



NEW CAR DEALERS FOUNDATION OF BC
NOTICE OF 2017 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Members of the NEW CAR DEALERS FOUNDATION OF BC (the "Foundation") will be held at the NCDA Office: Unit 70-10551 Shellbridge Way, in the City of Richmond, in the Province of British Columbia, on Tuesday the 2 day of May, 2017, at the hour of 11:30 AM (Pacific Time), for the following purposes:

1. To receive the report of the Directors;
2. To receive and consider the financial statements of the Foundation for the last financial year of the Foundation ended December 2016 and the Auditor's report thereon;
3. To elect Directors of the Foundation;
4. To consider and, if thought fit, to pass as a special resolution, to delete the existing By-Laws of the Society in its entirety and adopt a new form of By-Laws, in the form attached hereto;
5. To appoint Auditors and authorize the Directors to fix the remuneration of such Auditors;
6. To transact such further or other business as may properly come before the meeting.

DATED at Richmond, British Columbia, this 18th day of April, 2017.

BY ORDER OF THE BOARD


Blair Qualey, President



REPRESENTATIVE FOR GENERAL MEETINGS

TO: New Car Dealers Foundation of B.C. (the "Foundation")

AND TO: The Members (Dealers)

Re: Appointment of Representative for General Meetings

Pursuant to By-Law 5.13 of the Foundation, the undersigned corporate member appoints _____ (name of person) of _____ (dealership), British Columbia as its representative to act in its place at general meetings of the Foundation at which it is not present.

The person acting as its representative shall be entitled to exercise in respect of and at such meeting the same powers on behalf of the corporate member which such person represents as that corporate member could exercise if it were an individual member of the Foundation personally present, and, if an active member, shall be counted for the purpose of forming a quorum if present at the meeting. The representative may represent more than one corporate member at a general meeting.

Evidence of the appointment of any such representative may be sent to the Foundation by written instrument, telegram, telex or any method of transmitting legibly recorded messages.

This appointment shall remain in effect until revoked by the undersigned.

DATED as of the _____, 2017.

(corporate member)

Form 3

SOCIETIES ACT

CONSTITUTION

- (1) The name of the Society is “New Car Dealers Foundation of BC”.
- (2) The purposes of the Society are:
 - (a) to advance and assist in the advancement of education of persons in Canada interested in the automotive industry, including without limitation, providing scholarships to attend the Canadian Automotive Institute or such other Institutions which are registered charitable organizations as the Board of Directors may from time to time settle on;
 - (b) to make donations to other registered charitable organizations;
 - (c) to raise funds to assist in the attainment of the purposes of the Society; and
 - (d) to do any other act, or to carry on any trade or business whatsoever, provided that, in the opinion of the board of Directors, the act will be done, or the trade or business will be carried on by the Society in furtherance of any of the aforementioned purposes as set forth in (a) to (c) hereof.

NEW CAR DEALERS FOUNDATION OF BC

BYLAWS

PART 1- INTERPRETATION

- 1.1 In these bylaws unless the context otherwise requires:
- (a) “Board” and “Directors” means the Directors of the Foundation for the time being;
 - (b) “*Societies Act*” means the *Societies Act* of the Province of British Columbia, from time to time in force and all amendments to it;
 - (c) “Registered Address” of a member means his address as recorded in the register of members;
 - (d) “Foundation” means the New Car Dealers Foundation of BC;
 - (e) “New Car Dealers Association” means the New Car Dealers Association of BC
- 1.2 The definitions in the *Societies Act* on the date these bylaws become effective apply to these bylaws.
- 1.3 Words importing the singular, include the plural and vice versa, and the words importing a male person include a female person and a corporation.

PART 2 – THE PLACE OF OPERATIONS

- 2.1 The Foundation’s place of operations shall be within the Province of British Columbia.

PART 3 – MEMBERSHIP

- 3.1 The members of the Foundation are the members at the time these bylaws become the bylaws of the Foundation, and those persons who subsequently become members in accordance with these bylaws, and in either case, have not ceased to be members, and the New Car Dealers Association during their terms of office as directors of the New Car Dealers Association.
- 3.2 Subject to the provisions of Section 3.1 of these bylaws, that the New Car Dealers Association and all directors of the New Car Dealers Association during their terms of office as directors of the New Car Dealers Association, shall be members of the Foundation. Application for membership in the Foundation shall be addressed to the Directors. The Directors, in their absolute discretion, may determine the eligibility of any applicant for membership. Upon acceptance of the application for membership by the Directors, such corporation, firm or person shall be a member.

3.3 Only individuals who are members in good standing or are the duly authorized representative of members in good standing of the New Car Dealers Association or are otherwise approved by the members shall be eligible for election to the Board of Directors.

3.4 All members are in good standing, except a member who has failed to pay his current membership fee or any other subscription or debt due and owing by him to the Foundation within the time allowed therefor, and he is not in good standing so long as the debt remains unpaid.

3.5 Every member shall uphold the constitution of the Foundation and comply with these bylaws.

3.6 Any dispute between members arising out of the affairs of the Foundation shall be referred to the Directors whose decision thereon shall be final.

3.7 The amount of the annual membership dues and the time or times for payment thereof shall be determined by the Directors from time to time.

3.8 A corporation, firm or person shall cease to be a member of the Foundation:

- (a) by delivering a resignation in writing to the Board of Directors of the Foundation, or by mailing or delivering it to the address of the Foundation;
- (b) in the case of a person, upon the death of such person, or in the case of a corporation or firm, upon its dissolution;
- (c) on being expelled; or
- (d) on having been a member not in good standing for six (6) consecutive months.

3.9 A member may be expelled by the Board of Directors upon a resolution being passed by 75% of the votes cast at a meeting of the Directors called and held for the purpose of considering the expulsion of the member from the Foundation. The member who is the subject of the proposed resolution for expulsion shall be given notice of, and an opportunity to be heard at, the meeting of the Directors before such resolution is put to a vote.

3.10 Membership in the Foundation is non-transferable.

PART 4 – MEETINGS OF MEMBERS

4.1 General meetings of the Foundation shall be held at the time and place that the Directors decide within the Province of British Columbia or such place outside the Province of British Columbia as may be permitted under the *Societies Act*. A general meeting may be held at a location outside British Columbia if the meeting is held at a location outside British Columbia that is specified by the Board of Directors at any time.

4.2 Notice of a general meeting shall specify the place, day and hour of meeting, and, in case of special business, the general nature of that business. Where the Association has more than 250 members it may provide notice of a general meeting by any of the following means (a) mail or courier such notice to each member; or (b) email such notice to members who have provided an

email address to the Association to such email address and such notice is published throughout the period commencing at least 21 days before the meeting and ending when the meeting is held on a website of the Association accessible to all its members.

4.3 The accidental omission to give notice of a meeting to, or the non-receipt of notice by, any of the members entitled to receive notice does not invalidate proceedings at that meeting.

4.4 An annual general meeting shall be held at least once in every calendar year and not more than 15 months after the holding of the last preceding annual general meeting.

4.5 Except as otherwise provided by the *Societies Act*, where any special business at a general meeting includes considering, approving, ratifying, adopting or authorizing any document or the execution thereof or the giving of effect thereto, the notice convening the meeting shall, with respect to such document, be sufficient if it states that a copy of the document or proposed document is or will be available for inspection by members at the address of the Foundation or at some other place in British Columbia designated in the notice during usual business hours up to the date of such general meeting.

PART 5 – PROCEEDINGS AT GENERAL MEETINGS

5.1 Special business is:

- (a) all business at a general meeting other than an annual general meeting; and
- (b) all business transacted at an annual general meeting, except,
 - (i) the consideration of the financial statements;
 - (ii) the report of Directors;
 - (iii) the report of the auditors, if any;
 - (iv) fixing or changing the number of directors;
 - (v) the election of directors as provided in these bylaws;
 - (vi) the appointment of the auditor, if required;
 - (vii) the fixing of the remuneration of the auditor, if required; and
 - (viii) such other business that, under these bylaws ought to be transacted at an annual general meeting, or business which is brought under consideration by the report of the Directors issued with the notice convening the meeting.

5.2 At any general meeting a quorum shall consist of 3 members in good standing present or a greater number that the members may determine at a general meeting.

5.3 No business other than the adjournment or termination of the meeting, shall be conducted at a general meeting at a time when a quorum is not present.

5.4 If at any time during a general meeting there ceases to be a quorum present, business then in progress shall be suspended until there is a quorum present or until the meeting is adjourned or terminated.

5.5 If within half an hour from the time appointed for a general meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place, and, if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members entitled to attend and vote at the meeting shall be a quorum.

5.6 The President of the Foundation, or in his absence, the Vice-President, or in the absence of both, one of the directors present shall preside as chairman of a general meeting.

5.7 If at any general meeting neither the President nor a Vice-President is present within fifteen minutes after the time appointed for holding the meeting or is not willing to act as chairman, the Directors present shall choose someone of their number to be chairman or if all the Directors present decline to take the chair or shall fail to so choose or if no Director be present, the members present shall choose one of their number to be chairman.

5.8 The general meeting may be adjourned from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

5.9 When a meeting is adjourned for ten (10) days or more, notice of the adjourned meeting shall be given as in the case of the original meeting.

5.10 Except as provided in this bylaw, it is not necessary to give notice of adjournment or of the business to be transacted at an adjourned meeting.

5.11 The Board of Directors may direct the order of business at any or all the meetings of the members of the Foundation. If the Board of Directors does not so direct, then the chairman of the meeting may so direct the order of business.

5.12 At a general meeting:

- (a) a member in good standing present at a meeting is entitled to one vote;
- (b) voting is by show of hands, except where in these bylaws voting is required to be by secret ballot or by mail or another means of communication including fax, email or other electronic means on any ballot or form of voting approved by the directors or by the President of the Association; and
- (c) voting by proxy is permitted.

5.13 Any corporation which is a member of the Foundation may authorize such person as it thinks fit to act as its representative at any general meeting. The person so authorized shall be entitled to exercise in respect of and at such meeting the same powers on behalf of the corporation which such person represents as that corporation could exercise if it were an individual member of the Foundation personally present, and shall be counted for the purpose of forming a quorum if

present at the meeting. Evidence of the appointment of any such representative may be sent to the Foundation by written instrument, telegram, telex or any method of transmitting legibly recorded messages.

PART 6 – DIRECTORS AND OFFICERS

6.1 The Directors shall manage, or supervise the management of, the affairs and business of the Foundation and shall have the authority to exercise all such power of the Foundation as are not, by the *Societies Act* or by these bylaws, required to be exercised by the Foundation in general meeting.

6.2 The number of Directors shall be such number as determined from time to time at a general meeting, provided that the number of directors shall not be less than three (3).

6.3 Each of the directors shall hold office for such term of years, not exceeding three (3) years from the date of the annual general meeting at which such director was elected and if such director was not elected at an annual general meeting, then from the date of the next ensuing annual general meeting, as shall be determined at the general meeting at which such director is elected. Such term shall commence on the date of the annual general meeting at which such director is elected and end at the general meeting at the end of the term of such director, or until the successor of such director has been elected.

6.4 The Officers of the Foundation shall be the President and the Treasurer. In addition, the Directors may appoint such additional officers with such additional duties as the Director, in their sole discretion, determine, including without limitation a Secretary and a Vice-President.

6.5 With respect to the Directors and officers:

- (a) the directors shall retire from office at the annual general meeting coinciding with the end of their respective terms when their successors shall be elected by the members, and the officers shall retire from office at the end of their respective terms when their successors shall be appointed by the directors.
- (b) any election may be by acclamation, otherwise it shall be by ballot;
- (c) a Director or officer who retires from office is eligible for re-election as a Director or officer for the succeeding year; and
- (d) if no successor is elected, the person previously elected or appointed continues to hold office.

6.6 With respect to a casual vacancy on the Board of Directors or in any office:

- (a) the Directors may at any time and from time to time appoint any member of or the authorized representative of any member of the New Car Dealers Association or such other person approved by the Directors as a Director to fill a vacancy in the Board of Directors, or in any office; and

- (b) a Director or officer so appointed holds office only until the conclusion of the next following annual general meeting of the Foundation, but is eligible for re-election at the meeting.

6.7 No act or proceeding of the Directors is invalid only by reason of there being less than the prescribed number of Directors in office.

6.8 Any Director may, by instrument in writing delivered to the Foundation appoint any member of or the duly authorized representative of any member of the NEW CAR DEALERS ASSOCIATION or such other person approved by the Directors to be his alternate to act in his place at a meeting of the Directors at which he is not present unless the Directors shall have reasonably disapproved the appointment of such member or the duly authorized representative of such member as an alternate Director and shall have given notice to that effect to the Director appointing the alternate Director within a reasonable time after delivery of such instrument to the Foundation. Every such alternate shall be entitled to attend and vote as a Director at such meeting at which the person appointing him is not personally present. A Director may at any time by instrument, telegram, telex or any method of transmitting legibly recorded messages delivered to the Foundation revoke the appointment of an alternate appointed by him.

6.9 The members may by special resolution remove a Director or officer before the expiration of his term of office and may elect a successor to complete the term of office.

6.10 The office of Director or officer shall be vacated if the Director or officer:

- (a) resigns his office by notice in writing delivered to the address of the Foundation;
- (b) is convicted of an indictable offence and the other Directors shall have resolved to remove him; or
- (c) ceases to be qualified to act as Director pursuant to the *Societies Act* or these bylaws.

6.11 In observance of articles 3 and 6 of the constitution, no Director shall be remunerated for being or acting as a Director but a Director shall be reimbursed for all expenses necessarily and reasonably incurred by such Director while engaged in the affairs of the Foundation; provided however that a Director may be employed by the Foundation, or hold any other office, whether temporary or of a continuing nature, separate from his directorship and be reasonably remunerated for services rendered.

6.12 Each Director, officer or employee of the Foundation may rely upon the accuracy of any statement or report prepared by the Foundation's auditor and shall not be responsible or held liable for any loss or damage resulting from acting upon such statement or report.

6.13 Subject to the *Societies Act*, no Director, officer or employee of the Foundation shall be liable for the acts, neglects or defaults of any other Director, officer or employee or for any loss or expense happening to the Foundation through the insufficiency or deficiency of any security in or upon which any of the monies of the Foundation shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any of the monies, securities or effects of the Foundation shall be deposited, or for any loss occasioned by any error

in judgment or oversight on the part of such Director, officer or employee, or for any loss, damage or misfortune whatever which shall happen in the execution of the duties of the office or employment or in relation thereto unless the same shall happen through his own dishonesty.

6.14 Subject to the *Societies Act*, the Foundation shall indemnify each Director, officer and employee against all liabilities and related expenses incurred by such Director, officer and employee in connection with or arising out of any claim, action, suit, or proceeding pending on the effective date of this provision, or thereafter brought against such Director, officer and employee by reason of any act or omission in the performance of official duties as such Director, officer or employee of the Foundation (whether or not such Director, officer and employee continues to be a Director, officer or employee at the time of incurring such expenses or liabilities). Such expenses and liabilities shall include, but not be limited to, court costs and lawyers' fees, judgments, and the cost of reasonable settlements. The Foundation shall not, however, indemnify such Director, officer or employee against either expenses or liabilities with respect to matters as to which such Director, officer and employee shall be, as determined by the Board, or at a final adjudication, to be liable from gross negligence, or willful misconduct in the performance of his official duties.

PART 7 – PROCEEDINGS OF DIRECTORS

7.1 The directors may meet together at places they think fit to dispatch business, adjourn, and otherwise regulate their meetings and proceedings, as they see fit.

7.2 The Directors may from time to time fix the quorum necessary to transact business, and unless so fixed the quorum shall be a majority of the Directors then in office.

7.3 In the event of a tie vote at any Directors' meeting, the chairman shall have a second vote in order to decide the matter in question.

7.4 The President shall be the chairman of all meetings of the Directors, but if at a meeting the President is not present, the Vice-President is not present, if any, shall act as chairman. If there is no Vice-President or the Vice-President is not present, the Treasurer, if present, shall act as Chairman. If none of them is present, the Directors present may choose one of their number to be chairman at the meeting.

7.5 The committees so formed in the exercise of the powers so delegated shall conform to any rules imposed on them by the Directors, and shall report every act or thing done in exercise of those powers to the earliest meeting of the Board of Directors to be held next after they have been done.

7.6 A committee shall elect a chairman of its meetings; but if at a meeting the chairman is not present, the Directors present or the committee members shall choose one of their number to be chairman of the meeting.

7.7 The members of a committee may meet and adjourn as they think proper.

7.8 Questions arising at a meeting of a committee appointed by the Directors shall be decided by a majority of vote.

7.9 A resolution consented to in writing, whether by document, telegram, telex or any other method of transmitting legibly recorded messages or other means, by all the Directors and placed with the minutes of Directors meetings is as valid and effective as if regularly passed at a meeting of the Directors.

PART 8 – DUTIES AND OFFICERS

8.1 The President is the chief executive officer of the Foundation and shall supervise the other officers in the execution of their duties.

8.2 The Vice-President, if any, shall carry out the duties of the President during his absence.

8.3 The Secretary, if any, and if no Secretary has been elected or appointed, then the Treasurer shall:

- (a) conduct the correspondence of the Foundation;
- (b) issue notices of meetings of the Foundation and Directors;
- (c) keep minutes of all meetings of the members and Directors;
- (d) have custody of all records and documents of the Foundation except those required to be kept by the Treasurer;
- (e) maintain the register of members;
- (f) have custody of the common seal of the Foundation; and
- (g) perform such other duties as shall be determined by the Directors.

8.4 The Treasurer shall:

- (a) keep the financial records, including books of account, necessary to comply with the *Societies Act*; and
- (b) render financial statements to the Directors, Members and others when required.

PART 9 – SIGNING OF DOCUMENTS AND CHEQUES

9.1 The Director shall from time to time appoint one or more officers and employees on behalf of the Foundation either to sign contracts, documents, and instruments in writing generally, or to sign specific contracts, documents, and instruments in writing.

9.2 Cheques drawn upon the bank account or accounts of the Foundation shall bear the signature of any two officers and employees as may be authorized from time to time by resolution of the Directors.

PART 10 – SEAL

10.1 The Directors may provide a common seal for the Foundation and may destroy an existing seal and substitute a new seal in its place.

10.2 The common seal of the Foundation shall be affixed only when authorized by a resolution of the Directors and then only in the presence of the persons prescribed in the resolution, or if no persons are prescribed, in the presence of the President and Secretary or President and Treasurer.

PART 11 – REPEALED

PART 12 – AUDITOR

12.1 At each annual general meeting the Foundation shall appoint an auditor to hold office until he is reappointed or his successor is appointed at the next annual general meeting.

12.2 An auditor may be removed by ordinary resolution of the members.

12.3 An auditor shall be promptly informed in writing of appointment or removal.

12.4 No Director and no employee of the Foundation shall be the auditor.

12.5 The auditor may attend general meetings.

PART 13 – NOTICE TO MEMBERS

13.1 Notice of the time and place of a meeting of members shall be given to each member entitled to vote at the meeting by mail, courier, electronic or other communication facility or by personal delivery to each member entitled to vote at the meeting of members.

PART 14 – BY-LAWS

14.1 On being admitted to the membership, each member is entitled to, and the Foundation shall at the request, give to him, without charge, a copy of the constitution and the bylaws of the Foundation.

14.2 These bylaws shall not be altered or added to except by special resolution of the members of the Foundation.

PART 15 – GENERAL

(1) No director shall be remunerated for being or acting as a director, but a director may be reimbursed for all expenses necessarily and reasonably incurred by him while engaged in the affairs of the Foundation.

(2) In the event of the wind-up or dissolution of the Foundation, all the funds and assets of the Foundation remaining after the payment or satisfaction of all costs, charges, expenses, debts and liabilities of the Foundation, including the remuneration, if any, of a liquidator and after payment

to employees of the Foundation of any arrears of salaries or wages, and after the payment of any debts to the Foundation, shall be given, transferred and distributed to such organization or organizations that are registered charities pursuant to the provisions of the Income Tax Act that shall be designated by the members of the Foundation at the time of the wind-up or dissolution of the Foundation and if effect cannot be given to the aforesaid provision, such funds shall be given, transferred and distributed to such organizations that are registered charities pursuant to the provisions of the Income Tax Act which the members of the Foundation have determined have purposes similar to those of the Foundation.

(3) The above purposes of the Foundation shall be carried on without purpose of gain for its members and any income, profits or other accretions to the Foundation shall be used in promoting its purposes, and all of the above purposes shall be carried on an exclusively charitable basis.

Paragraphs 3, 4, 5 and 6 of the Constitution were previously unalterable in accordance with Section 22 of the Society Act.



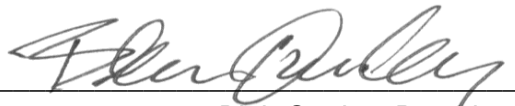
NEW CAR DEALERS ASSOCIATION OF B.C. NOTICE OF 2017 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Members of the NEW CAR DEALERS ASSOCIATION OF B.C. (the "Association") will be held at the NCDA Office: Unit 70-10551 Shellbridge Way, in the City of Richmond, in the Province of British Columbia, on Tuesday, the 2nd day of May, 2017, at the hour of 12:30 PM (Pacific Time), for the following purposes:

1. To receive the report of the Directors;
2. To receive and consider the financial statements of the Association for the last financial year of the Association ended December 2016 and the Auditor's report thereon;
3. To elect Directors of the Association;
4. To consider and, if thought fit, to pass as a special resolution, to delete the existing By-Laws of the Society in its entirety and adopt a new form of By-Laws, in the form attached hereto;
5. To appoint KPMG or such other firm as may be determined by the Directors as Auditors, and authorize the Directors to fix the remuneration of such Auditors;
6. To transact such further or other business as may properly come before the meeting.

DATED at Richmond, British Columbia, this 18th day of April, 2017.

BY ORDER OF THE BOARD OF DIRECTORS


Blair Qualey, President



REPRESENTATIVE FOR GENERAL MEETINGS

TO: New Car Dealers Association of B.C. (the "Association")

AND TO: The Members (Dealers)

Re: Appointment of Representative for General Meetings

Pursuant to By-Law 5.13 of the Association, the undersigned corporate member appoints _____ (name of person) of _____ (dealership), British Columbia as its representative to act in its place at general meetings of the Association at which it is not present.

The person acting as its representative shall be entitled to exercise in respect of and at such meeting the same powers on behalf of the corporate member which such person represents as that corporate member could exercise if it were an individual member of the Association personally present, and, if an active member, shall be counted for the purpose of forming a quorum if present at the meeting. The representative may represent more than one corporate member at a general meeting.

Evidence of the appointment of any such representative may be sent to the Association by written instrument, telegram, telex or any method of transmitting legibly recorded messages.

This appointment shall remain in effect until revoked by the undersigned.

DATED as of the _____, 2017.

_____ (corporate member)

NEW CAR DEALERS ASSOCIATION OF B.C.

BYLAWS

Herein set forth, in numbered clauses, are the bylaws providing for the matters referred to in section 6(1) of the *Societies Act* and any other bylaws.

PART 1 - INTERPRETATION

1.1 In these bylaws unless the context otherwise requires:

- (a)** "Board" "Board of Directors" and "Directors" means the directors of the Association for the time being;
- (b)** "*Societies Act*" means the *Societies Act* of the Province of British Columbia, from time to time in force and all amendments to it;
- (c)** "Registered Address" of a member means the address of that member as recorded in the register of members;
- (d)** "Association" means the New Car Dealers Association of B.C..

1.2 The definitions in the *Societies Act* on the date these bylaws become effective apply to these bylaws.

1.3 Words importing the singular, include the plural and vice versa, and the words importing a male person include a female person and a corporation.

PART 2 - PLACE OF OPERATIONS

2.1 The Association's place of operations shall be within the Province of British Columbia.

PART 3 - MEMBERSHIP

3.1 The members of the Association are the members of the Association at the time these bylaws become the bylaws of the Association, and those persons who subsequently become members in accordance with these bylaws, and in either case, have not ceased to be members.

3.2 All members of the Association shall be classed in one of the following categories of membership:

- (a)** Active members located within the geographic area designated by the Directors from time to time as Greater Vancouver (the "Metro Members");
- (b)** Active members located within British Columbia but not within the geographic area designated by the Directors from time to time as Greater Vancouver (the "Non-Metro Members"); and

(c) Associate members.

All Metro Members and Non-Metro Members shall be active members.

3.3 Any corporation, firm or person carrying on business within the Province of British Columbia and possessing a written agreement with a motor vehicle manufacturer authorizing it or such person to sell new passenger cars and/or trucks produced by such motor vehicle manufacturer, shall be eligible for active membership.

3.4 Any corporation, firm or person engaged in the manufacture of new motor vehicles and any corporation, firm or person whose activities support the objectives of the Association, shall be eligible for associate membership. Associate members shall not be entitled to vote at any meeting of the members of the Association.

3.5 Application for membership in the Association shall be made in writing addressed to the Directors. The Directors, in their absolute discretion, may determine the eligibility of any applicant for membership. Upon acceptance of the application for membership by the Directors, such corporation, firm or person shall be a member.

3.6 All members are in good standing, except a member who has failed to pay the current membership fee or any other subscription or debt due and owing by such member to the Association within the time allowed therefor, and the member is not in good standing so long as the debt remains unpaid.

3.7 Every member shall uphold the constitution of the Association and comply with these bylaws.

3.8 Any dispute between members arising out of the affairs of the Association shall be referred to the Directors whose decision thereon shall be final.

3.9 The amount of the annual membership dues for each category of membership and the time or times for payment thereof shall be determined by the Directors from time to time.

3.10 A corporation, firm or person shall cease to be a member of the Association:

- (a)** by delivering a resignation in writing to the Board of Directors of the Association, or by mailing or delivering it to the address of the Association;
- (b)** in the case of a person, upon the death of such person, or in the case of a corporation or firm, upon its dissolution;
- (c)** on being expelled; or
- (d)** on having been a member not in good standing for six (6) consecutive months.

3.11 A member may be expelled by the Board of Directors upon a resolution being passed by 75% of the votes cast at a meeting of the Directors called and held for the purpose of considering the expulsion of the member from the Association. The member who is the subject of the proposed resolution for expulsion shall be given notice of, and an opportunity to be heard at, the meeting of the Directors before such resolution is put to a vote.

3.12 Membership in the Association is non-transferable.

PART 4 - MEETINGS OF MEMBERS

4.1 General meetings of the Association shall be held at the time and place that the Directors decide within the Province of British Columbia or such place outside the Province of British Columbia as may be permitted under the *Societies Act*. A general meeting may be held at a location outside British Columbia if the meeting is held at a location outside British Columbia that is specified by the Board of Directors at any time.

4.2 Notice of a general meeting shall specify the place, day and hour of meeting, and, in case of special business, the general nature of that business. Where the Association has more than 250 members it may provide notice of a general meeting by any of the following means (a) mail or courier such notice to each member; or (b) email such notice to members who have provided an email address to the Association to such email address and such notice is published throughout the period commencing at least 21 days before the meeting and ending when the meeting is held on a website of the Association accessible to all its members.

4.3 The accidental omission to give notice of a meeting to, or the non-receipt of notice by, any of the members entitled to receive notice does not invalidate proceedings at that meeting.

4.4 An annual general meeting shall be held at least once in every calendar year and not more than 15 months after the holding of the last preceding annual general meeting.

4.5 Except as otherwise provided by the *Societies Act*, where any special business at a general meeting includes considering, approving, ratifying, adopting or authorizing any document or the execution thereof or the giving of effect thereto, the notice convening the meeting shall, with respect to such document, be sufficient if it states that a copy of the document or proposed document is or will be available for inspection by members at the address of the Association or at some other place in British Columbia designated in the notice during usual business hours up to the date of such general meeting.

PART 5 - PROCEEDINGS AT GENERAL MEETINGS

5.1 Special business is:

- (a)** all business at a general meeting other than an annual general meeting; and
- (b)** all business transacted at an annual general meeting, except,
 - (i)** the consideration of the financial statements;
 - (ii)** the report of Directors;
 - (iii)** the report of the auditors, if any;
 - (iv)** the election of directors as provided in these bylaws;
 - (v)** the appointment of the auditor, if required;
 - (vi)** the fixing of the remuneration of the auditor, if required; and

- (vii) such other business that, under these bylaws ought to be transacted at an annual general meeting, or business which is brought under consideration by the report of the Directors issued with the notice convening the meeting.

5.2 At any general meeting a quorum shall consist of 5% of the total active membership in good standing present, but in no event shall the quorum be less than three active members in good standing present.

5.3 No business other than the adjournment or termination of the meeting, shall be conducted at a general meeting at a time when a quorum is not present.

5.4 If at any time during a general meeting there ceases to be a quorum present, business then in progress shall be suspended until there is a quorum present or until the meeting is adjourned or terminated.

5.5 If within half an hour from the time appointed for a general meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place, and, if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members entitled to attend and vote at the meeting shall be a quorum.

5.6 The Chairman of the Board of Directors, or in his absence, a Vice-chairman of the Board of Directors, if any, shall preside as chairman of a general meeting.

5.7 If at any general meeting neither the Chairman nor a Vice-Chairman is present within fifteen minutes after the time appointed for holding the meeting or is not willing to act as chairman, the Directors present shall choose some one of their number to be chairman or if all the Directors present decline to take the chair or shall fail to so choose or if no Director be present, the members present shall choose one of their number to be chairman.

5.8 The general meeting may be adjourned from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

5.9 When a meeting is adjourned for ten (10) days or more, notice of the adjourned meeting shall be given as in the case of the original meeting.

5.10 Except as provided in this bylaw, it is not necessary to give notice of adjournment or of the business to be transacted at an adjourned meeting.

5.11 The Board of Directors may direct the order of business at any or all the meetings of the members of the Association. If the Board of Directors does not so direct, then the chairman of the meeting may so direct the order of business.

5.12 At a general meeting:

- (a) an active member in good standing present at a meeting is entitled to one vote;
- (b) voting is by show of hands, except where in these bylaws voting is required to be by secret ballot or by mail or another means of communication including fax, email or other electronic means on any ballot or form of voting approved by the directors or by the President of the Association; and
- (c) voting by proxy is permitted.

5.13 Any corporation which is a member of the Association may authorize such person as it thinks fit to act as its representative at any general meeting. The person so authorized shall be entitled to exercise in respect of and at such meeting the same powers on behalf of the corporation which such person represents as that corporation could exercise if it were an individual member of the Association personally present, and, if an active member, shall be counted for the purpose of forming a quorum if present at the meeting. Evidence of the appointment of any such representative may be sent to the Association by written instrument, telegram, telex or any method of transmitting legibly recorded messages.

PART 6 - DIRECTORS AND OFFICERS

6.1 The Directors shall manage, or supervise the management of, the affairs and business of the Association and shall have the authority to exercise all such power of the Association as are not, by the *Societies Act* or by these bylaws, required to be exercised by the Association in general meeting.

6.2 The number of Directors shall be thirteen (13) as follows:

- (a) ten (10) Directors shall be active members or the duly authorized representatives of active members;
- (b) two (2) Directors shall be persons who are not active members or the duly authorized representatives of active members;
- (c) one (1) Director shall be the President of the Association from time to time.

6.3 The directors, except the President, shall hold office for a term of three years each. The President shall hold office as a director during the tenure of such person as President.

6.4 The elected directors shall hold office for a term of three (3) years calculated from the date of the Annual General Meeting at which each is elected until the third Annual General Meeting following such Annual General Meeting, or until their successors have been elected.

6.5 A Director ceases to hold office:

- (a) when the Director dies or resigns;
- (b) upon the conclusion of his term of office;

- (c) if the Director is removed from office by special resolution of the members;
- (d) if the Director is charged or convicted of an indictable offence and the Board shall have resolved to remove such Director from office;
- (e) ceases to be qualified to act as a Director pursuant to the *Societies Act* or these bylaws.

6.6 If at any general meeting at which there should be an election of Directors, the places of any of the retiring Directors are not filled by such election, such of the retiring Directors who are not re-elected as may be requested by the newly elected Directors shall, if willing to do so, continue in office to complete the number of Directors for the time being fixed pursuant to these bylaws until, upon further notice, Directors are elected at a general meeting convened for that purpose. If no Directors are elected, the retiring Directors are deemed to have been re-elected until such time as an election of Directors takes place.

6.7 Approximately 60 days prior to each annual general meeting, the Chairman shall appoint a past chairman or a past President who held office as President up to June 4, 2000, or a Director as chairman of a nominating committee to prepare a slate of qualified nominees willing to be elected as Directors of the Association at the next annual general meeting. The nominating committee may consist of one or more members of the Association. Each person proposed to be nominated by the committee shall first consent to such nomination and failing such consent shall not be nominated. The chairman of the nominating committee shall propose the election of the nominated persons at the next annual general meeting and a second for such nominations shall not be required. In nominating suitable persons for election and appointment as Directors from among active members, the nominating committee shall give consideration to adequate and reasonable representation from the various areas of British Columbia and from the various product lines represented by the active members.

6.8 The Board may at any time and from time to time appoint a person as a Director to fill a casual vacancy in the Board, which person shall be nominated from the category under bylaw 6.2 from which the vacancy arises. A person so appointed holds office for the remainder of the term of the former Director who is being replaced.

6.9 Except for the President of the Association, a person may not hold office as a Director for more than three (3) consecutive terms.

6.10 No act or proceeding of the Directors is invalid only by reason of there being less than the prescribed number of Directors in office.

6.11 Any Director elected or appointed under bylaw 6.2(a) may, by instrument in writing delivered to the Association appoint any active member or the duly authorized representative of an active member to be his alternate to act in his place at a meeting of the Directors at which he is not present unless the Directors shall have reasonably disapproved the appointment of such active member or the duly authorized representative of such active member as an alternate Director and shall have given notice to that effect to the Director appointing the alternate Director within a reasonable time after delivery of such instrument to the Association. Every such alternate shall be entitled to attend and vote as a Director at such meeting at which the person appointing him is not personally present. A Director may at any time by instrument, telegram, telex or any method of transmitting legibly recorded messages delivered to the Association revoke the appointment of an alternate appointed by him.

6.12 A Director may be remunerated for being or acting as a Director and a Director shall be reimbursed for all expenses necessarily and reasonably incurred by such Director while engaged in the affairs of the Association.

6.13 Each Director, officer or employee of the Association may rely upon the accuracy of any statement or report prepared by the Association's auditor and shall not be responsible or held liable for any loss or damage resulting from acting upon such statement or report.

6.14 Subject to the *Societies Act*, no Director, officer or employee of the Association shall be liable for the acts, neglects or defaults of any other Director, officer or employee or for any loss or expense happening to the Association through the insufficiency or deficiency of any security in or upon which any of the monies of the Association shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any of the monies, securities or effects of the Association shall be deposited, or for any loss occasioned by any error in judgment or oversight on the part of such Director, officer or employee, or for any loss, damage or misfortune whatever which shall happen in the execution of the duties of the office or employment or in relation thereto unless the same shall happen through the dishonesty of such Director, officer or employee.

6.15 Subject to the *Societies Act*, the Association shall indemnify each Director, officer and employee against all liabilities and related expenses incurred by such Director, officer and employee in connection with or arising out of any claim, action, suit, or proceeding pending on the effective date of this provision, or thereafter brought against such Director, officer and employee by reason of any act or omission in the performance of official duties as such Director, officer or employee of the Association (whether or not such Director, officer and employee continues to be a Director, officer or employee at the time of incurring such expenses or liabilities). Such expenses and liabilities shall include, but not be limited to, court costs and lawyers' fees, judgments, and the cost of reasonable settlements. The Association shall not, however, indemnify such Director, officer or employee against either expenses or liabilities with respect to matters as to which such Director, officer or employee shall be, as determined by the Board, or at a final adjudication, to be liable from gross negligence, or willful misconduct in the performance of the official duties of such Director, officer and employee.

6.16 The Association shall enter into one or more contracts of directors' liability insurance and shall carry directors' liability insurance in such form and on such terms and with such insurers as the Directors shall determine from time to time.

PART 7 - PROCEEDINGS OF DIRECTORS

7.1 The Directors may meet together at places they think fit to dispatch business, adjourn, and otherwise regulate their meetings and proceedings, as they see fit.

7.2 The Directors may from time to time fix the quorum necessary to transact business, and unless so fixed the quorum shall be a majority of the Directors then in office.

7.3 In the event of a tie vote at any Directors' meeting, the chairman shall have a second vote in order to decide the matter in question.

7.4 The Chairman shall be the chairman of all meetings of the Directors, but if at a meeting the Chairman is not present, the Vice-Chairman shall act as chairman. If the Chairman and the Vice-Chairman are not present at the meeting, the Directors present may choose one of their number to be chairman at the meeting.

7.5 A resolution consented to in writing, whether by document, telegram, telex or any other method of transmitting legibly recorded messages or other means, by all the Directors and placed with the minutes of Directors' meetings is as valid and effective as if regularly passed at a meeting of the Directors.

PART 8 - COMMITTEES

8.1 The Directors may delegate any, but not all, of their powers to such committees as the Directors may determine and such committees' efforts shall be to promote the growth and welfare of the Association. Except as set out in these bylaws, the number of committees, the names of such, and the personnel of which they shall consist shall be determined by the Directors. Committees may have as members thereof or as a chairman thereof such members of the Association or the authorized representative of members or other persons as determined by the Directors from time to time; provided that each committee shall have at least one Director as a member thereof.

8.2 Except as provided in these bylaws, the committees so formed in the exercise of the powers so delegated shall conform to any rules imposed on them by the Directors, and shall report every act or thing done in exercise of those powers to the earliest meeting of the Board of Directors to be held next after they have been done.

8.3 Except as provided in these bylaws or by the Directors, a committee shall elect a chairman of its meetings; but if at a meeting the chairman is not present, the Directors present or the committee members shall choose one of their number to be chairman of the meeting.

8.4 The members of a committee may meet and adjourn as they think proper.

8.5 Questions arising at a meeting of a committee appointed by the Directors shall be decided by a majority of votes.

PART 9

DELETED

PART 10 - OFFICERS

10.1 The Directors shall elect from among themselves the following officers:

- (a) Chairman of the Board of Directors; and
- (b) Vice-chairman of the Board of Directors;

for such term as the Directors determine, provided that a Director may not fill either of the foregoing offices after he ceases to be a Director.

10.2 The Chairman, when present, shall preside at meetings of the Association and of the Board of Directors. The Chairman shall be a member, ex officio, with a right to vote, of all committees of the Board. The Chairman shall perform such other duties as are necessarily incident to the office of Chairman or as may be prescribed by the Directors.

10.3 The Vice-Chairman shall carry out the duties of the Chairman during any absence of the Chairman.

10.4 The Directors shall appoint from time to time a President of the Association to hold office for such term as the Directors shall determine. In order to hold the office of President, a person must be qualified to be a Director and upon the appointment of such person as President, such person shall automatically become a Director. In the event that the President shall cease to be qualified as a Director, the President shall also cease to hold the office of President.

10.5 The Directors may from time to time appoint such other officers and agents and authorize the employment of such other persons as may be necessary to carry out the objectives of the society and such officers, agents, and employees shall have such authority and perform such duties as are determined by the Directors.

10.6 The remuneration of all officers appointed by the Board of Directors shall be determined from time to time by resolution of the Board of Directors. All officers shall be entitled to be reimbursed for reasonable expenses incurred in the performance of their duties.

10.7 All officers, in the absence of agreement to the contrary, shall be subject to removal by resolution of the Board of Directors at any time, with or without cause.

10.8 The President is the chief executive officer of the Association and shall supervise the other officers in the execution of their duties.. The President shall be responsible to the Board and shall have full authority to manage and direct the business and affairs of the Association subject to and in accordance with the instructions and policies given from time to time by the Board of Directors. The President shall be a member, ex officio, of all committees except such committees as the Board of Directors shall determine from time to time. The President shall communicate to the Association at the annual meeting and to the Directors at directors' meetings and otherwise to members and Directors such matters and make such suggestions as may in the opinion of the President promote the welfare and increase the usefulness of the Association. The President shall prepare and keep or cause to be prepared and kept the minutes of all meetings of the Association and the Directors and shall perform such other duties as are necessarily incident to the office of President or as may be prescribed by the Directors.

10.9 The representatives of the Association to the Canadian Automobile Dealers Association shall be any two (2) active members or the duly authorized representatives of any two (2) active members of the Association.

PART 11 - FINANCIAL

11.1 The Board of Directors shall designate, by resolution, the officers and other persons authorized to transact the banking business of the Association with the bank, trust company, credit union or other corporation carrying on a banking business that the Board of Directors has designated as the Association's banker, to have the authority set out in the resolution, including the power to:

- (a) operate the Association's accounts with the banker;
- (b) 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;

- (c) issue receipts for and orders relating to any property of the Association;
- (d) execute any agreement relating to any banking business and defining the rights and powers of the parties thereto; and
- (e) authorize any officer of the banker to do any act or thing on the Association's behalf to facilitate the banking business.

11.2 The surplus arising out of the Vancouver International Auto Show (the "Auto Show") shall be determined each year by the Board of Directors upon the recommendation of the committee of the Board charged with the responsibility of advising the Board on budget matters, with the assistance of the Association's auditors.

PART 12 - REPEALED

PART 13 - SEAL

13.1 The Directors may provide a common seal for the Association and may destroy an existing seal and substitute a new seal in its place.

13.2 The common seal of the Association shall be kept in the custody of the President and shall be affixed only when authorized by a resolution of the Directors.

PART 14 - AUDITOR

14.11 At each annual general meeting the Association shall appoint an auditor to hold office until such auditor is reappointed or until successor to such auditor is appointed at the next annual general meeting.

14.21 An auditor may be removed by ordinary resolution of the active members.

14.31 An auditor shall be promptly informed in writing of appointment or removal.

14.41 No Director and no employee of the Association shall be the auditor.

14.51 The auditor may attend general meetings.

14.6 The Directors may fill any casual vacancy in the office of the auditor.

PART 15 - NOTICE TO MEMBERS

15.1 Notice of the time and place of a meeting of members shall be given to each member entitled to vote at the meeting by mail, courier, electronic or other communication facility or by personal delivery to each member entitled to vote at the meeting of members.

PART 16 - BYLAWS

16.1 On being admitted to the membership, each member is entitled to, and the Association shall at the member's request, give to him, without charge, a copy of the constitution and the bylaws of the Association.

16.2 These bylaws shall not be altered or added to except by special resolution of the active members of the Association.

PART 17 - ASSET DISTRIBUTION

17.1 In the case of a winding-up, dissolution or amalgamation of the Association, or otherwise, none of the income or assets of the Association may be distributed to any of the members. Nothing herein contained shall prevent the Association from paying to a member in cash or in kind, or from a member receiving full and valuable consideration, for goods, services or other assets provided to the Association by such member.

PART 18 - MOTOR DEALER COUNCIL OF BRITISH COLUMBIA

18.1 The Association shall cause one or more of its active members in good standing or the duly authorized representatives of its active members in good standing as reasonably requested or required by the Motor Dealer Council of British Columbia ("MDC") to stand as nominee or nominees to the Board of Directors of the MDC each year or as often as the MDC shall reasonably require.

PART 19 - PURPOSE

19.1 The Association shall not operate for the purpose of carrying on a business, trade, industry or profession for profit or gain, and this provision was previously unalterable.

NEW CAR DEALERS ASSOCIATION OF B.C.

CONSTITUTION

1. The name of the society is the New Car Dealers Association of B.C.
2. The purposes of the society are:
 - a. To promote and maintain a good relationship among franchised motor vehicle dealers and their manufacturers and sources of supply;
 - b. To disseminate useful information to members to assist them in the operation of their businesses;
 - c. To promote a continuing high standard of ethical practices in the industry;
 - d. To encourage legislation and policies at all levels of government which will operate for the good of the members and their customers;
 - e. To promote high standards of service by members for their customers.