded address for that purpose; or
- (d) if provided in the form of an electronic document in accordance with Part 17 of the Act.

24.2 A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box; and a notice so sent by any means of transmitted or recorded communication shall be deemed to have been given when dispatched or delivered to the appropriate communication company or agency or its representative for dispatch.

24.3 The Secretary may change or cause to be changed the recorded address of any Member, Director, officer, external auditor or member of a committee of the Board in accordance with any information believed by the Secretary to be reliable. The declaration by the Secretary that notice has been given pursuant to these By-laws shall be sufficient and conclusive evidence of the giving of such notice.

24.4 The signature of any Director or officer of the Association to any notice or other document to be given by the Association may be written, stamped, type-written or printed or partly written, stamped, type-written or printed.

23. Financial Year

Unless otherwise ordered by the Board, the fiscal year end of the Association shall be December 31.

24. Amendment of By-laws

26.1 Subject to Section 197 of the Act and Section 26.3 of this By-law, the Board may, by resolution, make, amend or repeal any By-laws that regulate the activities or affairs of the Association. Any such By-law, amendment or repeal shall be effective from the date of the resolution of the Board until the next Meeting of Members where it may be confirmed, rejected or amended by the Members by Ordinary Resolution.

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

26.3 Notwithstanding Subsection 26.1, this By-law shall be effective from the date that the Association continues under the Act.

25. Auditors

The Members shall, at each annual meeting, appoint an external auditor to audit the accounts and annual financial statements of the Association for report to the Members at the next annual meeting.

The external auditor shall hold office until the next annual meeting provided that the Directors may fill any casual vacancy in the office of the external auditor. The remuneration of the external auditor shall be approved by the Board.

26. Books and Records

The Directors shall see that all necessary books and records of the Association required by the By-laws of the Association or by any applicable statute or law are regularly and properly kept.

27. Rules and Regulations

The Board may prescribe such rules and regulations not inconsistent with these By-laws relating to the management and operation of the Association as they deem expedient, provided that such rules and regulations shall have force and effect only until the next annual meeting of the Members of the Association when they shall be confirmed, and failing such confirmation at such annual meeting of Members, shall at and from that time cease to have any force and effect.

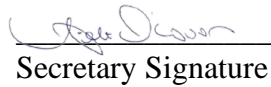
28. Interpretation

In these By-laws and in all other By-laws of the Association 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, corporations and associations.

ENACTED by the Board on the **13th day of May 2022**.

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Chair Signature


Secretary Signature

CONFIRMED by the Members on the **15th day of June 2022** and effective on the date that the Association continues under the Act.