

Final

**Professional Golfers' Association of Canada
Association des golfeurs professionnels du Canada**

GENERAL BY-LAW NO. 2014- 1

TABLE OF CONTENTS

	page #
1 INTERPRETATION	1
1.1 Meaning of Words	1
2 CODE OF PROFESSIONAL PRACTICE	3
2.1 Dedication	3
2.2 Compliance By All Members and Candidates	3
3 MEMBERSHIP	3
3.1 Composition	3
3.2 Membership Term	3
3.3 Members' Rights	3
3.4 Termination of Membership	3
3.5 Resignation of Membership	4
3.6 Transfer of Membership	4
4 CANDIDATE FOR MEMBERSHIP	4
4.1 Candidate	4
4.2 Resignation of Candidate	4
5 MEMBERSHIP ADMISSION PROCESS	5
5.1 National Board Prescribe Form of Application	5
5.2 Fees to Accompany Application	5
5.3 Application for Insurance to be Included	5
5.4 Consideration of Application	5
5.5 Notification of Approval and Issue of Certificate	5
5.6 Admission of Member to Zone	5
5.7 Application of Former Member	5
6 DUES AND ASSESSMENTS	6
6.1 National Dues and Assessments	6
6.2 Zone Dues and Assessments	6
6.3 Notice of Assessment	6
6.4 Application and Other Fees	6
6.5 Late Fees and Suspension For Non-Payment	6
6.6 Restoration Upon Prompt Payment	6
6.7 Reinstatement at Later Time	6
6.8 Termination of Membership	7
7 LEAVE OF ABSENCE	7
7.1 Application for Leave of Absence	7
7.2 Privileges of Member or Candidate On Leave of Absence	7
8 DISCIPLINE	7
8.1 Discipline of Members	7
9 DESIGNATIONS	8
9.1 Designations	8

10	ZONES AND ZONE ASSOCIATIONS	8
	10.1 Formation of Zones	8
	10.2 Zones as of Effective Date	8
	10.3 Obligations of Zones	8
	10.4 Alteration of Zones	9
	10.5 Compliance with Licensing Requirements.....	9
	10.6 Zone Association By-Laws, Policies, Rules and Regulations	9
11	NATIONAL BOARD OF DIRECTORS.....	10
	11.1 Management of Affairs	10
	11.2 National Board.....	10
	11.3 Additional Authority	10
	11.4 Policies, Rules and Regulations.....	10
	11.5 Qualifications	10
	11.6 Removal of Directors.....	11
	11.7 Director Ceasing to be Member of their Zone	11
	11.8 Vacancies	11
	11.9 Remuneration of Directors.....	11
12	ELECTION OF THE NATIONAL BOARD	11
	12.1 Election of Directors	11
	12.2 Term of Office.....	12
	12.3 Re-Election	12
	12.4 Elections	12
	12.5 Nominations	12
	12.6 Nomination and Election Process	12
13	MEETING OF DIRECTORS	13
	13.1 Calling Meetings.....	13
	13.2 Meeting following Annual Meeting	13
	13.3 Regular Meetings	13
	13.4 Notice of Meetings.....	14
	13.5 Content of Notice.....	14
	13.6 Meetings by Electronic Conference	14
	13.7 Quorum.....	14
	13.8 Voting.....	14
	13.9 Written Resolutions	15
	13.10Adjournments	15
14	MEETINGS OF THE MEMBERS	15
	14.1 Annual Meeting.....	15
	14.2 Special Meeting.....	15
	14.3 Fixing a Record Date	15
	14.4 Notice of Meetings.....	15
	14.5 Those Entitled To Be Present.	16
	14.6 Quorum.....	16
	14.7 Chair	17
	14.8 Voting by Members	17
	14.9 Electronic, Mail or Telephone Voting.....	17
	14.10Proxies	17
	14.11 Ballot.....	18
	14.12 Adjournments	18
15	NATIONAL BOARD REGULATIONS	18
	15.1 National Board Regulations.....	18
16	OFFICERS	18
	16.1 Officers	18
	16.2 Chief Executive Officer May Attend All Meetings	18
	16.3 Remuneration of Officers or Employees	18

17	COMMITTEES.....	19
	17.1 Committees.....	19
	17.2 Executive Committee.....	19
	17.3 Limits on Authority of Committees.....	19
18	CONFLICT OF INTEREST.....	19
	18.1 Conflict of Interest.....	19
	18.2 Time of Disclosure for Director.....	19
	18.3 Time of Disclosure for Officer.....	20
	18.4 Time of Disclosure for Director or Officer.....	20
	18.5 Voting.....	20
	18.6 Continuing Disclosure.....	20
	18.7 Access to Disclosures.....	20
	18.8 Avoidance Standards.....	21
	18.9 Confirmation by Members.....	21
	18.10 Failure to Comply.....	21
	18.11 Conflict of Interest Declaration.....	21
19	PROTECTION OF DIRECTORS, OFFICERS AND OTHERS.....	21
	19.1 Insurance.....	21
	19.2 Liability Exclusion.....	22
	19.3 Indemnification of Directors, Officers and Others.....	22
	19.4 Discontinuing Insurance.....	23
20	EXECUTION OF DOCUMENTS.....	23
	20.1 Execution of Documents.....	23
21	BORROWING BY THE CORPORATION.....	23
	21.1 General Borrowing Authority.....	23
22	FINANCIAL YEAR.....	23
	22.1 Financial Year Determined.....	23
23	PUBLIC ACCOUNTANT.....	24
	23.1 Annual Appointment.....	24
	23.2 Removal of Public Accountant.....	24
	23.3 Vacancy in the Office of Public Accountant.....	24
	23.4 Remuneration of Public Accountant.....	24
24	NOTICE.....	24
	24.1 When notice deemed given.....	24
	24.2 Declaration of Notice.....	25
	24.3 Computation of Time.....	25
	24.4 Omissions and Errors.....	25
	24.5 Waiver.....	25
25	BY-LAWS AND EFFECTIVE DATE.....	25
	25.1 Effective Date of this By-Law.....	25
	25.2 Amendments requiring Special Resolution.....	25
	25.3 By-Laws and Effective Date.....	26
26	REPEAL OF PRIOR BY-LAWS.....	26
	26.1 Repeal.....	26
	26.2 Prior Acts.....	26

Professional Golfers' Association of Canada
Association des golfeurs professionnels du Canada

GENERAL BY-LAW NO. 2014-1

1 INTERPRETATION

1.1 Meaning of Words

In this By-Law and all other By-Laws, resolutions and National Board Regulations of the Corporation, unless otherwise defined:

- (a) "Act" means the *Canada Not-for-profit Corporations Act*, S.C. 2009, c.23, including the Government Regulations made pursuant to the Act, and any statute or regulations that may be substituted, as amended from time to time;
- (b) "Annual Business" shall include: consideration of the financial statements; consideration of the audit engagement or review engagement report, if any; election of Directors; reappointment of the incumbent Public Accountant and fixing or authorizing the National Board to fix their remuneration;
- (c) "Annual Meeting" means an annual meeting of Members, as provided in section 14.1;
- (d) "Articles" means any document or instrument that incorporates the Corporation or modifies its incorporating document or instrument, including letters patent, supplementary letters patent, articles of continuance, articles of amendment, articles of amalgamation, articles of arrangement, articles of dissolution, articles of reorganization or articles of revival;
- (e) "assessment" means any amount however described that may be levied against a Member, including but not limited to those referred to in Article 6;
- (f) "By-Law" means this by-law and any other by-law of the Corporation that may be in force;
- (g) "Candidate" means a candidate for membership described in section 4.1;
- (h) "Code of Professional Practice" means the code of professional practice described in Article 2;
- (i) "Committee" means any Committee established by the National Board pursuant to National Board Regulations approved from time to time by the National Board;
- (j) "Corporation" means **Professional Golfers' Association of Canada / Association des golfeurs professionnels du Canada**;
- (k) "Director" means a member of the National Board;
- (l) "documents", includes deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property, real or personal, immovable or movable, agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of shares, bonds, debentures or other securities and all paper writing;
- (m) "Due Date" means, for the purpose of Article 6, such date as may be fixed by the National Board from time to time;
- (n) "Golf Professional" or "Professional Golfer" is a person qualified in knowledge and experience in the sport of golf, as determined from time to time by the National Board, and who is qualified and/or eligible to be a Member of the Corporation;

- (o) "Government Regulations" means the regulations made under the Act as amended, restated or in effect from time to time;
- (p) "Member" means a person who has become a Member in accordance with section 3.1;
- (q) "National Board" means the National Board of Directors of the Corporation;
- (r) "National Board Regulation" means a regulation passed by the National Board in accordance with Article 15;
- (s) "Officer" means an officer elected or appointed pursuant to Article 16 or by National Board Regulation;
- (t) "Ordinary Resolution" means a resolution passed by Written Resolution or by a majority of the votes cast on that resolution;
- (u) "Policy" or "Policies" means those Policies developed and approved from time to time by the National Board;
- (v) "Protected Person" means each person acting or having previously acted in the capacity of a Director, Officer or any other capacity at the request of or on behalf of the Corporation, and includes the respective heirs, executors and administrators, estate, successors and assigns of a person, who:
 - (i) is a Director of the Corporation;
 - (ii) is an Officer of the Corporation;
 - (iii) is a member of a committee of the Corporation; or
 - (iv) has undertaken, or, with the direction of the Corporation is about to undertake, any liability on behalf of the Corporation or any body corporate controlled by the Corporation, whether in the person's personal capacity or as a Director, Officer, employee or volunteer of the Corporation or such body corporate;
- (w) "Public Accountant " means the public accountant of the Corporation appointed pursuant to Article 23;
- (x) "Recognized Professional Golfers' Association" means a Professional Golfers' Association recognized as such by the National Board;
- (y) "Rules and Regulations" means such rules and regulations as are enacted by the National Board pursuant to the authority granted in section 11.04;
- (z) "Scrutineer" shall have the meaning and duties set out in section 12.06;
- (aa) "Special Business" includes all business transacted at a Special Meeting and all business transacted at an Annual Meeting, other than Annual Business;
- (ab) "Special Meeting" includes any meeting of Members that is not an Annual Meeting;
- (ac) "Special Resolution" means a resolution passed by Written Resolution or by majority of not less than two-thirds (2/3rds) of the votes cast on the resolution of not less than two-thirds (2/3rds) of the votes cast on the resolution;
- (ad) "Written Resolution" means a resolution in writing signed by all the Directors entitled to vote on that resolution at a meeting of the National Board and which is valid as if it had been passed at a meeting of the National Board;
- (ae) "Zone" means one of the geographical areas into which Canada is divided as described in Article 10;
- (af) "Zone Association" means an incorporated body described in Article 1 that has the administrative responsibility for a Zone; and
- (ag) "Zone Board" means the board of Directors of a Zone

2 CODE OF PROFESSIONAL PRACTICE

2.1 Dedication

The Corporation enjoins upon its Members and Candidates rigid observance of a Code of Professional Practice, the parameters of which Code of Professional Practice shall be as determined from time to time by the National Board.

2.2 Compliance By All Members and Candidates

The Code of Professional Practice and the By-Laws shall govern and be strictly adhered to by all Members and Candidates at all times.

3 MEMBERSHIP

3.1 Composition

Subject to the Articles, there shall be one (1) class of Members in the Corporation, consisting of individuals who:

- (a) are interested in furthering the Corporation's purposes;
- (b) possess the qualifications prescribed from time to time by the National Board in its sole and absolute discretion;
- (c) have applied for and been admitted to membership pursuant to Article 5 or in such manner determined by the National Board; and
- (d) are ordinarily resident in Canada and have been assigned to a Zone by the National Board or are non-resident (unassigned).

3.2 Membership Term

The term of membership shall be from January 1 to December 31 in each year.

3.3 Members' Rights

Each Member shall be entitled to receive notice of, attend and vote at all meetings of the Members of the Corporation.

3.4 Termination of Membership

Membership in the Corporation automatically terminates upon the occurrence of any of the following events:

- (a) the resignation in writing of a Member of the Corporation pursuant to section 3.5;
- (b) the death of a Member;
- (c) if a Member ceases to be qualified pursuant to section 3.1;

- (d) the expiration of a Member's term of membership, provided that a Member whose membership has lapsed shall have the right to apply to the National Board for restoration of membership;
- (e) the expulsion of a Member from the Corporation in accordance with section 8.1;
- (f) the liquidation or dissolution of the Corporation under the Act; or
- (g) failure to pay dues and assessments as provided in Article 6.

Notwithstanding termination of membership, a former Member remains liable for any assessment levied under the authority of Article 6 prior to termination of the membership.

3.5 Resignation of Membership

A Member may resign at any time; provided that the Member is in good standing and is not indebted to the Corporation in any manner whatsoever. Resignations shall be in writing, shall be directed to the National Board and shall include the return of the Member's membership card or certificate. Before accepting the resignation, the National Board shall ensure that the Member has no outstanding indebtedness at either the Zone or National levels. Upon acceptance of the resignation, a refund of any eligible assessment paid shall be provided to the resigning Member pursuant to the Policies of the National Board.

3.6 Transfer of Membership

Membership in the Corporation is not transferable; provided that: a person who is a member of a Recognized Professional Golfers' Association shall have the right to apply to transfer to membership in the Corporation pursuant to the Policies of the National Board.

4 **CANDIDATE FOR MEMBERSHIP**

4.1 Candidate

- (a) A Candidate is a person who may later be considered for admission as a Member, but is not yet qualified as a Member, and who meets the requirements of a Candidate as determined from time to time by the National Board.
- (b) A Candidate shall have such rights and privileges, and be subject to such dues and assessments, as shall be determined from time to time by the National Board.
- (c) For greater certainty, a Candidate is not a Member of the Corporation and, as a Candidate, has no rights and privileges of membership.

4.2 Resignation of Candidate

A Candidate may resign at any time; provided that the Candidate is in good standing and is not indebted to the Corporation in any manner whatsoever. Resignations shall be in writing and shall be directed to the National Board. Before accepting the resignation, the National Board shall ensure that the Candidate has no outstanding indebtedness at either the Zone or National levels. Upon acceptance of the resignation, a refund of any eligible assessment paid shall be provided to the resigning Candidate pursuant to the Policies of the National Board.

5 MEMBERSHIP ADMISSION PROCESS

5.1 National Board Prescribe Form of Application

Application for membership pursuant to section 3.01(c), or for restoration as a Member pursuant to section 3.04(d), shall be made in such form, and shall be accompanied by such information and documentation, as prescribed by the National Board from time to time. All applications shall be made to the National Board in accordance with section 5.04.

5.2 Fees to Accompany Application

Every application for membership, or for restoration as a Member, shall be accompanied by the application fee, where applicable, and the annual dues payable for which application is made. All dues less the application fee shall be returned to any applicant whose application is refused.

5.3 Application for Insurance to be Included

Every application for membership, or for restoration as a Member, shall be accompanied by a duly completed application for insurance, if applicable, under any plan of insurance from time to time in force with any organization in the name of the Corporation.

5.4 Consideration of Application

An application for membership or for restoration of a Member shall be submitted to the Chief Executive Officer for consideration pursuant to the Policies of the National Board and if all qualifications have been met, such application shall be presented to the National Board for admission by Ordinary Resolution of the National Board.

5.5 Notification of Approval and Issue of Certificate

Once an application for membership or for restoration of a Member has been approved by the National Board, the Chief Executive Officer, or such other persons as the National Board may from time to time appoint, shall notify the applicant of the approval, and shall supply the applicant with a certificate or other insignia of membership, together with a copy of the By-Laws of the Corporation, and the person shall thereupon be entitled to all the rights and privileges of membership, and the person shall thereafter be bound by the By-Laws and the Code of Professional Practice.

5.6 Admission of Member to Zone

The National Board shall, when admitting or restoring a Member to membership, assign the Member to a Zone in accordance with the Policies of the National Board.

5.7 Application of Former Member

When a former Member of the Corporation, or a Member who has been granted a leave of absence pursuant to Article 7, wishes to re-apply for membership, the National Board may reactivate such Member if:

- (a) the applicant pays all fees and assessments for the period during which the person was not a Member or the re-entry fee established by the National Board, whichever is the lesser, together with all outstanding indebtedness to the Corporation; and
- (b) the former Member meets the membership qualifications set out in section 3.1.

The National Board shall, in its sole discretion, determine whether a former Member shall be re-admitted as a Member in accordance with section 5.4.

6 DUES AND ASSESSMENTS

6.1 National Dues and Assessments

It shall be the responsibility of the National Board to fix, from time to time, dues, assessments, budgets, business plan and similar obligations for Members and Candidates, including transfers from a Recognized Professional Golfers' Association.

6.2 Zone Dues and Assessments

Zone dues and assessments for Members and Candidates shall be subject to the prior approval of the National Board, which approval shall be obtained at least sixty (60) days prior to providing the notice provided for in section 6.3.

6.3 Notice of Assessment

Notice of an assessment shall be delivered to each Member or Candidate, as applicable, in the manner set out in section 24.1, not later than on the date fixed from time to time by the National Board, or if not fixed by the National Board, then sixty (60) days prior to the Due Date; such Notice shall include a statement that such assessment must be received at the head office of the Corporation on or before the Due Date.

6.4 Application and Other Fees

Application fees and any other fees referred to in the By-Laws shall be determined by the National Board. The provisions of section 6.3, with necessary variations, shall apply to all such fees.

6.5 Late Fees and Suspension For Non-Payment

A Member or Candidate shall be subject to late fees for non-payment of any assessment on or before the Due Date, and may be subject to ultimate suspension in accordance with the Policies of the National Board, including suspension from all privileges of the Corporation, written notice of which shall be given to the Member or Candidate, as applicable, and the suspension shall take effect on a date and time determined by the National Board, which shall be communicated to the Member or Candidate, as applicable, in accordance with the notice provisions contained in section 24.1.

6.6 Restoration Upon Prompt Payment

A Member or Candidate who has been given notice in accordance with section 6.05 shall be restored to good standing upon payment of the restoration fee determined pursuant to the Policies of the National Board, together with all outstanding assessments.

6.7 Reinstatement at Later Time

A Member or Candidate who has not been restored under section 6.6 may be reinstated as determined from time to time by the National Board.

6.8 Termination of Membership

The National Board may terminate the membership of any Member or Candidate who has been suspended for non-payment of assessments pursuant to section 8.1(a)(iii). Upon such cancellation, all of the rights and privileges of the Member or Candidate in the Corporation shall cease, and the name of such Member or Candidate shall be removed from the membership roster or candidacy records, as applicable.

7 LEAVE OF ABSENCE

7.1 Application for Leave of Absence

A Member or Candidate may apply at any time to the National Board for a leave of absence, subject to the following:

- (a) the application shall be in writing to the National Board;
- (b) the Member or Candidate shall be in good standing and not indebted to the Corporation or Zone Association in any manner whatsoever, the verification of which shall be the responsibility of the National Board;
- (c) the leave of absence must be approved by the National Board;
- (d) the leave of absence shall be for a twelve (12) month period, and may be renewed, subject to annual approval by the National Board.

7.2 Privileges of Member or Candidate On Leave of Absence

A Member or Candidate who has been granted a leave of absence:

- (a) shall not be eligible to enter nationally conducted tournaments;
- (b) in the case of a Member, shall not be entitled to vote at any Annual Meeting or Special Meeting, or hold office as a Director of the Corporation;
- (c) shall be subject to Zone privileges as may be determined by the Member's Zone Board in its sole discretion;
- (d) shall not be subject to any professional development requirements; and
- (e) shall pay assessments and insurance premiums as determined from time to time by the National Board.

8 DISCIPLINE

8.1 Discipline of Members

- (a) The National Board shall have authority to discipline, suspend or expel any Member from either the Corporation or a Zone pursuant to the Code of Professional Practice or pursuant to the Policies of the National Board, including for any one (1) or more of the following grounds:
 - (i) violating any provision of the Articles, By-Laws, Code of Professional Practice or written Policies of the National Board;
 - (ii) carrying out any conduct which may be detrimental to the Corporation as determined by the National Board in its sole discretion;

- (iii) for non-payment of dues or assessments pursuant to section 6.8; or
 - (iv) for any other reason that the National Board, in its sole and absolute discretion, considers to be reasonable, having regard to the purposes of the Corporation.
- ⓑ) In the event the National Board determines that a Member should be disciplined, expelled or suspended from membership in the Corporation, the Chief Executive Officer, or such other Officer as may be designated by the National Board, shall provide twenty (20) days' notice of suspension or expulsion to the Member and shall provide reasons for the proposed suspension or expulsion. The Member may make written submissions to the Discipline Committee, if any, otherwise to the National Board before the end of the twenty (20) day period.
- ⓒ) In the event a written submission is received from the Member, the Discipline Committee, if any, otherwise the National Board shall hear and deal with the complaint pursuant to the Policies of the National Board. If written submissions are received in accordance with this section 8.01, the National Board will consider such submissions in arriving at a final decision and shall notify the Member concerning such final decision within a further twenty (20) days from the date of receipt of the submissions. The National Board's decision shall be final and binding on the Member, without any further right of appeal.
- ⓓ) In the event that no written submissions are received, the Discipline Committee, if any, otherwise to the Chief Executive Officer, or such other Officer as may be designated by the National Board, may proceed to notify the Member that the Member is disciplined, suspended or expelled from membership in the Corporation.

9 DESIGNATIONS

9.1 Designations

The National Board may, in its sole discretion, consider and approve the designation of Members and other persons deemed appropriate to special classifications of award and distinction. The criteria for each designation, including, without limitation, the application process, if any, for each designation, shall be determined from time to time by the National Board.

10 ZONES AND ZONE ASSOCIATIONS

10.1 Formation of Zones

The National Board may establish Zones (to be known by such name as the National Board shall designate) into which Canada shall be divided.

10.2 Zones as of Effective Date

The existing Zones and their respective boundaries are set out in Appendix A to this By-Law No. 2014-1.

10.3 Obligations of Zones

A Zone must be incorporated as a not-for-profit corporation and shall develop its own By-Laws and governance framework in accordance with section 10.6; provided that the corporate structure

must align, to the extent permitted by law, with the corporate structure and By-Laws of the Corporation. A Zone shall be bound by all By-Laws, Board Regulations and Policies of the National Board and the Corporation.

10.4 Alteration of Zones

Subject to consultation with any Zone Association affected by a proposed alteration, the National Board shall have the authority from time to time to alter the boundaries of any Zone.

10.5 Compliance with Licensing Requirements

The Corporation is legally required to comply with all licensing requirements associated with the Corporation's intellectual property, which includes, without limitation:

- (a) copyright, including text, content, graphics, images and icons owned or lawfully used by the Corporation; and
- (b) trade marks, including names, trade marks, service marks, logos, designs and other indicia owned by the Corporation;

The Corporation shall, from time to time, enter into agreements with the Zones to cover their respective licensing arrangements and obligations.

10.6 Zone Association By-Laws, Policies, Rules and Regulations

Each Zone Association shall adopt such by-laws, policies, rules and regulations that are not inconsistent with the By-Laws, Policies, National Board Regulations and Rules and Regulations of the Corporation. In any event, the by-laws of a Zone Association shall contain the following minimum requirements:

- (a) all Members and Candidates of such Zone Associations must be Members or Candidates, as applicable, in good standing of the Corporation;
- (b) except for those Members who are non-resident as provided for in section 3.1(d), all Members and Candidates of the Corporation must be Members or Candidates, as applicable, of a Zone Association;
- (c) a Member or Candidate, as applicable, of the Corporation must be a Member or Candidate, as applicable, in the Zone in which the person is employed or, if the person is not employed, in the Zone in which the person resides;
- (d) a Member or Candidate, as applicable, accepting a position in, or moving to, another Zone must notify the National Board, who shall then notify both Zone offices immediately of such change; the former Zone shall transfer all membership or candidacy information, as applicable, including application forms concerning the Member or Candidate to the new Zone; the Member or Candidate transferring shall be subject to all requirements of membership or candidacy and shall furnish such information as may be requested by the Zone Board of the new Zone; upon meeting such qualifications and supplying such information such Member or Candidate shall be subject to such privileges of membership or candidacy as the person's category allows; and
- (e) to be eligible for nomination as a Director, a person must have been a Member in the nominating Zone for not less than one (1) full year immediately preceding the Annual Meeting.

Provided that a Zone Association shall file with and obtain approval from the Corporation with respect to its by-laws, policies, rules and regulations, and any and all amendments thereto, failing

which the Zone Association may be subject to such disciplinary action set out in Article 8, or as may be otherwise determined by the National Board.

11 NATIONAL BOARD OF DIRECTORS

11.1 Management of Affairs

The affairs of the Corporation shall be governed by the National Board.

11.2 National Board

The National Board shall consist of one (1) Director from each Zone. Immediately following confirmation of this By-Law by the Members, the number of Directors shall be fixed at nine (9) Directors, each of whom shall be elected by the Members of the Corporation from those nominated by each of the nine (9) Zones that exist as of the date of the coming into force of this By-Law. The Members thereafter delegate to the National Board the right to fix the number of Directors from time to time.

11.3 Additional Authority

Without limit to the generality of the authority of the National Board to manage the affairs of the Corporation as set out in section 11.1, the National Board shall have full power and authority to do all such things as the National Board may be authorized or given discretion to do under the By-Laws.

11.4 Policies, Rules and Regulations

Without limit to the generality of sections 11.1 and 11.3, the National Board may establish such Policies, Rules and Regulations, not inconsistent with the Articles, as it considers in the best interest of the Corporation and the conduct of the sport of golf in Canada.

11.5 Qualifications

Each Director shall:

- a) have been, at the time of election, and remain throughout the Director's term of office, a Member in the Zone Association from which the Director is nominated for a period of not less than one (1) year;
- b) not be an employee of the Corporation or of a Zone Association;
- c) be an individual who is at least eighteen (18) years of age;
- d) not have the status of a bankrupt;
- e) not be a person who has been found under any applicable statute to be incapable of managing property;
- f) not be a person who has been declared incapable by a court in Canada or elsewhere; and

If a person ceases to be qualified as provided in this section 11.5, the person thereupon ceases to be a Director and the vacancy so created may be filled in the manner prescribed by section 11.8.

11.6 Removal of Directors

- (a) The Members may by Ordinary Resolution remove a Director from office at a Special Meeting called for that purpose before expiration of the Director's term of office and may elect a person to replace the removed Director for the remainder of the term of office; provided that any such replacement shall be elected from the same Zone Association from which the Director was elected;
- (b) Where the Members do not fill the vacancy created by the removal of a Director, the vacancy may be filled in accordance with section 11.8.

11.7 Director Ceasing to be Member of their Zone

If a Director ceases to be a Member of the Zone the Director represents, the Director shall be deemed to have resigned and the vacancy shall be filled in accordance with section 11.8.

11.8 Vacancies

- (a) Except as provided in the Act, so long as a quorum of the Directors remains in office, a vacancy on the National Board may be filled by Ordinary Resolution of the National Board; provided, however, that any vacancy shall be filled from qualified candidates from the Zone from which the vacancy arose. If no quorum of Directors exists, the remaining Directors shall call a Special Meeting to fill a vacancy on the National Board.
- (b) The Directors may not fill a vacancy resulting from an increase in the number or the minimum or maximum number of Directors provided for in the Articles or a failure to elect the number or minimum number of Directors provided for in the Articles.

11.9 Remuneration of Directors

The Directors of the Corporation shall serve as such without remuneration. Directors shall, however, be entitled to receive reimbursement for reasonable expenses incurred in carrying out their duties on behalf of the Corporation.

12 ELECTION OF THE NATIONAL BOARD

12.1 Election of Directors

Subject to the provisions of the Act and Articles, Directors shall be elected by the Members and shall retire in rotation. At the first meeting of Members following the enactment of this By-Law 2014-1 at which there is an election of Directors:

- (a) previously elected Directors who have two (2) years remaining in their terms of office shall continue to serve for the remaining two (2) years;
- (b) previously elected Directors who have one (1) year remaining in their terms of office shall continue to serve for the remaining one (1) year; and
- (c) three (3) Directors shall be elected for a term of three (3) years.

12.2 Term of Office

The term of office of a Director shall be three (3) years, to expire at the conclusion of the third (3rd) Annual Meeting following election, or, if no successor is elected at the Annual Meeting, to expire when a successor is elected.

12.3 Re-Election

A Director is eligible for election for up to three (3) consecutive full terms, and afterwards is not eligible for re-election until a period of eleven (11) months has elapsed from the date such person ceases to be a Director; provided, however, that the foregoing term limits shall not apply to a Director who also serves, or is about to serve, as the Secretary, Vice-President or President. In that event, a Director who holds, or is about to hold, the foregoing offices shall be considered to be eligible to hold office as a Director on the National Board until the person has completed any term of office as an Officer, up to and including the office of President.

12.4 Elections

At each Annual Meeting, a number of Directors equal to the number of Directors retiring plus any vacancies then outstanding shall be elected by the Members. In the event that an election of Directors results in a tie, then the incumbent Directors shall remain in office during the period for which another vote is called for and held. The voting procedures shall be those established by Policy pursuant to section 14.09. Effective on the date of the close of voting, and following a determination and announcement of the outcome of the electronic voting process, the outgoing Directors shall immediately cease to hold office and the incoming Directors shall take office without further action or formality.

12.5 Nominations

Candidates for the office of Director shall comprise the slate of candidates eligible for office pursuant to section 11.2, and who are proposed by the Election Committee, or if there is no Election Committee, by the National Board.

12.6 Nomination and Election Process

The nomination process for the Directors shall be as follows:

- ⓐ Zone Nominations
 - (i) the National Election Committee shall invite the Members in the relevant Zones to put forward their candidate for election by completing and submitting to the National Election Committee or to the Chief Executive Officer a Candidate Qualification Form and profile signed by the candidate seeking election;
 - (ii) the National Board may prescribe the form of nomination paper and the form of ballot;
 - (iii) nominations for a candidate within a Zone shall be closed at 5:00 p.m. (EST) sixty (60) days prior to the Annual Meeting;
 - (iv) if required, the Scrutineer shall complete a written report of the voting results, which shall be delivered to the Chief Executive Officer as soon after the closing of nominations for election as is possible and, in any event, no more than three (3) business days following the closing of nominations;

- (v) if the nomination is conducted by way of ballot, the Scrutineer shall maintain copies of the ballots for at least thirty (30) days following the Annual Meeting and, following the written confirmation by the Chief Executive Officer to the Scrutineer that no objections to the election results have been received, the Scrutineer may either destroy the ballots or return the ballots to the Chief Executive Officer, who shall then destroy the ballots;
 - (vi) each successful candidate shall be notified of their nomination by the Zone for election as a Director of the National Board;
- (b) National Election
- (i) candidates' profiles and voting procedures shall be provided in writing to the Members at least thirty (30) days prior to the Annual Meeting;
 - (ii) voting shall occur by election to confirm the slate of Directors at either the Annual Meeting, by those Members present in person or represented by proxy, or by electronic voting conducted in advance of the meeting pursuant to section 14.9;
 - (iii) each successful candidate shall be notified of their election as a Director of the National Board.
- (c) Resignation from Zone Board.
- Upon election of the National Board, a Director who is also a Director of a Zone Association shall resign the latter position within thirty (30) days, so that the Director may fulfill their fiduciary duty to the Corporation without conflict of interest. If the Director fails to resign from the Zone Board within such thirty (30) day period, the person shall automatically cease to be a Director of the Corporation, and the resulting vacancy shall be filled pursuant to section 11.8.

13 **MEETING OF DIRECTORS**

13.1 Calling Meetings

Meetings of the National Board may be called by the President of the National Board, the Vice- President, the Secretary or any three (3) Directors, and shall be held at the place specified in the notice.

13.2 Meeting following Annual Meeting

The National Board shall hold a meeting as soon as reasonably possible following the Annual Meeting of the Corporation for the purpose of organization, the election and appointment of Officers and the transaction of any other business, and no notice shall be required for this meeting.

13.3 Regular Meetings

The National Board may appoint one (1) or more days in each year for regular meetings of the National Board at a set place and time. A copy of any resolution of the National Board fixing the place and time of such regular meetings of the National Board shall be sent to each Director as soon as possible after being passed, but no other notice shall be required for any such regular meeting except as may be required pursuant to the Act.

13.4 Notice of Meetings

Subject to the provisions of sections 13.2 and 13.3, notice of the time, place and date of any meeting of the Directors and the nature of the business to be conducted shall be given to each Director:

- (a) by courier, personal delivery, telephone, fax, e-mail or other electronic method at least two (2) days before the meeting is to take place, excluding the date on which notice is given; or
- (b) by mail at least ten (10) days before the meeting is to take place, excluding the date on which notice is given.

13.5 Content of Notice

Any notice of a National Board meeting shall specify the nature of the business to be conducted if the meeting is intended to:

- (a) submit to the Members any question or matter requiring approval of the Members;
- (b) fill a vacancy among the Directors;
- (c) fill a vacancy in the office of Public Accountant;
- (d) issue debt obligations except as authorized by the National Board;
- (e) approve any financial statements;
- (f) adopt, amend or repeal any By-Law; or
- (g) establish dues and/or assessments to be paid by the Members.

13.6 Meetings by Electronic Conference

- (a) A Director may participate in a meeting of the National Board by means of an electronic or other communication device that permits all participants to communicate adequately with each other during the meeting. Any person participating by electronic conference is deemed to be present at that meeting. Any security, confidentiality or other considerations with respect to the conduct of such a meeting shall be as determined by the National Board from time to time.
- (b) The President, Vice-President or Secretary may call a meeting of the National Board and provide that the meeting be held entirely by telephone or electronic means that permits all participants to communicate adequately with each other during the meeting.

13.7 Quorum

A quorum for the transaction of business at meetings of the National Board shall be at least one-half of the number of authorized Directors.

13.8 Voting

The method of voting at any meeting of the National Board shall be determined by the chair of the meeting prior to any vote being taken. Each Director shall have one (1) vote on each question raised at any meeting of the National Board, and all questions shall be determined by a majority of the votes cast. In the case of an equality of votes, the vote shall be deemed to have been lost.

13.9 Written Resolutions

A Written Resolution, signed by all the Directors entitled to vote on that resolution at a meeting of Directors, is valid.

13.10 Adjournments

Any meeting of Directors may be adjourned to any time. Any business that might have been transacted at the original meeting from which the adjournment took place may be transacted upon the resumption of the adjourned meeting. No notice is required for the resumption of any adjourned meeting if the time and place of the adjourned meeting is announced at the original meeting.

14 **MEETINGS OF THE MEMBERS**

14.1 Annual Meeting

- Ⓐ An Annual Meeting shall be held within Canada, unless a place outside Canada is specified in the Articles or if all Members entitled to vote at the meeting consent to holding the Annual Meeting at a place outside Canada, at a place and date and time determined by the National Board, for the purpose of conducting the Annual Business and any Special Business.
- Ⓑ The Annual Meeting shall be held within fifteen (15) months following the last Annual Meeting; provided that any Annual Meeting shall be held within six (6) months of the financial year end of the Corporation.

14.2 Special Meeting

The National Board may at any time call a Special Meeting for the transaction of any business specified in the notice calling the meeting. A Special Meeting may be held separately from or together with an Annual Meeting.

14.3 Fixing a Record Date

The Directors may fix a record date for each meeting to determine which Members are entitled to receive notice of the meeting and entitled to vote at the meeting. The day shall be between twenty-one (21) days and sixty (60) days before the day on which the meeting is to be held. If the Directors do not fix a record date for which Members are entitled to receive notice of the meeting, then the day shall be at the close of business on the day immediately preceding the day on which notice is given or if no notice is given, the day of the meeting. If the Directors do not fix a record date for which Members are entitled to vote at the meeting, then the day shall be ten (10) days after the record date for Member's entitled to notice, or if no such date is fixed, then at the close of business on the day immediately preceding the day on which notice is given or if no notice is given, the day of the meeting.

14.4 Notice of Meetings

Notice of the time, place and date of an Annual Meeting or Special Meeting and sufficient information for a Member to make a reasoned judgment on the business to be considered, including the text of any Special Resolution to be submitted to the meeting, shall be given to each Member entitled to vote at the meeting, to each Director and to the Public Accountant of the Corporation by:

- (a) mail, courier or personal delivery, during a period of twenty-one (21) to sixty (60) days before the day on which the meeting is to be held;
- (b) telephone, or other electronic means, during a period of twenty-one (21) to thirty-five (35) days before the day on which the meeting is to be held. If a Member requests that notice of a meeting be given by non-electronic means, the notice will be sent by mail, courier or personal delivery as provided in section (a);¹
- (c) posting the notice on a notice board, including the Corporation's website, where such information is regularly posted and that is located in a place frequented by the Members, at least thirty (30) days before the day on which the meeting is to be held; or
- (d) Whenever the number of Members exceeds two hundred and fifty (250), by publication, in a publication of the Corporation sent to all Members at least once during a period of twenty-one (21) days to sixty (60) days before the day on which the meeting is to be held.

14.5 Those Entitled To Be Present

The only persons entitled to be present at a meeting of Members shall be:

- (a) those entitled to vote at the meeting, including Members;
- (b) the Directors and the Public Accountant of the Corporation, and
- (c) such other persons who are entitled or required under any provision of the Act, the Articles or By-Laws of the Corporation to be present at the meeting.

Any other person may be admitted only on the invitation of the chair of the meeting or by Ordinary Resolution of the Members.

14.6 Quorum

- (a) A quorum for the transaction of business at meetings of the Members shall be at least ten (10) Members of the Corporation entitled to vote, and present in person, or represented by proxy, with at least two (2) persons present in person.
- (b) Provided however that where:
 - (i) less than a quorum, but two (2) or more, persons are present in person one-half hour after the commencement time specified in the notice calling the meeting of Members; and
 - (ii) the business transacted is limited to the selection of a chair and a secretary for the meeting, the recording of the names of those present, and the passing of a motion to adjourn the meeting with or without specifying a date, time and place for the resumption of the meeting, then two (2) persons present in person constitute a quorum.
- (c) No business shall be transacted at any meeting of the Members unless the necessary quorum is present at the commencement of such meeting.
- (d) If a quorum is not present at the opening of a meeting of Members, the Members present may adjourn the meeting to a fixed time and place but may not transact any other business.

¹ Note that if a Member requests that notice of a meeting be given by non-electronic means, the notice must be sent to that Member by non-electronic means.

14.7 Chair

In the absence of the President of the National Board and the Vice-President of the National Board, the Members present and entitled to vote and present at any meeting of Members shall choose another Director as chair. If no Director is present or if all the Directors present decline to act as chair, the Members present and entitled to vote shall choose a Member to be chair.

14.8 Voting by Members

- (a) The method of voting at any meeting of the Members shall be determined by the chair of the meeting prior to any vote being taken. Each Member shall have one (1) vote on each question raised at any meeting of the Members, and all questions shall be determined by Ordinary Resolution, unless otherwise specified. In the case of an equality of votes, the vote shall be deemed to have been lost.
- (b) At all meetings of Members, every question shall be decided by a show of hands unless otherwise required by a By-Law of the Corporation or the Act or unless a ballot is required by the chair of the meeting or requested by any Member. Whenever a vote by show of hands has been taken upon a question, unless a ballot is requested, a declaration by the chair of the meeting that a resolution has been carried or lost by a particular majority and an entry to that effect in the minutes of the Corporation is conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the motion.

14.9 Electronic, Mail or Telephone Voting

The Directors may provide for Members to vote by mail, telephone or electronic means instead of proxy voting pursuant to the Policies of the National Board. Such alternative means of voting must:

- (a) allow for verification that the votes are made by the Members entitled to vote; and
- (b) not allow the Corporation to identify how each Member voted.

14.10 Proxies

- (a) Unless the Directors allow for electronic voting in accordance with section 14.09, every Member entitled to vote at meetings of Members may, by means of a proxy, appoint a person to attend the meeting on the Member's behalf to act in the manner, to the extent and with the power conferred by the proxy and the Government Regulations. A proxy shall be in writing. The proxy holder need not be a Member.
- (b) A proxy shall be executed by:
 - (i) the Member entitled to vote; or
 - (ii) the attorney of the Member entitled to vote authorized in writing under a valid power of attorney; or
- (c) 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.
- (d) Subject to the Government Regulations, a proxy may be in such form as the Board prescribes or in such other form as the chair of the meeting may accept as sufficient. However, where the proxy has been created by a person other than the Member executing the proxy, the proxy shall contain the information set out in Government Regulations.
- (e) A proxy shall be deposited with the secretary of the meeting before any vote is called under its authority, or at such earlier time and in such manner as the Board

may prescribe. The Board may set a deadline to deposit proxies prior to any meeting of Members, which deadline shall be communicated to each Member with the notice of the meeting of Members.

14.11 Ballot

A Member can demand a ballot during the meeting either before or after any vote by show of hands. If at any meeting a vote by ballot is requested on the election of a chair, it must be taken forthwith without adjournment. If a vote by ballot is requested on any other question, it shall be taken in the manner and time as the chair of the meeting directs. The result of a vote by ballot shall be deemed to be the resolution of the meeting at which it was requested. A request for a vote by ballot may be withdrawn at any time prior to the taking of the ballot.

14.12 Adjournments

Any meeting of Members may be adjourned to any time by the chair of the meeting. Any business that might have been transacted at the original meeting from which the adjournment took place may be transacted upon the resumption of the adjourned meeting. No notice is required for the resumption of any adjourned meeting where the resumption of the meeting occurs less than thirty (30) days from the date of the original meeting, other than an announcement at a meeting that is adjourned.

15 NATIONAL BOARD REGULATIONS

15.1 National Board Regulations

The National Board may make National Board Regulations with regard to any matter not inconsistent with the Act and the By-Laws.

16 OFFICERS

16.1 Officers

There shall be a President of the National Board and such other Officers that may be elected or appointed by National Board Regulation from time to time. Subject to the Act, the Articles and the By-Laws, the terms and duties of such Officers shall be defined in the National Board Regulations passed by the National Board from time to time.

16.2 Chief Executive Officer May Attend All Meetings

The Chief Executive Officer shall have the right to receive notice of, to attend and to speak at but not to vote at all meetings of the National Board, any committee of the National Board, including the Executive Committee, and any meeting of the Members, except those meetings where the terms of employment, compensation or performance of the Chief Executive Officer are discussed.

16.3 Remuneration of Officers or Employees

Any Officer who is a Director shall not be entitled to remuneration for acting as such, but shall be entitled to reimbursement for reasonable expenses incurred in carrying out their duties. The National Board shall fix the remuneration of the Chief Executive Officer. The National Board shall fix the remuneration of any other Officers or employees, or may delegate such responsibility to the Chief Executive Officer.

17 **COMMITTEES**

17.1 Committees

Subject to the Act and the By-Laws, the National Board may by National Board Regulation appoint such Committees as it deems appropriate from time to time and set the rules governing such Committees.

17.2 Executive Committee

The National Board may appoint from among the Directors of the Corporation an Executive Committee and delegate to the Executive Committee any of the powers of the Directors except those powers listed in section 17.3.

17.3 Limits on Authority of Committees

No Committee, including the Executive Committee, has authority to:

- (a) submit to the Members any question or matter requiring approval of the Members;
- (b) fill a vacancy among the Directors or in the office of Public Accountant or appoint additional Directors;
- (c) issue debt obligations except as authorized by the National Board;
- (d) approve any financial statements;
- (e) adopt, amend or repeal any By-Law; or
- (f) establish contributions to be made, or dues to be paid, by Members.

18 **CONFLICT OF INTEREST**

18.1 Conflict of Interest

Pursuant to the Act, a Director or an Officer of shall disclose to the Corporation, in writing or by requesting to have it entered in the minutes of meetings of Directors or of committees of Directors, the nature and extent of any interest that the Director or Officer has in a material contract or material transaction, whether made or proposed, with the Corporation, if the Director or Officer:

- (a) is a party to the contract or transaction;
- (b) is a Director or an Officer, or an individual acting in a similar capacity, of a party to the contract or transaction; or
- (c) has a material interest in a party to the contract or transaction.

18.2 Time of Disclosure for Director

The disclosure required by section 18.1 shall be made, in the case of a Director:

- (a) at the meeting at which a proposed contract or transaction is first considered;
- (b) if the Director was not, at the time of the meeting referred to in section 18.2(a) interested in the proposed contract or transaction, at the first meeting after the Director becomes so interested;
- (c) if the Director becomes interested after a contract or transaction is made, at the first meeting after the Director becomes so interested; or

- (d) if an individual who is interested in a contract or transaction later becomes a Director, at the first meeting after the individual becomes a Director.

18.3 Time of Disclosure for Officer

The disclosure required by section 18.1 shall be made, in the case of an Officer who is not a Director:

- (a) immediately after the Officer becomes aware that the contract, transaction, proposed contract or proposed transaction is to be considered or has been considered at a meeting;
- (b) if the Officer becomes interested after a contract or transaction is made, immediately after the Officer becomes so interested; or
- (c) if an individual who is interested in a contract or transaction later becomes an Officer, immediately after the individual becomes an Officer.

18.4 Time of Disclosure for Director or Officer

If a material contract or material transaction, whether entered into or proposed, is one that, in the ordinary course of the Corporation's activities, would not require approval by the Directors or members, a Director or an Officer shall, immediately after they become aware of the contract or transaction, disclose in writing to the Corporation, or request to have entered in the minutes of meetings of Directors or of committees of Directors, the nature and extent of their interest.

18.5 Voting

A Director required to make a disclosure under section 18.1 shall not vote on any resolution to approve the contract or transaction unless the contract or transaction:

- (a) relates primarily to the Director's remuneration as a Director, an Officer, an employee, an agent or a mandatory of the Corporation or an affiliate;
- (b) is for indemnity or insurance under section 19.03; or
- (c) is with an affiliate.

18.6 Continuing Disclosure

For the purposes of this section, a general notice to the Directors declaring that a Director or an Officer is to be regarded as interested, for any of the following reasons, in a contract or transaction made with a party, is a sufficient declaration of interest in relation to the contract or transaction:

- (a) the Director or Officer is a Director or an Officer, or acting in a similar capacity, of a party referred to in section 18.01(b) or 18.01(c);
- (b) the Director or Officer has a material interest in the party; or
- (c) there has been a material change in the nature of the Director's or the Officer's interest in the party.

18.7 Access to Disclosures

The Members of the Corporation may examine the portions of any minutes of meetings of Directors or of committees of Directors that contain disclosures under this section, and of any other documents that contain those disclosures, during the Corporation's usual business hours.

18.8 Avoidance Standards

A contract or transaction for which disclosure is required under section 18.01 is not invalid, and the Director or Officer is not accountable to the Corporation or its Members for any profit realized from the contract or transaction, because of the Director's or Officer's interest in the contract or transaction or because the Director was present or was counted to determine whether a quorum existed at the meeting of Directors or of the committee of Directors that considered the contract or transaction, if

- (a) disclosure of the interest was made in accordance with this Article 18;
- (b) the Directors approved the contract or transaction; and
- (c) the contract or transaction was reasonable and fair to the Corporation when it was approved.

18.9 Confirmation by Members

Even if the conditions of section 18.08 are not met, a Director or an Officer, acting honestly and in good faith, is not accountable to the Corporation or to its Members for any profit realized from a contract or transaction for which disclosure is required under section 18.01 and the contract or transaction is not invalid by reason only of the interest of the Director or Officer in the contract or transaction, if:

- (a) the contract or transaction is approved or confirmed by Special Resolution at a meeting of the Members;
- (b) disclosure of the interest was made to the Members in a manner sufficient to indicate its nature and extent before the contract or transaction was approved or confirmed; and
- (c) the contract or transaction was reasonable and fair to the Corporation when it was approved or confirmed.

18.10 Failure to Comply

If a Director or an Officer fails to comply with this Article 18, a court may, on the application of the Corporation or any of its Members, set aside or annul the contract or transaction on any terms that it thinks fit, require the Director or Officer to account to the Corporation for any profit or gain realized on the contract or transaction or make any other order that the court thinks fit.

18.11 Conflict of Interest Declaration

Each Director and Officer shall, on an annual basis, execute a conflict of interest declaration, which confirms that the Director and Officer acknowledges the conflict of interest requirements contained in this Article 18, and agrees to comply with the said requirements.

19 **PROTECTION OF DIRECTORS, OFFICERS AND OTHERS**

19.1 Insurance

- (a) The Corporation shall purchase and maintain appropriate liability insurance for the benefit of the Corporation and each Protected Person. The insurance shall address coverage limits in amounts per occurrence with an aggregate maximum limit as deemed appropriate by the National Board and shall include:
 - (i) property and public liability insurance;

- (ii) Directors' and Officers' insurance; and
 - (iii) may include such other insurance as the National Board sees fit.
- (b) The Corporation shall ensure that each Protected Person is added as a named insured to any policy of Directors' and Officers' insurance maintained by the Corporation.
 - (c) No coverage shall be provided for any liability relating to a failure to act honestly and in good faith with a view to the best interests of the Corporation.
 - (d) It shall be the obligation of any person seeking insurance coverage or indemnity from the Corporation to co-operate fully with the Corporation in the defence of any demand, claim or suit made against such person, and to make no admission of responsibility or liability to any third party without the prior agreement of the Corporation.

19.2 Liability Exclusion

Absent the failure to act honestly and in good faith in the performance of the duties of office, and save as may be otherwise provided in any legislation or law, no Protected Person shall be personally liable for any loss or damage or expense to the Corporation arising out of the acts (including wilful, negligent or accidental conduct), receipts, neglects, omissions or defaults of such Protected Person or of any other Protected Person arising from any of the following:

- (a) insufficiency or deficiency of title to any property acquired by the Corporation or for or on behalf of the Corporation;
- (b) insufficiency or deficiency of any security in or upon which any of the monies of or belonging to the Corporation shall be placed out or invested;
- (c) loss or damage arising from the bankruptcy or insolvency of any person, firm or corporation including any person, firm or corporation with whom or which any monies, securities or effects shall be lodged or deposited;
- (d) loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with monies, securities or other assets belonging to the Corporation;
- (e) loss, damage or misfortune whatever which may occur in the execution of the duties of the Protected Person's respective office or trust or in relation thereto; and
- (f) loss or damage arising from any wilful act, assault, act of negligence, breach of fiduciary or other duty or failure to render aid of any sort.

19.3 Indemnification of Directors, Officers and Others

- (a) Every Protected Person shall be indemnified and saved harmless, including the right to receive the first dollar payout, and without deduction or any co-payment requirement to a maximum limit per claim made as established by the National Board from and against all costs, charges and expenses which such protected person sustains or incurs:
 - (i) in or in relation to any demand, action, suit or proceeding which is brought, commenced or prosecuted against such person in respect of any act, deed, matter or thing whatsoever, made, done or permitted or not permitted by such person, in or in relation to the execution of the duties of such office or in respect of any such liability; or
 - (ii) in relation to the affairs of the Corporation generally;
 save and except such costs, charges or expenses as are occasioned by the failure of such person to act honestly and in good faith in the performance of the duties of office.

- (b) Such indemnity will only be effective:
- (i) upon the exhaustion of all available and collectible insurance provided to the Protected Person by the Corporation inclusive of whatever valid and collectible insurance has been collected; and
 - (ii) provided that the Protected Person has carried out all duties assigned to such person which are subject of the claim in complete good faith so as to comply with the conditions of the insurance policy concerning entitlement to coverage.
- (c) The Corporation shall also indemnify any Protected Person, firm or corporation in such circumstances designated by law, upon approval by the National Board.
- (d) Nothing in this Article 19 shall limit the legal right of any person, firm or corporation entitled to indemnity to claim indemnity apart from the provisions of this Article 19.

19.4 Discontinuing Insurance

Where the Corporation has purchased or maintained insurance for any Protected Person, such insurance shall not be discontinued or altered except upon approval of the Members.

20 EXECUTION OF DOCUMENTS

20.1 Execution of Documents

The National Board may by National Board Regulation prescribe the person(s) authorized to execute classes of documents on behalf of the Corporation. All documents executed in accordance with the National Board Regulations are binding on the Corporation without further action or formality

21 BORROWING BY THE CORPORATION

21.1 General Borrowing Authority

The Directors may, without authorization of the Members:

- (a) borrow money on the credit of the Corporation;
- (b) issue, reissue, sell, pledge or hypothecate debt obligations of the Corporation;
- (c) give a guarantee on behalf of the Corporation 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 Corporation, owned or subsequently acquired, to secure any obligation of the Corporation.

The Directors may delegate these powers to a Director, committee of Directors, or Officer.

22 FINANCIAL YEAR

22.1 Financial Year Determined

The financial year of the Corporation shall terminate on the last day of December in each year or on such other date as the National Board may determine.

23 **PUBLIC ACCOUNTANT**

23.1 Annual Appointment

Subject to the Act and its Government Regulations, the Members of the Corporation at each Annual Meeting shall appoint one (1) or more Public Accountants. The Public Accountant shall hold office until the close of the next Annual Meeting and if an appointment is not made, the incumbent Public Accountant continues in office until a successor is appointed. The Public Accountant must meet the requirements in the Act.²

23.2 Removal of Public Accountant

The Members may, by Ordinary Resolution passed at a Special Meeting, remove any Public Accountant before the expiration of the term of office in accordance with the Act.

23.3 Vacancy in the Office of Public Accountant

The National Board shall fill any vacancy in the office of Public Accountant but, while the vacancy continues, any remaining Public Accountant may act.

23.4 Remuneration of Public Accountant

The remuneration of a Public Accountant appointed by the Members shall be fixed by the National Board.

24 **NOTICE**

24.1 When notice deemed given

When notice is given under the By-Laws by the following means, that notice is deemed to have been given at the following time:

- (a) if given by telephone, notice is deemed given at the time of the telephone call;
- (b) if given by mail to the last address shown on the Corporation's records, notice is deemed given on the third day after mailing;
- (c) if given in writing by courier or personal delivery, notice is deemed given when delivered;
- (d) if given by e-mail, notice is deemed given when sent;
- (e) if posted on a notice board pursuant to section 14.04(c), notice is deemed given on the date of posting; and
- (f) provided by other electronic means, notice is deemed given when transmitted.

² Section 180(1) provides that a Public Accountant must:

- (a) be a member in good standing of an institute or association of accountants incorporated by or under an Act of the legislature of a province;
- (b) meet any qualification under an enactment of a province for performing any duty a person is required to perform under sections 188 to 191 of the Act (review engagement, audit engagement, report on financial statements);
- (c) unless the Public Accountant is the subject of a relieving order under section 180(6), be independent of the Corporation, its affiliates, or the Directors or Officers of the Corporation or its affiliates.

24.2 Declaration of Notice

At any meeting, the declaration of the Secretary or chair of the meeting that notice has been given pursuant to this By-Law shall be sufficient and conclusive evidence of the giving of such notice. No formal notice of a meeting is necessary if all those entitled to notice are present or if those absent have signified their consent to the meeting being held without notice and in their absence.

24.3 Computation of Time

In computing the date when notice must be given under any provision in the By-Laws requiring a specified number of days' notice of any meeting or other event, a period of days is deemed to commence on the day following the event that began the period and is deemed to terminate at midnight of the last day of the period, except that if the last day of the period falls on a holiday, the period terminates at midnight of the next day that is not a holiday.

24.4 Omissions and Errors

Any resolution passed or proceeding taken at a meeting of the National Board, a committee of the National Board or Members shall not be invalidated by:

- (a) an error in notice that does not affect its substance;
- (b) the accidental omission to give notice; or
- (c) the accidental non-receipt of notice by any Director, Member or Public Accountant.

Any Director, Member or Public Accountant may at any time waive notice of, and ratify and approve any proceeding taken at any meeting.

24.5 Waiver

Where a notice or document is required to be sent pursuant to the By-Laws or the Act, the person entitled to receive the notice or document may consent in writing to waive either the sending of the notice or document or the time within which the notice or document must be sent.

25 BY-LAWS AND EFFECTIVE DATE

25.1 Effective Date of this By-Law

This By-Law shall only be effective upon the issuance of the Corporation's Certificate of Continuance under the Act by Industry Canada.

25.2 Amendments requiring Special Resolution

Amendments to the following sections of this By-Law shall only be effective upon approval of the Members by Special Resolution:

- (a) section 3.1;
- (b) section 3.3;
- (c) section 14.4;

- (d) section 14.10; and
- (e) any section that adds, changes, or removes a provision that is contained in the Corporation's Articles.

25.3 By-Laws and Effective Date

- (a) Subject to the Articles and section 25 .2, the National Board may make, amend or repeal any By-Law that regulates the activities or affairs of the Corporation. Subject to section 25.2, any such By-Law, amendment or repeal shall be effective from the date of the resolution of the National Board until the next meeting of Members where it may be confirmed, rejected or amended by Ordinary Resolution of the Members.
- (b) If the By-Law amendment or repeal is confirmed or confirmed 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 **REPEAL OF PRIOR BY-LAWS**

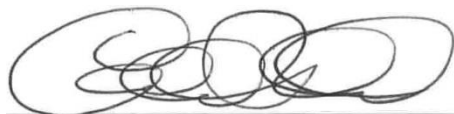
26.1 Repeal

Subject to the provisions of section 26.2 hereof, all prior By-Laws, resolutions and other enactments of the Corporation inconsistent in either form or content with the provisions of this By-Law are repealed.

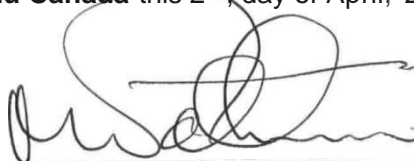
26.2 Prior Acts

The repeal of prior By-Laws, resolutions and other enactments shall not impair in any way the validity of any act or thing done pursuant to any such repealed By-Laws, resolution or other enactment.

ENACTED by the Directors as a By-Law of **Professional Golfers' Association of Canada/Association des golfeurs professionnels du Canada** this 2nd, day of April, 2014.

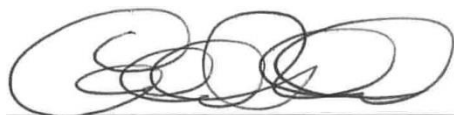


President of the National Board



Secretary

CONFIRMED by the Members in accordance with the *Canada Not-for-profit Corporations Act* on The 24th day of April, 2014



President of the National Board



Secretary

Certificate of Continuance issued by Industry Canada on the 28th day of April 2014, and thus is the date upon which this By-Law becomes effective pursuant to section 25.1.

Copy of the signed and fully approved By-Laws provided to the Ministry of Industry on the 2nd day of May, 2014. (required to be deposited within one year of approval.)

APENDIX A DETAILS OF ZONES

Pursuant to section 10.1 of this By-Law No. 2014-1, the existing Zones and their respective boundaries are as follows:

1. Province of British Columbia and Yukon Territory;
2. Province of Alberta and Northwest Territories;
3. Province of Saskatchewan;
4. Province of Manitoba;
5. Northern Ontario (north of Muskoka);
6. Ontario (Windsor to Belleville, Niagara to Muskoka);
7. Ottawa (Cornwall to Kingston, north to Deep River, east to Hawkesbury and south to Cornwall);
8. Quebec (east of Hawkesbury);
9. Atlantic (Provinces of Nova Scotia, New Brunswick, Prince Edward Island, Newfoundland and Labrador).

