

**Professional Golfers' Association of Canada  
 Association des golfeurs professionnels du Canada  
 (formerly Canadian Professional Golfers' Association)**

BY-LAW NUMBER 2011-2

A By-Law relating generally  
 to the conduct of the affairs of  
**Professional Golfers' Association of Canada  
 Association des golfeurs professionnels du Canada  
 (formerly Canadian Professional Golfers' Association)**

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## BY-LAW NUMBER 2011-2

A By-Law relating generally to the conduct of the affairs of  
**Professional Golfers' Association of Canada**  
**Association des golfeurs professionnels du Canada**  
**(formerly Canadian Professional Golfers' Association)**  
(the "Corporation")

**WHEREAS** it is considered expedient to enact a new General By-Law relating generally to the conduct of the affairs of the Corporation, and which repeals all former By-Laws;

**BE IT THEREFORE ENACTED** as a By-Law of the Corporation as follows:

### **1**      **INTERPRETATION**

#### 1.1      Meaning of Words

In this By-Law and all other By-Laws, resolutions and official documents of the Corporation, unless the context otherwise requires:

- 1.1.1      the singular includes the plural;
- 1.1.2      the masculine gender includes the feminine;
- 1.1.3      "*Act*" means the *Canada Corporations Act*, R.S.C. 1970, Chapter c-32, as from time to time amended and every statute that may be substituted therefore and, in the case of such substitution, any references in the By-laws to provisions of the Act shall be read as references to the substituted provisions therefore in the new statute or statutes;
- 1.1.4      "assessment" means any amount however described that may be levied against a Member, including but not limited to those referred to in Articles 8, 9 and 10;
- 1.1.5      "By-election" means an election convened for the Members of a Zone Association to fill a vacancy on the Board arising pursuant to sections 14.7, 14.8, 15.3 or otherwise pursuant to this By-Law;
- 1.1.6      "By-Law" or "By-Laws" means this By-Law and any other By-Law of the Corporation currently in force;
- 1.1.7      "Candidate" means a Candidate for Membership referred to in section 6.1;
- 1.1.8      "Candidate Qualification Form" is such form as may be developed and/or approved by the Board from time to time, as referred to in section 15.1.2;
- 1.1.9      "Committee" means any Committee established by the National Board pursuant to Article 21;
- 1.1.10     "Corporation" means the **Professional Golfers' Association of Canada / Association des golfeurs professionnels du Canada (formerly Canadian Professional Golfers' Association)**;
- 1.1.11     "Code of Ethics" is described in Article 2;
- 1.1.12     "Canadian PGA" means the Corporation;
- 1.1.13     "Director" includes a person who has been elected to the office of Director as described in section 14.4, or is an *ex officio* Director pursuant to section 14.5;
- 1.1.14     "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 writings;
- 1.1.15     "Due Date" means, for the purpose of Article 9, such date as may be fixed by the National Board from time to time;

- 1.1.16 “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 Class “A” Member of the Corporation;
- 1.1.17 “Member” means a person who has been admitted as a Member in accordance with Article 5;
- 1.1.18 “National Board” means the National Board of Directors of the Corporation;
- 1.1.19 “Old By-Law” means the By-Laws of the Corporation that were in force immediately prior to the time that By-Law Number 2010-1 came into force;
- 1.1.20 “PACE” shall mean the program described in section 1.4 current from time to time;
- 1.1.21 “Recognized Professional Golfers’ Association” means a Professional Golfers’ Association recognized as such by the National Board;
- 1.1.22 “Rules and Regulations” means such rules and regulations as are enacted by the National Board pursuant to the authority granted in section 14.3;
- 1.1.23 “Scrutineer” shall have the meaning and duties set out in section 15.1;
- 1.1.24 “Zone” means one of the geographical areas into which Canada is divided as described in Article 13;
- 1.1.25 “Zone Association” means an incorporated or unincorporated body described in Article 13 that has the administrative responsibility for a Zone;
- 1.1.26 “Zone Board” means the Board of Directors of a Zone.

## 1.2 Canada Corporations Act Terms

All terms defined in the Act have the same meanings in this By-Law and all other By-Laws and resolutions of the Corporation.

## 1.3 Admission Includes Reinstatement

Unless the context otherwise require, references in this By-Law includes reinstatement of a former Member.

## 1.4 PACE

The “Professional Advancement and Career Enhancement” (PACE) program, or such other name as PACE may be named by the National Board, is a detailed description of the minimum level of competency in and knowledge of the golf industry required of a Golf Professional as established, and amended from time to time as necessary, exclusively by the National Board. Subject to the provisions of section 1.1, and except where the context otherwise requires, any term of art used in PACE that is also used in this By-Law, other By-Laws, resolutions and official documents of the Corporation, shall have the meaning as used in PACE.

## 1.5 By-Law to Prevail

If there shall be any inconsistency between the provisions of this By-Law and any similar provision contained in PACE, the provisions contained in this By-Law or any amendment or re-enactment thereto, shall prevail.

# 2 CODE OF ETHICS

## 2.1 Dedication

The Canadian PGA enjoins upon its Members and Candidates rigid observance of a Code of Ethics, which Code of Ethics shall be as determined from time to time by the National Board.

## 2.2 Violations

Members and Candidates shall be deemed to have violated the Code of Ethics by:

- 2.2.1 abusing the privileges extended to them, including by way of example, playing without invitation of any golf course;
- 2.2.2 causing public embarrassment to fellow Golf Professionals or Professional Golfers;
- 2.2.3 applying for or otherwise seeking, soliciting, discussing or accepting any employment in an unprofessional manner;

## 2.3 Disciplinary Action

Members who violate the Canadian PGA Code of Ethics shall be subject to disciplinary action as set out in Article 11, as the same may be amended from time to time.

## 2.4 Code of Ethics and By-Laws Govern All Members and Candidates

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

## 3 HEAD OFFICE

The head office of the Corporation shall be in the Regional Municipality of Halton, in the Province of Ontario, and at such place therein as the National Board may from time to time determine.

## 4 SEAL

The seal which is impressed in the margin hereon shall be the corporate seal of the Corporation.

## 5 MEMBERSHIP

### 5.1 Composition

Membership in the Corporation shall consist of such persons as are qualified by reason of possession of an appropriate level of competency in and knowledge of the golf profession, and have been admitted as Members by the National Board.

### 5.2 Membership Qualifications

As a competency-validated and knowledge-based organization, the specific qualifications required for membership in the Corporation are detailed and complex; are subject to change from time to time dependent upon the current state of technology and accepted practice; and are more fulsomely described in the most up-to-date text of PACE.

### 5.3 One Class of Membership

There shall be one (1) class of membership in the Corporation, which shall be divided into the following two sub-categories:

- 5.3.1 Class "A" Member; and
- 5.3.2 Class "A" Member (Non-Resident).

Each Class "A" Member shall have successfully completed all requirements for a Class "A" Member set out in PACE.

#### 5.4 Class "A" Member

A Class "A" Member is a Golf Professional or Professional Golfer who possesses the qualifications prescribed for a Class "A" Member, and whose application for designation as a Class "A" Member has been approved by the National Board in its sole and absolute discretion.

#### 5.5 Class "A" Member (Non-Resident)

A Class "A" Member (Non-Resident) is a Golf Professional or Professional Golfer who is ordinarily resident outside every Zone, who otherwise possesses the qualifications prescribed for a Class "A" Member, and whose application for designation as a Class "A" Member (Non-Resident) has been approved by the National Board in its sole and absolute discretion.

#### 5.6 Voting Classes

No person who is not Member, as divided into the sub-categories of Class "A" Member and Class "A" Member (Non-Resident), shall be entitled to vote in any proceedings of the Corporation.

#### 5.7 Transfer of Membership

Except as otherwise provided in the By-Laws of the Corporation, if at all, a membership in the Corporation is not transferable.

5.7.1 Provided however that this section 5.7 shall not be interpreted as prohibiting or inhibiting any Member from qualifying for another sub-category of membership in the Corporation.

#### 5.8 Termination of Membership

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

- 5.8.1 if, in accordance with section 5.9, a Member resigns;
- 5.8.2 if a Member dies;
- 5.8.3 if a Member is expelled from the Corporation in accordance with either section 9.8 or a decision made pursuant to the authority set out in Article 11; or
- 5.8.4 if an assessment under the authority of section 9.1 remains unpaid for more than thirty (30) days after notice of the assessment has been given to the Member, or after such other date as may be determined from time to time by the National Board.

Notwithstanding termination of membership, a former Member remains liable for any assessment levied under the authority of section 9.1 prior to termination of the membership.

#### 5.9 Resignation in Writing

A Member or Candidate may resign at any time provided the Member or 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 Member or Candidate has no outstanding indebtedness at either the Zone or National levels. Upon resignation, a refund of assessment(s) paid shall be provided on a pro-rata per month basis.

### 5.10 Membership Restoration

A person whose membership has lapsed shall have the right, subject to compliance with the requirements set out in PACE, to apply for restoration.

### 5.11 Recognized PGA Transfers

A person who is a member of a Recognized Professional Golfers' Association shall have the right, subject to compliance with the requirements set out in PACE, to apply to transfer to membership in the Canadian PGA.

### 5.12 Liability of Members

Members shall not, as such, be held answerable or responsible for any act, default, obligation or liability of the Corporation or for any engagement, claim, payment, loss, injury, transaction, matter or thing relating to or connected with the Corporation.

## 6 CANDIDATE FOR MEMBERSHIP

### 6.1 Candidate

A Candidate is a person who is not qualified as a Class "A" Member and who meets the requirements of a Candidate as set out in PACE.

For greater certainty, a Candidate is not a Member of the Corporation.

## 7 CANADIAN PGA DESIGNATIONS

The National Board may, in its sole discretion, consider and approve the admission of Class "A" Members and other persons to special designations of award and distinction. The criteria for each designation, including, without limitation, the application process for each designation, if any, shall be set out in PACE and/or may be determined from time to time by the National Board.

## 8 MEMBERSHIP ADMISSION PROCESS

### 8.1 National Board Prescribe Form of Application

Application for membership, or for restoration as a Member, 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.

### 8.2 Fees to Accompany Application

Every application for membership, or for restoration as a Member, shall be accompanied by the entrance 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.

### 8.3 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.

#### 8.4 National Board to Consider Application

All applications for membership, or for restoration of a Member, received by the National Board shall be considered by the National Board at its next regularly convened meeting. Approval of the application by the National Board shall be by the vote of a majority of the Directors present at a meeting of the National Board.

#### 8.5 Application Submitted to National Office

Every application for membership, or for restoration as a Member, shall be submitted to the Chief Executive Officer, or such other persons as the National Board may from time to time appoint, who 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 all By-Laws.

#### 8.6 Admission of Member to Zone

The National Board shall, when admitting or restoring a Member to membership, assign the Member to the Member's applicable Zone Association. The National Board shall also notify the applicable Zone of such admission.

#### 8.7 Application of Former Member

When a former Member of the Canadian PGA under any former category or class, or a Member who has been granted a leave of absence pursuant to Article 10, wishes to re-apply for membership, the National Board may reactivate such Member if:

8.7.1 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 PACE, whichever is the lesser, together with all outstanding indebtedness to the Corporation; and

8.7.2 the former Member meets the membership qualifications set out in Article 5.

The National Board shall, in its sole discretion, determine whether a former Member shall be re-admitted as a Member in accordance with section 8.5.

### **9 DUES AND FEES**

#### 9.1 National Dues

National dues, assessments and similar obligations for Members and Candidates, including transfers from a Recognized Professional Golfers' Association, shall be levied by the National Board and confirmed at the next following Annual or Special General Meeting of Members.

#### 9.2 Zone Dues

Zone dues for Members and Candidates shall be subject to the prior approval of the National Board.

#### 9.3 Notice of Assessment

Notice of an assessment shall be delivered to each Member or Candidate, as applicable, in the manner set out in section 28.1, not later than on the date fixed in PACE or otherwise determined by the National Board, or if not fixed in PACE or determined 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.

#### 9.4 Entrance and Other Fees

Entrance Fees and any other fees referred to in the By-Laws may be levied in accordance with PACE, and shall be payable on the date fixed in PACE or otherwise determined by the National Board. The provisions of section 9.3, with necessary variations, shall apply to all such fees.

#### 9.5 Suspension For Non-Payment

A Member or Candidate shall be suspended from all privileges of the Canadian PGA for non-payment of any assessment on or before the Due Date, notice of which shall be given to the Member by registered letter, and the suspension shall take effect on the thirtieth (30<sup>th</sup>) day after the Due Date.

#### 9.6 Restoration Upon Prompt Payment

A Member or Candidate who has been given notice in accordance with section 9.5 shall be restored to good standing upon payment of the restoration fee determined by the National Board from time to time together with all outstanding assessments on or before the later of:

9.6.1 the thirtieth (30<sup>th</sup>) day after the Due Date, and

9.6.2 the tenth (10<sup>th</sup>) day after the date that the notice under section 9.5 is deemed pursuant to Article 28 to have been given.

#### 9.7 Reinstatement at Later Time

A Member or Candidate who has not been restored under section 9.6 may be reinstated pursuant to PACE or, if not provided in PACE, as may be determined from time to time by the National Board.

#### 9.8 Termination of Membership

The National Board may terminate the membership of any Member or Candidate who has been suspended for non-payment of assessments; upon such cancellation, all of the rights and privileges of the Member or Candidate in the Canadian PGA shall cease, and the name of such Member or Candidate shall be removed from the membership roster or candidacy records, as applicable.

### 10 LEAVE OF ABSENCE

#### 10.1 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:

10.1.1 the application shall be in writing;

10.1.2 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;

10.1.3 the leave of absence must be approved by the National Board;

10.1.4 the leave of absence shall be for a twelve (12) month period, and may be renewed subject to annual approval by the National Board.

#### 10.2 Privileges of Member or Candidate On Leave of Absence

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

10.2.1 shall not be eligible to enter nationally conducted tournaments;

- 10.2.2 in the case of a Member, shall not be entitled to vote at any Annual or Special General Meeting of Members or hold office as a Director of the Corporation;
- 10.2.3 shall be subject to Zone privileges as may be determined by the Member's Zone Board in its sole discretion;
- 10.2.4 shall not be subject to any professional development requirements; and
- 10.2.5 shall pay assessments and insurance premiums as determined from time to time by the National Board.

## 11 **DISCIPLINE**

### 11.1 Discipline Against Zone Board

The National Board may initiate discipline against a Zone Board for failure of such Zone Board to file with the Corporation its By-Laws, Rules and Regulations and all amendments thereto. Such disciplinary action may include a fine to the Zone Board of one thousand dollars (\$1,000), probation or such other sanctions against the Zone Board as the National Board shall determine.

### 11.2 Discipline of Member or Candidate for Violations

A Member or Candidate who violates the Code of Ethics or Rules and Regulations of the Canadian PGA shall be subject to disciplinary action as hereinafter set out in this Article 11.

### 11.3 Discipline Initiated by Zone Board or National Board

Subject to the provisions of section 11.4, either a Zone Board or the National Board, through the National Board Disciplinary Committee prescribed in section 21.1, may initiate discipline over a Member or Candidate. Such disciplinary action is at the discretion of the Zone Board or the National Board, as applicable, and may include, but shall not be limited to, one or more of the following:

- 11.3.1 imposition of a fine not to exceed one thousand dollars (\$1,000);
- 11.3.2 revocation of playing privileges to participate in certain tournaments or other Canadian PGA activities for a limited period of time; and
- 11.3.3 such other reasonable actions as may be determined by the National Board or Zone Board, as the case requires.

Subject to the provisions of section 11.10, any decision may be appealed to the National Board in accordance with the provisions of sections 11.8 or 11.9 (as the case requires); and, subject to the provisions of section 11.10, the decision on appeal shall be final and binding.

### 11.4 National Board Determine Hearing Body

The National Board shall instruct either the Zone Board or the National Board Disciplinary Committee to conduct the initial disciplinary hearing. If the Zone Board fails to hold an initial hearing within sixty (60) days of being instructed to do so by the National Board, the National Board shall instruct the National Board Disciplinary Committee to hold such hearing at such time and at such location as determined by the National Board Disciplinary Committee.

### 11.5 Zone Board Disciplinary Committees

Subject to section 11.3, a Zone Board shall have disciplinary powers over the Members and Candidates within its Zone, and for this purpose shall establish Zone Disciplinary Committees.

### 11.6 Zone Board Disciplinary Authority

Subject to section 11.3, a Zone Board shall have the power to receive and consider complaints made against any Member or Candidate within its Zone arising out of alleged breaches of the By-Laws, and for this purpose,

- 11.6.1 may from time to time require any Member or Candidate to satisfy the Zone Board that such Member or Candidate has not transgressed, broken, breached, violated or otherwise evaded the provisions of the By-Laws;
- 11.6.2 may initiate any investigation into possible breach of the By-Laws without receiving a written complaint in respect thereof; and
- 11.6.3 shall have the power to discipline, fine, suspend or expel any Member or Candidate for a breach of the By-Laws.

### 11.7 Zone Board Disciplinary Proceedings

Any complaint dealt with by a Zone Board shall be in writing and, upon receipt of the complaint, the following procedure shall be used:

- 11.7.1 the Chair of the Board of the Zone Board shall decide when the complaint shall be dealt with, either at a special meeting of the Zone Board or at the next regular meeting of the Zone Board;
- 11.7.2 the Zone Board shall determine whether to order that there be a hearing upon the complaint; and if the Zone Board orders a hearing ;
- 11.7.3 a true copy of the complaint, together with time and place of the meeting of the Zone Board at which the hearing will be held, shall be delivered to the Member or Candidate against whom the complaint was made either personally or by registered mail addressed to him or her at the Member's or Candidate's address as shown on the books of the Corporation at least seven (7) days before the time fixed for the hearing of the complaint;
- 11.7.4 at the hearing, both the complainant and the Member or Candidate complained of shall be entitled to be present and may be represented by counsel, and to submit such evidence as may be relevant to the determination of the validity or otherwise of the complaint;
- 11.7.5 upon completion of the hearing, the Zone Board shall have the power to discipline the Member or Candidate complained of by way of reprimand, fine, suspension from tournament play, suspension and/or expulsion from the Canadian PGA, or to dismiss the complaint; and
- 11.7.6 the decision of the Zone Board need not be given immediately following the conclusion of the hearing, but may be sent to the complainant and the Member or Candidate complained of by registered mail after the final decision has been made.

### 11.8 Appeal from Zone Board Decision

Any Member or Candidate disciplined by the Zone Board, or the complainant in a disciplinary proceeding before a Zone Board, may appeal the result of the hearing to the National Board, by delivering the appeal to the Chief Executive Officer of the Canadian PGA by registered mail not later than thirty (30) days after the date of the decision of the Zone Board. In the event of such appeal, the Zone Board of the Member or Candidate disciplined shall be advised of the Appeal and shall be entitled to have a representative thereat.

### 11.9 Hearing by National Board

Upon receipt of an appeal, the National Board shall deal with the appeal as follows:

- 11.9.1 the President shall decide when the appeal shall be dealt with, either at a special meeting of the National Board Disciplinary Committee or at the next regular meeting of the National Board;
- 11.9.2 notice of the time and place of the meeting of the National Board Disciplinary Committee or the National Board (as the case requires) at which the appeal will be held, shall be delivered

- to the Member or Candidate appealing either personally or by registered mail addressed to the Member or Candidate at the Member's or Candidate's address as shown on the books of the Canadian PGA, at least ten (10) days before the time fixed for the hearing of the appeal;
- 11.9.3 at the hearing of the Appeal, both the complainant, which may include the Zone, and the Member or Candidate appealing shall be entitled to be present and may be represented by counsel, and to submit such evidence as may be relevant to the determination of the appeal;
- 11.9.4 upon completion of the hearing of the appeal, the National Board Disciplinary Committee or the National Board (as the case requires) shall have the power to dispose of the appeal as it sees fit; and
- 11.9.5 the decision of the National Board Disciplinary Committee or the National Board (as the case requires) need not be given immediately at the end of the hearing of the appeal, but may be sent to the complainant and the Member or Candidate appealing by registered mail after the final decision has been made.

#### 11.10 Overriding Authority of Members

In the event that a Member or Candidate is suspended or expelled by a disciplinary decision under this Article 11, the Members at an Annual Meeting may by majority vote restore the name of a suspended or expelled Member or Candidate to membership on such terms as they see fit.

## **12 MEMBERSHIP – TRANSITION UNDER BY-LAW NO. 2010-1**

### 12.1 Old By-Law Class "A" Member

Effective March 26, 2010, being the date By-Law Number 2010-1 was granted ministerial approval by the Minister of Industry (in this Article referred to as the "Approval Date"), each person who was Class "A" Member under the Old By-Law automatically became a Class "A" Member within the meaning of By-Law Number 2010-1, and was automatically granted Certification in Golf Shop Operations, as further set out in PACE.

### 12.2 Old By-Law Retired Professional, Affiliate Professional, Associate Professional and Tournament Professional Categories

Effective on the Approval Date, each person who was a Retired Professional, Affiliate Professional, Associate Professional or Tournament Professional under the Old By-Law automatically became a Class "A" Member within the meaning of By-Law Number 2010-1.

### 12.3 Old By-Law Elite Apprentice Becoming Class "A" Member

Effective on the Approval Date, each person who was an Elite Apprentice under the Old By-Law:

- 12.3.1 may opt to transfer into the PACE program at any time, by submitting an irrevocable election, in writing, to the National Office;
- 12.3.2 may continue under the present Apprentice ELITE program, pursuant to the provisions of PACE.

### 12.4 Old By-Law Life Members

Effective on the date the Approval Date, each person who was a Life Member under the Old By-Law automatically became a Class "A" Member, and may be granted a further designation as provided for in Article 7.

## 12.5 Transition Authority of National Board

The National Board shall have full authority to make such decisions and rulings as in its sole and absolute discretion may be reasonably required to achieve fair membership transitions from the membership classes under the Old By-Law to the membership classes under By-Law Number 2010-1 and this By-Law.

## 13 ZONES AND ZONE ASSOCIATIONS

### 13.1 Formation of Zones

The National Board may establish the Zones (to be known by such name as the National Board shall designate) into which Canada shall be divided for the purpose of administration generally, and of election of Directors particularly.

### 13.2 Zones as of Effective Date

The existing Zones and their respective boundaries are set out in Schedule A to this By-Law 2011-2.

### 13.3 Alteration of Zones

Subject to advance 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.

### 13.4 Corporation By-Laws Binding Upon Zone Association

A Zone Association shall be bound by all By-Laws and Rules and Regulations of the Corporation.

### 13.5 Zone Association By-Laws and Rules

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

- 13.5.1 all Members and Candidates of such Zone Associations must be Members or Candidates in good standing of the Corporation;
- 13.5.2 except as may otherwise be provided in PACE for those Members who are Non-Resident as provided for in section 5.5, all Members and Candidates of the Corporation must be Members or Candidates of a Zone Association;
- 13.5.3 a Member of the Corporation or Candidate must be a Member or Candidate in the Zone in which the person is employed or, if the person is not employed, in the Zone in which the person resides;
- 13.5.4 a Member or Candidate 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 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
- 13.5.5 to be eligible for election as an Elected Director, a person must have been a Class "A" Member in that Zone for not less than the year immediately preceding the Annual Meeting of the Corporation.

Provided that a Zone Association shall file with the Corporation, the Zone by-laws, rules and regulations and amendments thereto, failing which the Zone Association may be subject to such disciplinary action as may be prescribed by By-Law.

## **14 NATIONAL BOARD OF DIRECTORS**

### **14.1 National Board**

The affairs of the Corporation shall be managed by a Board composed of a minimum of ten (10) Directors and a maximum of twenty (20) Directors.

The number of Directors shall be fixed from time to time by a resolution of the National Board, provided however that at the date of coming into force of this By-Law, the number of Directors shall be twelve (12) Directors, composed of:

14.1.1 nine (9) Elected Directors, elected in the manner set out in section 15.1; and

14.1.2 three (3) *ex officio* Directors, being those persons holding the offices described in section 14.5.

### **14.2 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 14.1, 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.

### **14.3 Rules and Regulations**

Without limit to the generality of sections 14.1 and 14.2, the National Board may establish such Rules and Regulations, not inconsistent with the Letters Patent, Supplementary Letters Patent and By-Laws, as it considers in the best interest of the Corporation and the conduct of the sport of golf in Canada.

### **14.4 Elected Directors**

Elected Directors, subject to the provisions of section 14.6, shall be elected in the manner set out in Article 15 and each of whom, subject to the provisions of the Letters Patent and the Supplementary Letters Patent, shall, subject to section 15.5, hold office until the adjournment of the third Annual Meeting after election to office (or, if applicable, any Special General Meeting called to fill vacancies) and until the successor of the Director has been elected and qualified.

### **14.5 Ex Officio Directors**

There shall be three (3) *ex officio* Directors, being those persons who, at the date this By-Law comes into force in accordance with section 31.1, and thereafter from time to time, hold the offices of President, Vice-President and Secretary respectively, as further described in sections 15.2 and 19.1.

### **14.6 Qualifications**

To be eligible to hold office as a Director, each Director shall:

14.6.1 be and remain throughout the term of office, and have been for a period of not less than one (1) year, a Class "A" Member of the Zone Association from which the Director is elected; and

14.6.2 not be an undischarged bankrupt or a person who has been declared incapable by a court in Canada or in another country; and

14.6.3 not be an employee of the Corporation or of a Zone Association.

If a person ceases to be qualified pursuant to this section 14.6, the person thereupon ceases to be a Director, and the vacancy so created may be filled in the manner prescribed by section 14.7.

#### 14.7 Vacancies

A vacancy on the National Board shall be filled by the Members of the Zone Association that elected the Director whose office has been vacated, through the By-election process in section 15.3.

#### 14.8 Removal of Directors

The Members entitled to vote may, by resolution passed by at least two-thirds ( $\frac{2}{3}$ ) of the votes cast at a Special General Meeting of which notice specifying the intention to pass the resolution has been given, remove any Director before the expiration of the Director's term of office. The resulting vacancy shall be filled pursuant to section 14.7.

#### 14.9 Remuneration of Directors

The Directors of the Corporation shall serve without remuneration; provided, however, that Directors shall be entitled to be reimbursed for expenses incurred in carrying out their duties.

#### 14.10 Responsibility for Acts

The Directors for the time being of the Corporation shall not be under any duty or responsibility in respect of any contract, act or transaction whether or not made, done or entered into in the name or on behalf of the Corporation, except such as shall have been submitted to and authorized or approved by the National Board.

### 15 ELECTION OF THE NATIONAL BOARD

#### 15.1 Election of Directors

Subject to the provisions of the Act, one (1) Elected Director shall be elected by, and from among, the Members of each Zone Association entitled to vote in elections administered by the National Board, as follows:

- 15.1.1 subject to section 15.5, elections in that Zone shall be conducted every three (3) years;
- 15.1.2 the National Board shall invite candidates for election to indicate their intention to stand for election by completing and submitting to the Chief Executive Officer a Candidate Qualification Form and profile signed by the candidate seeking election;
- 15.1.3 nominations for election shall be closed at 5:00 p.m. (EST) sixty (60) days prior to the Annual Meeting;
- 15.1.4 candidates' profiles and voting procedures shall be provided in writing to the Members of the relevant Zone Association at least thirty (30) days prior to the Annual Meeting;
- 15.1.5 voting shall occur by e-mail, fax or mail ballot over a one (1) week period to be determined by the Board, which period shall end not less than 5:00 p.m. (EST) fifteen (15) days before the date of the Annual Meeting;
- 15.1.6 all ballots shall be sent to an independent Scrutineer appointed by the National Board;
- 15.1.7 if there is only one candidate for election in a Zone, that candidate shall be acclaimed upon the close of elections;
- 15.1.8 if there is more than one (1) candidate, the ballots shall be tabulated and the successful candidates determined;

- 15.1.9 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 elections as is possible, and, in any event, no more than three (3) business days following the closing of elections;
- 15.1.10 the Chief Executive Officer shall notify, prior to the Annual Meeting, each successful candidate of their election as a Director, which shall become effective at the close of the Annual Meeting; and
- 15.1.11 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.

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 14.7.

## 15.2 Election of Officers

Subject to sections 14.5 and 19.1, at each Annual Meeting of Members, the President, Vice-President and Secretary shall be elected by the Members of the Corporation entitled to vote, from among the Directors, provided that:

- 15.2.1 no two (2) persons may be elected from the same Zone for the offices of President, Vice-President and Secretary; and
- 15.2.2 no person shall be entitled to hold the same office for more than two (2) consecutive one (1) year terms.

The aforesaid Officers shall, immediately following election as such, each be deemed an *ex officio* Director as described in section 14.5, each of whom shall hold office until the earlier of the completion of their respective terms of office as such Officer, or their resignation or replacement as such Officer in accordance with this By-Law.

## 15.3 By-election

Upon the election of any of the President, Vice-President and Secretary of the Corporation in accordance with sections 15.2 and 19.1, the National Board shall conduct a By-election in the Zone where the aforesaid Officers were elected. The By-election shall be conducted in the general manner prescribed in section 15.1, with appropriate adjustment of the timelines so that the election can be concluded within the first sixty (60) days following the Annual Meeting, provided that the person so elected shall fulfill the qualifications for Director as set out in section 14.6. Any person elected in a By-election for the purpose of filling a vacancy shall only be elected for the unexpired term of the vacancy thereby filled.

## 15.4 Term of Office

Subject to sections 15.3 and 15.5, an Elected Director shall be elected for a term of three (3) years, to expire at the third Annual Meeting following election.

## 15.5 Election in Rotation

Subject to the provisions of the Act, Directors shall be elected and shall retire in rotation in the following manner:

- 15.5.1 the Directors from Zones 4,5 and 7, as described in Article 13 and Schedule A of this By-Law, shall be elected at the Annual Meeting held in 2012, and thereafter shall hold elections every three (3) years;

- 15.5.2 the Directors from Zones 2, 6 and 8, as described in Article 13 and Schedule A of this By-Law shall be elected at the Annual Meeting held in 2013, and thereafter shall hold elections every three (3) years;
- 15.5.3 the Directors from Zones 1, 3 and 9 as described in Article 13 and Schedule A of this By-Law shall be elected at the Annual Meeting held in 2014, and thereafter shall hold elections every three (3) years; and
- 15.5.4 For transition purposes, until a Zone holds its first election as provided in this section 15.5, Directors shall be elected for a term of one (1) year, to expire at the next Annual Meeting following election.

#### 15.6 Re-Election

A Director, if otherwise qualified, is eligible for re-election.

### 16 MEETING OF DIRECTORS

#### 16.1 Calling Meetings

Meetings of the National Board and of the Executive Committee (if any) may be held at any place within or outside the geographic location of the head office determined by the National Board. Meetings of the National Board may be called by the President, the Vice-President or the Secretary, or by any three (3) Directors.

#### 16.2 Notice of Meetings

Subject to the provisions of section 16.3, notice of National Board meetings shall be given to each Director by one of the following methods:

- 16.2.1 by telephone, facsimile, email or other electronic method not less than five (5) days before the meeting is to take place; or
- 16.2.2 by prepaid letter post not less than ten (10) days before the meeting is to take place, the giving of which shall be in accordance with section 28.1.

The statutory declaration of the Secretary or President 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 the Directors are present or if those absent have signified their consent to the meeting being held without notice and in their absence.

#### 16.3 Regular Meetings

The National Board may appoint one or more days in each year for regular meetings of the National Board at places and times named; no further notice of the regular meetings need be given.

#### 16.4 Meetings by Electronic Conference

If all persons who are members of the National Board or a Committee (as the case requires) consent thereto generally or in respect of a particular meeting and each has adequate access, such persons may participate in a meeting of the National Board or Committee by means of such conference telephone or other communications facilities as permit all persons participating in the meeting to hear each other, and a person participating in such a meeting by such means is deemed to be present at the meeting.

Provided that at the outset of each such meeting, and whenever votes are required, the chair of the meeting shall call roll to establish quorum, and shall, whenever not satisfied that the proceedings of the meeting may proceed with adequate security and confidentiality, unless a majority of the persons

present at such meeting otherwise require, adjourn the meeting to a predetermined date, time and place.

#### 16.5 Quorum

A quorum for the transaction of business at meetings of the National Board shall be the smallest whole number that is not less than one-half ( $\frac{1}{2}$ ) of the number of members of the National Board.

#### 16.6 Voting

Each Director shall have one vote on all questions arising at any meeting of the National Board. Unless otherwise provided in this By-Law, all questions arising at any meeting of the National Board shall be decided by a majority vote. At all meetings of the National Board, every question shall be decided by a show of hands unless a ballot on the question is required by the chair or requested by any Director. A declaration by the chair that a resolution has been carried and an entry to that effect in the minutes is conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the resolution.

### 17 DISCLOSURE OF INTEREST OF DIRECTORS

#### 17.1 Declaration of Interest Required

Subject to this Article 17, it is the duty of a Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Corporation to declare that interest at a meeting of the National Board, of any Committee or of Members.

#### 17.2 Timing of Declaration

In the case of a proposed contract, the declaration required by this Article 17 to be made by a Director shall be made at a meeting of National Board at which the question of entering into the contract is first taken into consideration; if the Director is not at the date of that meeting interested in the proposed contract, then the declaration shall be made at the next meeting of the National Board held after the Director becomes so interested; and in a case where the Director becomes interested in a contract after it is made, the declaration shall be made at the first meeting of the National Board held after the Director becomes so interested.

#### 17.3 General Declaration

For the purpose of this Article 17, a general notice addressed to the National Board by a Director to the effect that the Director is a shareholder or member of or otherwise interested in any other corporation, firm or organization, and is to be regarded as interested in any contract made with such other corporation, firm or organization shall be deemed to be sufficient declaration of interest in relation to any contract so made.

#### 17.4 Interested Director Not to Influence

A Director who has an obligation to disclose an interest in compliance with this Article 17 shall not:

17.4.1 take part in the discussion of, or vote on any question in respect of the matter; and

17.4.2 attempt in any way whether before, during or after the meeting to influence the voting on any such question;

and for greater certainty, if the Directors does so vote that vote shall not be counted.

### 17.5 If Declare, Not Accountable

A Director who has made a declaration of interest in a contract or proposed contract in compliance with this Article 17, and has not voted in respect of such contract or proposed contract, is not accountable to the Corporation or any of its Members or creditors by reason only of such Director holding that office or of the fiduciary relationship thereby established or any profit realized by such contract or proposed contract.

### 17.6 Where Contract Approved by Members

Nothing in this Article 17 imposes any liability upon a Director in respect of a profit realized by any contract that has been confirmed by the vote of Members at any Special General Meeting of which notice includes confirmation of such contract.

## 18 MEETINGS OF THE MEMBERS

### 18.1 Annual Meeting

The Annual Meeting of the Members shall be held each year within or outside the geographical location of the head office, at a time, place and date determined by the National Board, for the purpose of:

- 18.1.1 hearing and receiving the reports and statements required by the Act to be read at and laid before the Corporation at an Annual Meeting;
- 18.1.2 announcing the results of the election vote respecting those Directors elected prior to such Annual Meeting;
- 18.1.3 electing the Officers set out in section 19.1;
- 18.1.4 appointing the auditor and fixing or authorizing the National Board to fix the remuneration therefor; and
- 18.1.5 the transaction of any other business properly brought before the meeting.

### 18.2 Meetings by Electronic Conference

If all persons who are Members entitled to vote consent thereto generally or in respect of a particular meeting and each has adequate access, such persons may participate in a meeting of Members by means of such conference telephone or other communications facilities as permit all persons participating in the meeting to hear each other, and a person participating in such a meeting by such means is deemed to be present at the meeting.

Provided that at the outset of each such meeting, and whenever votes are required, the chair of the meeting shall call roll to establish quorum, and shall, whenever not satisfied that the proceedings of the meeting may proceed with adequate security and confidentiality, unless a majority of the persons present at such meeting otherwise require, adjourn the meeting to a predetermined date, time and place.

### 18.3 Special General Meeting

The National Board may at any time call a Special General Meeting of Members for the transaction of any business, the general nature of which is specified in the notice calling the meeting. A Special General Meeting of Members shall also be called by the Directors or the President upon, and within sixty (60) days after receipt of, the written requisition of the minimum of twenty-five percent (25%) of the Members entitled to vote.

#### 18.4 Notice of Meetings

Notice of the time, place and date of meetings of Members and sufficient information for a Member to make a reasoned judgment shall be given not less than ten (10) days before the date of the meeting to each Member (and in the case of an Annual Meeting to the auditor of the Corporation) by sending the notice by any one of the methods set out in section 28.1.

#### 18.5 Quorum

A quorum for the transaction of business at meetings of the Members shall be forty (40) Members of the Corporation entitled to vote, present in person or represented by proxy (with at least two persons present in person), and no business shall be transacted at any meeting unless the requisite quorum is present at the commencement of such business;

18.5.1 Provided however that where:

18.5.1.1 less than forty (40) Members of the Corporation entitled to vote are present in person or represented by proxy, but two (2) or more persons are present in person after one-half hour after the commencement time specified in the notice calling the meeting of Members; and

18.5.1.2 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.

18.5.2 Provided further that at the meeting at the date, time and place specified in the motion to adjourn referred to in subsection 18.5.1.2, the numbers of persons present required for quorum shall be divided by two (2).

#### 18.6 Voting by Members

Each Member entitled to vote on any matter proposed for consideration shall have one (1) vote on all questions arising at any meeting of the Members. Unless otherwise required by the provisions of the Act or the By-Laws of the Corporation, all questions proposed for consideration at a meeting of Members shall be determined by a majority of the votes cast by Members entitled to vote. The chair at any meeting of Members shall not vote save in the event of a tie, in which case the chair shall have a casting vote.

#### 18.7 Proxies

Every Member entitled to vote at meetings of Members may by means of a proxy appoint a person who must also be a Member, as nominee for the Member, to attend and act at the meeting in the manner, to the extent and with the power conferred by the proxy. A proxy shall be in writing, and any notice calling a meeting of Members shall include a form of proxy, or a reminder of a voting Member's right to use a proxy. A proxy shall be executed by the Member entitled to vote or the attorney of the Member authorized in writing, and ceases to be valid one year from its date. Subject to the requirements of the Act, a proxy may be in such form as the National Board from time to time prescribes or in such other form as the chair of the meeting may accept as sufficient, and shall be deposited with the Auditors of the Corporation within such time frame as may be determined by the National Board. The Auditors shall subsequently deposit the proxies received with the Chief Executive Officer or the Secretary before any vote is called under its authority, or at such earlier time not exceeding forty-eight hours (excluding Saturdays and holidays) preceding any meeting or adjourned meeting and in such manner as the National Board may prescribe.

#### 18.8 Show of Hands

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 unless a poll is required by the chair or requested by any Member entitled to vote. Upon a show of hands, every Member entitled to vote, or proxyholder for a Member entitled to vote, present in person shall have one vote. Whenever a vote by show of hands has been taken upon a question,

unless a poll is requested, a declaration by the chair 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.

#### 18.9 Mail Ballots

The Members of the Corporation not able to be present at an Annual or Special General Meeting shall be entitled to cast their vote by mail ballot (including electronic ballot); provided that a mail ballot may not be exercised with respect to any matter required by the Act to be dealt with at a meeting, as further set out below.

#### 18.10 Mail Ballots Not Counted for Quorum

Any individual exercising a mail ballot shall not be counted in determining quorum at a meeting of Members.

#### 18.11 Identification of Mail Ballot Issues

Any questions that can be determined by mail ballot shall be identified as such in the notice calling the meeting and a ballot form included in the notice calling the meeting for each item of business permitted to be dealt with by mail ballot. Individuals exercising their vote by mail ballot shall return their completed ballot to the Auditors of the Corporation within such time frame as may be determined by the National Board. The Auditors shall subsequently deposit the mail ballots received with the Chief Executive Officer or Secretary of the Corporation at least forty-eight (48) hours prior to the commencement of the meeting.

#### 18.12 Independent Scrutineers

The received mail ballots will be counted by independent Scrutineers, appointed by the Chairperson. The Scrutineers, who may not be Members, representatives of Members or any related party of any Members, will provide a written statement of the results of the mail ballot for presentation at the meeting of Members.

#### 18.13 Where Mail Ballots Prohibited

Subject to the provisions of the Act, mail ballots may not be used for voting by the Members on the following issues, all of which are required to be approved at a duly called and properly held meeting of Members:

18.13.1 approval of changes to the Corporation's Letters Patent;

18.13.2 change of head office address;

18.13.3 request by a Director of the Corporation for indemnification by the Corporation;

18.13.4 conflict of interest issues;

18.13.5 confirmation of contract by Members despite conflict of interest;

18.13.6 the holding of Annual Meetings;

18.13.7 appointment of an Auditor; and

18.13.8 such other business as may be restricted by the Act, by by-law or otherwise by law as required to be conducted at a meeting of Members.

#### 18.14 Chair

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

### 18.15 Ballots

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

### 18.16 Adjournments

Any meeting of Members may be adjourned to any time and from time to time, and any business may be transacted at any adjourned meeting that might have been transacted at the original meeting from which the adjournment took place. No notice is required of any adjourned meeting.

## 19 OFFICERS

### 19.1 Officers Named

Subject to sections 14.5 and 15.2, there shall be a President, a Vice-President and a Secretary, each of whom shall be elected from among the Directors of the Corporation elected to office at each Annual Meeting by the Members of the Corporation entitled to vote, provided that:

19.1.1 a Director must have held office as a Director of the Corporation for a period of at least two (2) consecutive years to be eligible for election as an Officer and, in the case of the President, must have also be an Officer in the immediately preceding year;

19.1.2 the election shall be carried out pursuant to the parameters set out in section 15.2.

There shall also be a Past President, who shall be *ex officio* the person who last held the office of President.

### 19.2 Term of Office

The Officers shown in section 19.1 shall hold the term of office set out in section 15.2.2.

### 19.3 Duties of the President

The President shall, when present, preside at all meetings of the National Board, the Executive Committee (if any), and Members. The President shall carry out the decisions and policies of the Annual Meeting and exercise a general control of and supervision over the affairs of the Corporation, shall sign all documents requiring the signature of that office, and have the other powers and duties from time to time prescribed by the National Board or incident to the office.

### 19.4 Duties of the Vice-President

During the absence or inability to act of the President, the duties and powers of the office may be exercised by the Vice-President. If the Vice-President exercises any of those duties or powers, the absence or inability to act of the President shall be presumed with reference thereto.

In the event that the office of President should become vacant, the Vice-President shall automatically succeed to the office of President without further formality.

The Vice-President shall also perform the other duties from time to time prescribed by the National Board or Executive Committee (if any) or incident to the office.

### 19.5 Duties of the Past President

The Past President shall not hold office as a Director of the Corporation and shall perform the duties from time to time prescribed by the National Board or Executive Committee (if any).

### 19.6 Secretary

The Secretary shall perform the duties from time to time prescribed by the National Board or Executive Committee (if any).

### 19.7 Chief Executive Officer

The National Board may employ at a remuneration determined from time to time by the National Board, and appoint, a Chief Executive Officer who shall:

- 19.7.1 supervise and control the operations of the Corporation, subject to the direction of the National Board and/or the President;
- 19.7.2 act as the secretary of each meeting of the National Board or Executive Committee (if any);
- 19.7.3 attend all meetings of the National Board or Executive Committee (if any) to record all facts and minutes of those proceedings in the books kept for that purpose;
- 19.7.4 give all notices required to be given to the Members and to the Directors;
- 19.7.5 be the custodian of the corporate seal of the Corporation, and of any books, papers, records, correspondence and documents belonging to the Corporation;
- 19.7.6 have the right to receive notice of, to attend, to speak (but not to vote) at all meetings of the National Board, every Committee of the National Board (including the Executive Committee) and the Members of the Corporation, except those meetings where the terms of employment, compensation or disciplinary action of the Chief Executive Officer are discussed; and
- 19.7.7 perform the other duties from time to time prescribed by the Board or Executive Committee (if any) or incident to the office.

The Chief Executive Officer shall be entitled to delegate the duties described in section 19.7.2 to and including section 19.7.5, but shall be responsible for ensuring such duties are carried out.

### 19.8 National Board Appoint Other Officers

The National Board may from time to time appoint such other Officers as it considers expedient, to hold office at the pleasure of the National Board, the duties and remuneration of whom shall be such as the terms of their engagement call for or the National Board prescribes.

### 19.9 Holding More Than One Office

A person may not be nominated or selected for, elected or appointed to, and hold, more than one office.

### 19.10 Removal of President, Vice-President or Secretary from Office

Either of the President, the Vice-President or the Secretary may be removed by resolution of the Members at a meeting of which notice of intention to present such resolution has been given to all Members. Any Officer so removed shall be replaced from among the current Directors on the Board. The Zone from which the replacement Officer is so chosen shall then conduct a By-election pursuant to section 15.3 to fill the resulting Board position.

### 19.11 Removal of Other Officers from Office

Any Officer other than the President, the Vice-President or the Secretary may be removed by resolution of the National Board at a meeting of which notice of intention to present such resolution has been given to all Directors.

## 20 EXECUTIVE COMMITTEE

### 20.1 Composition

The National Board, whenever it consists of more than six (6), may from time to time elect from among its number an Executive Committee consisting of such number of members, not less than three (3), as the National Board may by resolution determine; preferably though not necessarily the Executive Committee shall include the President and the Vice-President. Each member of the Executive Committee shall serve during the pleasure of the National Board and, in any event, only for as long as such member shall be a Director. The National Board may fill vacancies in the Executive Committee by election from among its number. If and whenever a vacancy shall exist in the Executive Committee, the remaining members may exercise all its powers so long as a quorum remains in office.

### 20.2 Powers of Executive Committee

During the intervals between the meetings of the National Board, the Executive Committee shall possess and may exercise, subject to the provisions of subsection 20.2.1, all the powers of the National Board in the management and direction of the affairs and business of the Corporation in such manner as the Executive Committee shall deem best for the interest of the Corporation in all cases in which specific directions shall not have been given by the National Board.

20.2.1 Provided that the authority of the Executive Committee shall not extend to or include:

20.2.1.1 the authority to enact or amend by-laws,

20.2.1.2 the authority to fill vacancies in the National Board,

20.2.1.3 the authority to change the membership of, or fill the vacancies in, the Executive Committee or any other Committee of the National Board,

20.2.1.4 any regulations which the National Board may from time to time impose.

### 20.3 Meetings of the Executive Committee

Meetings of the Executive Committee shall be held at any time and place determined by such Committee provided that written notice of any such meeting shall be given in the same manner and within the same time frame for meetings of the Board, as set out in section 16.2. No error or omission in giving notice of any meeting of the Executive Committee or any adjourned meeting of the Executive Committee of the Corporation shall invalidate such meeting or make void any proceedings taken thereat and any member may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat.

### 20.4 Procedures

Subject to sections 20.5, 20.6 and 20.7 and to any regulations imposed from time to time by the National Board, the Executive Committee shall have power to fix its quorum at not less than a majority of its members and may fix its own rules of procedure from time to time. The Executive Committee shall keep minutes of its meetings in which shall be recorded all action taken by it, and at least a summary thereof shall be submitted to the National Board at the next meeting of the National Board following the meeting of the Executive Committee.

## 20.5 Quorum

No business may be transacted by the Executive Committee except at a meeting of its members at which a quorum of the Executive Committee is present.

## 20.6 Place of Business

Meetings of the Executive Committee may be held at the head office of the Corporation or at any other place within or outside the geographical location of the head office as specified in the notice calling the meeting.

## 20.7 Other Directors Present

Each Director shall be entitled to speak but not to vote at any meeting of the Executive Committee at which the Director is present. However, no Director who has not been elected to the Executive Committee shall be entitled to notice of any meeting of the Executive Committee, and the presence of such Director shall not be included for the purpose of calculating a quorum.

# 21 COMMITTEES

## 21.1 Standing Committees

There may be such Standing Committees as may be determined by the National Board or the Executive Committee (if any).

21.1.1 Provided that the terms of reference of any standing committee shall include any matter that is otherwise prescribed in this By-Law.

## 21.2 Task Forces

There may be such Task Forces and for such purposes as the National Board or the Executive Committee (if any) may determine from time to time by resolution. The existence of each such Task Force shall be terminated automatically upon:

21.2.1 the delivery of its report;

21.2.2 the completion of its assigned task;

21.2.3 a change in the membership of the National Board or Executive Committee by which it was constituted; or

21.2.4 a resolution to that effect of the National Board or Executive Committee by which it was constituted;

whichever first occurs.

21.2.5 Provided however that, in the case of termination pursuant to subsection 21.2.3, the National Board or the Executive Committee (as the case may be) may by resolution continue such Task Force.

## 21.3 Rules Governing Committees

Except as otherwise provided by By-Law of the Corporation, all Committees other than the Executive Committee are subject to the following:

21.3.1 the chair and members shall be appointed by the Executive Committee (or if none, by the National Board), from among the Members of the Corporation who are qualified to hold office;

21.3.2 at least one member of the National Board shall be appointed to serve on each Committee;

- 21.3.3 in addition to the members of a Committee appointed pursuant to subsection 21.3.1, the Executive Committee, if any, otherwise the National Board, may appoint to any Committee, persons who are not Members of the Corporation who are qualified to hold office; provided that the total number of such persons shall at all times remain less than one-third of the total number of persons who are members of such Committee;
- 21.3.4 a member of a Committee shall serve for a term ending at the commencement of the Annual Meeting of Members following appointment, and is eligible for reappointment for one or more additional terms;
- 21.3.5 each Committee shall meet at least annually, and more frequently at the will of its chair or as required by its terms of reference, and as requested by the Executive Committee (or if none, by the National Board);
- 21.3.6 except as otherwise determined by express resolution of the Executive Committee (or if none, of the National Board), a Committee shall have no power or authority to bind the Corporation by its decisions or actions;
- 21.3.7 each Committee shall be responsible to, and report after each meeting to, the Executive Committee (or if none, to the National Board);
- 21.3.8 the National Board shall establish its rules of procedure for each Committee and may appoint subcommittees.

## **22 INSURANCE AND PROTECTION OF DIRECTORS AND OFFICERS**

### **22.1 Insurance**

The Corporation shall purchase and maintain appropriate liability insurance for the benefit of the Corporation and 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, which insurance shall include:

- 22.1.1 property and public liability insurance;
- 22.1.2 Directors' and Officers' insurance;

and may include

- 22.1.3 such other insurance as the National Board sees fit from time to time;

with coverage limits in amounts per occurrence, with an aggregate maximum limits and with insurers, all as deemed appropriate by the National Board from time to time.

The Corporation shall ensure that each Director and Officer is added as a named insured to any policy of Directors and Officers insurance maintained by the Corporation.

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.

It shall be the obligation of any person seeking insurance coverage or indemnity from the Corporation to cooperate 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.

### **22.2 Directors and Officers 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 present or past Director or Officer of the Corporation 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 Director or Officer or of any other Director or Officer or employee, servant, agent, volunteer or independent contractor arising from any of the following.

- 22.2.1 insufficiency or deficiency of title to any property acquired by the Corporation or for or on behalf of the Corporation;

- 22.2.2 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;
- 22.2.3 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;
- 22.2.4 loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with monies, securities or other assets belonging to the Corporation;
- 22.2.5 loss, damage or misfortune whatever which may occur in the execution of the duties of the Director's or Officer's respective office or trust or in relation thereto;
- 22.2.6 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.

### 22.3 Pre-Indemnity Considerations

Before giving approval to the indemnities provided in section 22.4 herein, or purchasing insurance provided in section 22.1 herein, the National Board shall consider:

- 22.3.1 the degree of risk to which the Director or Officer is or may be exposed;
- 22.3.2 whether, in practice, the risk cannot be eliminated or significantly reduced by means other than the indemnity or insurance;
- 22.3.3 whether the amount or cost of the insurance is reasonable in relation to the risk;
- 22.3.4 whether the cost of the insurance is reasonable in relation to the revenue available; and
- 22.3.5 whether it advances the administration and management of the property to give the indemnity or purchase the insurance.

### 22.4 Indemnification of Directors and Officers

Every person (in this section referred to as a "protected person"), including the respective heirs, executors and administrators, estate, successors and assigns of the person, who:

- 22.4.1 is a Director; or,
- 22.4.2 is an Officer of the Corporation; or
- 22.4.3 is a member of a Committee; or
- 22.4.4 has undertaken, or, with the direction of the Corporation is about to undertake, any liability on behalf of the Corporation or any Corporation controlled by the Corporation, whether in the person's personal capacity or as a Director or Officer or employee or volunteer of such corporation;

shall be indemnified and saved harmless (including, for greater certainty, 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 time to time, from and against all costs, charges and expenses which such protected person sustains or incurs:

- 22.4.5 in or in relation to any demand, action, suit or proceeding which is brought, commenced or prosecuted against such protected person in respect of any act, deed, matter or thing whatsoever, made, done or permitted or not permitted by such protected person, in or in relation to the execution of the duties of such office or in respect of any such liability; or,
- 22.4.6 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 protected person to act honestly and in good faith in the performance of the duties of office.

Such indemnity will only be effective:

- 22.4.7 upon the exhaustion of all available and collectible insurance provided to Directors by the Corporation inclusive of whatever valid and collectible insurance has been collected; and

22.4.8 provided that the Director has carried out all duties assigned to such Director 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.

The Corporation shall also, upon approval by the National Board from time to time, indemnify any such protected person, firm or corporation in such other circumstances as any legislation or laws permit or require.

Nothing in this By-Law shall limit the right of any person, firm or corporation entitled to indemnity to claim indemnity apart from the provisions of this By-Law to the extent permitted by any legislation or law.

## **23 EXECUTION OF DOCUMENTS**

### **23.1 Cheques, Drafts, Notes, Etc**

All cheques, drafts or orders for the payment of money and all notes and acceptances and bills of exchange shall be signed by the Officer or Officers or person or persons and in the manner from time to time prescribed by the National Board.

### **23.2 Execution of Documents**

Documents requiring execution by the Corporation may be signed by two persons, one of whom shall be either the President or the Chief Executive Officer, and the other of whom must be another Officer named in section 19.1, or the Chief Executive Officer, and all documents so signed are binding upon the Corporation without any further authorization or formality. The National Board may from time to time appoint any Officer or Officers, Director or Directors, or any person or persons on behalf of the Corporation, either to sign documents generally or to sign specific documents.

Notwithstanding the foregoing, documents having a value stipulated or restricted from time to time by the National Board may be signed by any one Director, officer, or employee of the Corporation prescribed by the National Board.

The corporate seal of the Corporation shall, when required, be affixed to documents executed in accordance with the foregoing.

### **23.3 Books and Records**

The National Board shall see that all necessary books and records of the Corporation required by the By-Laws of the Corporation or by any applicable statute are regularly and properly kept.

## **24 BANKING ARRANGEMENTS**

### **24.1 National Board Designate Bankers**

The National Board shall designate, by resolution, the Officers and other persons authorized to transact the banking business of the Corporation, or any part thereof, with the bank, trust company, or other corporation carrying on a banking business that the National Board has designated as the Corporation's banker, to have the authority set out in the resolution, including, unless otherwise restricted, the power to,

- 24.1.1 operate the Corporation's accounts with the banker;
- 24.1.2 make, sign, draw, accept, endorse, negotiate, lodge, deposit or transfer any of the cheques, promissory notes, drafts, acceptances, bills of exchange and orders for the payment of money;
- 24.1.3 issue receipts for and orders relating to any property of the Corporation;
- 24.1.4 execute any agreement relating to any banking business and defining the rights and powers of the parties thereto; and

24.1.5 authorize any Officer of the banker to do any act or thing on the Corporation's behalf to facilitate the banking business.

## 24.2 Deposit of Securities

The securities of the Corporation shall be deposited for safe keeping with one or more bankers, trust companies or other financial institutions to be selected by the National Board. Any and all securities so deposited may be withdrawn, from time to time, only upon the written order of the Corporation signed by such Officer or Officers, agent or agents of the Corporation, and in such manner, as shall from time to time be determined by resolution of the National Board and such authority may be general or confined to specific instances. The institutions which may be so selected as custodians of the National Board shall be fully protected in acting in accordance with the directions of the National Board and shall in no event be liable for the due application of the securities so withdrawn from deposit or the proceeds thereof.

## 25 BORROWING BY THE CORPORATION

### 25.1 General Borrowing Authority

Subject to the limitations set out in the By-Laws or in the Letters Patent or Supplementary Letters Patent of the Corporation, the National Board may:

- 25.1.1 borrow money upon the credit of the Corporation;
- 25.1.2 limit or increase the amount to be borrowed;
- 25.1.3 issue debentures or other securities of the Corporation;
- 25.1.4 pledge or sell such debentures or other securities for such sums and at such prices as may be deemed expedient; and
- 25.1.5 secure any such debentures, or other securities, or any other present or future borrowing or liability of the Corporation, by mortgage, hypothec, charge or pledge of all or any currently owned or subsequently acquired real and personal, movable and immovable, property of the Corporation, and the undertaking and rights of the Corporation.

### 25.2 Specific Borrowing Authority

From time to time the National Board may authorize any Director or Officer of the Corporation to make arrangements with reference to the money so borrowed or to be borrowed and as to the terms and conditions of the loan thereof, and as to the security to be given therefor, with power to vary or modify such arrangements, terms and conditions and to give such additional security as the National Board may authorize, and generally to manage, transact and settle the borrowing of money by the Corporation.

## 26 FINANCIAL YEAR

### 26.1 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 from time to time by resolution determine.

## 27 AUDITOR

### 27.1 Annual Appointment

The Members of the Corporation at each Annual Meeting shall appoint one or more auditors (none of whom shall be a Director, Officer or employee of the Corporation unless the appointment is approved by all of the

Members entitled to vote), to audit the accounts (including the financial statements) of the Corporation and to report thereon to Members at the Annual Meeting, to hold office until the close of the next Annual Meeting, and, if an appointment is not so made, the auditor in office continues in office until a successor is appointed.

#### 27.2 Notice of Intention to Nominate

A person, other than a retiring auditor, is not capable of being appointed auditor at an Annual Meeting unless notice in writing of an intention to nominate that person to the office of auditor has been given by a Member not less than fourteen (14) days before the Annual Meeting; and the Member shall send a copy of any such notice to the retiring auditor and to the person it is intended to nominate, and shall give notice thereof to the Members, either by advertisement or by notice in the manner set out in Article 28, not less than seven (7) days before the Annual Meeting.

#### 27.3 Vacancy in the Office of Auditor

The National Board may fill any casual vacancy in the office of auditor, but while the vacancy continues the surviving or continuing auditor, if any, may act.

#### 27.4 Removal of Auditor

The Members, by a resolution passed by at least two-thirds (2/3) of the votes cast at a Special General Meeting of which notice specifying the intention to pass such resolution was given, may remove any auditor before the expiration of the term of office of the auditor, and shall by a majority of the votes cast at that meeting appoint another auditor in the place and stead of such person for the remainder of the term.

#### 27.5 Remuneration of Auditor

The remuneration of an auditor appointed by the Members shall be fixed by the Members, or by the National Board if authorized to do so by the Members, and the remuneration of an auditor appointed by the National Board shall be fixed by the National Board.

### 28 **NOTICE**

#### 28.1 Method of Notice

Except where otherwise provided in this By-Law, notice shall be validly given if given by telephone, or if in writing:

- 28.1.1 by prepaid letter post;
- 28.1.2 by facsimile;
- 28.1.3 by e-mail; or
- 28.1.4 by other electronic method.

addressed to the person for whom intended at the last address shown on the Corporation's records; or in lieu of the foregoing whenever the number of Members is not less than one hundred:

- 28.1.5 by posting such notice on the Web Site maintained by the Corporation.

Any such notice shall be deemed given:

- 28.1.6 in the case of telephone, at the time of the telephone call;
- 28.1.7 in the case of letter post, on the third (3<sup>rd</sup>) day after mailing;
- 28.1.8 in the case of posting on the Web Site, on the date of posting; and
- 28.1.9 in all other cases, when transmitted.

## **28.2 Computation of Time**

In computing the date when notice must be given under any provision of the By-Laws requiring a specified number of days' notice of any meeting or other event, the date of giving the notice is, unless otherwise provided, not included.

## **28.3 Omissions and Errors**

The accidental omission to give notice of any meeting of the National Board, a Committee or Members or the non-receipt of any notice by any Director or Member or by the auditor of the Corporation or any error in any notice not affecting its substance does not invalidate any resolution passed or any proceedings taken at the meeting. Any Director, Member or the auditor of the Corporation may at any time waive notice of any meeting and may ratify and approve any or all proceedings taken thereat.

# **29 BY-LAWS AND AMENDMENTS, ETC.**

## **29.1 Requirements for Amendment of By-Laws**

By-Laws of the Corporation may be amended, repealed, altered, or added to by By-Law enacted by a majority of the National Board at a meeting of the National Board and sanctioned by a majority of the votes cast at a meeting of the Members duly called for the purpose of considering the said By-Law.

29.1.1 Provided that no such repeal, amendment, alteration or addition to the By-Laws shall affect anything theretofore done under or pursuant to the By-Laws;

29.1.2 Provided further that the enactment, repeal, amendment, alteration or addition of or to such By-Law shall not be enforced or acted upon until the approval of the Minister of Industry has been obtained.

## **29.2 Additional Requirements for By-Law Amendment**

In addition to the provisions of section 29.1, no By-Law amendment shall be effective unless there is compliance with the following:

29.2.1 the proposed amendment is delivered to the Head Office of the Corporation at least fifty (50) days prior to any meeting of Members;

29.2.2 the Corporation notifies each Member entitled to vote on such proposed amendment(s) not less than twenty-one (21) days prior to the meeting of Members.

## **29.3 By Whom By-Law Amendments Proposed**

By-Law amendments may be proposed by any Member entitled to vote.

# **30 REPEAL OF PRIOR BY-LAWS**

## **30.1 Repeal**

Subject to the provisions of sections 30.2 and 30.3 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 heretofore enacted or made are repealed.

## **30.2 Exception**

The provisions of section 30.1 shall not extend to any By-Law or resolution heretofore enacted for the purpose of providing to the National Board the power or authority to borrow.

30.3 Proviso

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-Law, resolution or other enactment prior to repeal.

31 EFFECTIVE DATE

31.1 Effective Date

This By-Law shall become effective after it has been sanctioned by a majority of the votes cast at a meeting of Members duly called for the purpose of considering the said By-Law, and after the approval of the Minister of Industry has been obtained.

**ENACTED** by the Directors as a By-Law of the **Professional Golfers' Association of Canada Association des golfeurs professionnels du Canada (formerly Canadian Professional Golfers' Association)** and sealed with the corporate seal this 17th day of May, 2011.

"Glenn Cundari"

"Constant Priondolo"

\_\_\_\_\_  
Glenn Cundari  
President

\_\_\_\_\_  
Constant Priondolo  
Secretary

**CONFIRMED** by the Members in accordance with the *Canada Corporations Act* on the 13th day of June, 2011.

"Glenn Cundari"

"Constant Priondolo"

\_\_\_\_\_  
Glenn Cundari  
President

\_\_\_\_\_  
Constant Priondolo  
Secretary

**APPROVED** by the Minister of Industry on the on the 23rd day of June, 2011.

**Professional Golfers' Association of Canada  
Association des golfeurs professionnels du Canada  
(formerly Canadian Professional Golfers' Association)**

**SCHEDULE A TO BY-LAW NUMBER 2011-2**

Pursuant to section 13.2 of By-Law No. 2011-2, the existing Zones and their respective boundaries are as follows:

1. Province of British Columbia;
2. Province of Alberta;
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).