

BY-LAW NO. 1

A by-law relating to the conduct of the affairs of

BMW CLUBS CANADA

(the "**Corporation**")

Section 1- Definitions – General

Section 2 - Mission Statement - Role of Corporation

Section 3 - Membership

Section 4 - Membership Dues, Termination and Discipline

Section 5 - Meetings of Members

Section 6 - Board of Directors

Section 7 - Executive (Officers)

Section 8 - Notices

Section 9 - Disputes

Section 10 - BMW Clubs International Council

Section 11- Cooperation with BMW Group Canada and BMW Motorrand Canada

Section 12 - Effective Date

BE IT ENACTED as a by-law of the Corporation as follows:

Section 1 - General

1.01 Definitions

In this by-law and all other by-laws of the Corporation, unless the content otherwise requires:

- (a) "**Act**" means the Canada Not-for-profit Corporations Act S.C. 2009, c.23 including the Regulations made pursuant to the Act, and any statute or regulations that may be substituted, as amended from time to time;
- (b) "**articles**" means the original or restated articles of incorporation or articles of amendment, amalgamation, continuance, reorganization, arrangement or revival of the Corporation;
- (c) "**board**" means the board of directors of the Corporation and "**director**" means a member of the board of directors;
- (d) "**BMW AG**" means Bayerische Motoren Werke Aktiengesellschaft, the manufacturer of BMW automobiles and BMW motorcycles;
- (e) "**BMW Clubs**" means regional clubs or chapters based in Canada, whether incorporated or not, established for the purpose of enhancing the BMW ownership experience of its members in Canada, and includes BMW motorcycle clubs, BMW car clubs and combined BMW car and motorcycle clubs, and "**BMW Club**" means any one of the BMW Clubs;
- (f) "**by-law**" means this by-law and any other by-law of the Corporation as amended and which are, from time to time, in force and effect;
- (g) "**executive**" means the officers or the Corporation, or any one of them as the context may require;
- (h) "**Individual Members**" means individual persons who are members of a Member Club, and "**Individual Member**" means any one of the Individual Members;
- (i) "**meetings of members**" includes an annual meeting of members or a special meeting of members, and "**special meeting of members**" includes a meeting of all members entitled to vote at an annual general meeting of the members;
- (j) "**Member Clubs**" or "**members**" means a BMW Club that is a member of the Corporation as described in Section 3.0 of this by-law, and "**Member Club**" or "**member**" means any one the Members Clubs or members. These terms are used interchangeably in this by-law;
- (k) "**ordinary resolution**" means a resolution passed by a majority of not less than 50% plus 1 of the votes cast on that resolution;
- (l) "**proposal**" means a proposal submitted by a member of the Corporation that meets the requirements of Section 163 (Right to submit and discuss) of the Act;
- (m) "**Regulations**" means the regulations made under the Act, as amended, restated or in effect from time to time; and
- (n) "**Special resolution**" means a resolution passed by a majority of not less than two-thirds (2/3) of the votes cast on that resolution.

1.02 Interpretation

In the interpretation of this by-law, words in the singular include the plural and vice-versa, words in one gender include all genders, and "person" includes an individual, body corporate, partnership, trust and unincorporated organization.

Other than as specified in 1.01 above, words and expressions defined in the Act have the same meanings when used in these by-laws.

1.03 Corporate Seal

The seal of the Corporation shall be in the form as shall be prescribed by the Directors of the Corporation and shall have the words "BMW Clubs Canada" thereon. The Secretary of the Corporation shall be the custodian of the corporate seal.

1.04 Execution of Documents

Deeds, transfers, assignments, contracts and other instruments in writing requiring execution by the Corporation may be signed by any two (2) members of the executive. In addition, the board may from time to time direct the manner in which, and the person or persons by whom a particular document or type of document shall be executed. Any person authorized to sign any document may affix the corporate seal to the document. Any signing officer may certify a copy of any instrument, resolution, by-law or other document of the Corporation to be a true copy thereof.

1.05 Fiscal Year End

The financial year end of the Corporation shall be December 31st in each year.

1.06 Banking Arrangements

The banking business of the Corporation shall be transacted at such bank, trust company or other firm or corporation carrying on a banking business in Canada or elsewhere as the board of directors may designate, appoint or authorize from time to time by resolution. The banking business or any part of it shall be transacted by one or more members of the executive of the Corporation and/or other persons as the board of directors may by resolution from time to time designate, direct or authorize. All cheques must be signed by any two of the following officers: President, Vice-President (Automobiles), Vice-President (Motorcycles), Secretary and Treasurer.

1.07 Borrowing Powers

If authorized by a by-law which is duly adopted by the directors and confirmed by ordinary resolution of the members, the directors of the corporation may from time to time:

- (a) borrow money on the credit of the corporation;
- (b) issue, reissue, sell, pledge or hypothecate debt obligations of the corporation; and
- (c) mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the corporation, owned or subsequently acquired, to secure any debt obligation of the corporation.

Any such by-law may provide for the delegation of such powers by the directors to such officers or directors of the corporation to such extent and in such manner as may be set out in the by-law. Nothing herein limits or restricts the borrowing of money by the corporation on bills of exchange or promissory notes made, drawn, accepted or endorsed by or on behalf of the corporation.

1.08 Annual Financial Statements

The Corporation may, instead of sending copies of the annual financial statements and other documents referred to in subsection 172(1) (Annual Financial Statements) of the Act to its members, publish a notice to its members stating that the annual financial statements and documents provided in subsection 172(1) are available at the registered office of the Corporation and any member may, on request, obtain a copy free of charge at the registered office or by prepaid mail.

Section 2 - Role of the Corporation

2.01 Corporate Communications

The Corporation, as a member of the BMW Clubs International Council, is the umbrella organization for regional BMW Clubs. It serves as the interface between BMW Clubs International Council and the regional BMW Clubs, and between BMW Group Canada and the regional BMW Clubs.

2.02 Umbrella Organization

The Corporation is officially recognized by BMW AG as the official BMW club in Canada and has sole rights among Canadian clubs to use the BMW corporate identity pursuant to the signed memo of agreement between BMW Clubs Canada and BMW AG dated October 9, 2009. Furthermore, the Corporation is party to a memorandum of agreement with the BMW Motorcycle Owners of America, the BMW Riders of America, and the International Council of BMW Clubs, dated October 10, 2010, governing BMW Club motorcycle chapters in Canada.

2.03 Role of the Corporation

The Corporation exists as an independent voluntary non-commercial organization with both a social and practical purpose. Subject to the statement of purpose of the Corporation as set out in its Articles, as amended from time to time, the role of the corporation includes:

- (a) Promoting the continued growth and vitality of established BMW Clubs;
- (b) Promoting the establishment of new BMW Clubs;

- (c) Providing guidelines, advice, and initial administrative assistance on the formation of new BMW Clubs;
- (d) Setting and modifying from time to time the standards required to be met for an organization to qualify or continue to qualify as a BMW Club;
- (e) Setting and modifying from time to time policies for BMW Clubs to follow in their operations;
- (f) Settling and modifying from time to time guidelines for BMW Club events, including with respect to driving schools, club racing, autocross, karting, and social events;
- (g) Encouraging activities of BMW Clubs that promote camaraderie and encourage social awareness and individual responsibility;
- (h) Providing leadership to regional BMW Clubs in the development of operations manuals, newsletter, article databases, websites, advertising and promotion, regional policies, and other matters that will be of assistance and value to their operations and members;
- (i) Providing a national website for the Corporation;
- (j) Acting as the official conduit between BMW Clubs International Council and BMW Clubs;
- (k) Fostering communications and cooperation among BMW Clubs;
- (l) Providing a forum for the useful sharing among BMW Clubs of BMW Club procedures, bylaws, best practices, activities and other creative ideas;
- (m) Acting as the official conduit between BMW Group Canada and BMW;
- (n) Offering assistance in resolving disputes that may arise on a local, national or international level involving a BMW Club;
- (o) Offering assistance in resolving disputes that may arise between a BMW Club and a BMW Group Canada authorized dealer or BMW Group Canada;
- (p) Governing the use by BMW Clubs of the BMW logo and the designation "BMW" in accordance with the guidelines set by BMW AG and BMW Clubs International Council from time to time; and
- (q) Exercising appropriate sanctions in accordance with BMW Clubs International Council bylaws in relation to discredited or inactive BMW Clubs.

2.04 Not-For-Profit

The Corporation shall not carry on any trade, industry, or business and the Corporation shall be operated without purpose of gain to any of the members. Any surplus or any accretions of the Corporation shall be used solely for the purpose of the Corporation and the promotion of its purpose. No Member Club or Individual Member may personally profit from or have economic interests associated with the Corporation's activities.

2.05 Not Liable for Debts of Members

Under no circumstances shall the Corporation be responsible for any debts incurred by Member Clubs or Individual Members, unless prior to incurring such debt the board shall have granted written approval of same.

Section 3 - Membership

3.01 Membership Conditions

- (a) Subject to the articles, there shall be two classes of members in the Corporation, being probationary members and full members. All Members Clubs as of the passing of this by-law are full members.
- (b) New memberships in the Corporation shall be available only to BMW Clubs in Canada which have applied for and been accepted into membership in the Corporation as probationary members by a resolution of the board passed by not less than three-quarters (3/4) of the directors entitled to vote on such resolution. An application for probationary membership must be submitted to the Board together with the following:
 - i. A petition for membership signed by twelve (12) individuals who are interested in furthering the purposes of the Corporation;
 - ii. A copy of the applicant BMW Club's constating documents;
 - iii. Confirmation that the applicant BMW Club is a not for profit organization;
 - iv. The written consent of any existing Member Club having a head office within one hundred (100) kilometres of the head office of the applicant BMW Club, provided, however that Board shall have the discretion to waive this requirement; and
 - v. Such other information, reports, documents, approvals or consents as the executive may reasonably request.
- (c) Following the first anniversary of probationary membership, the probationary member shall submit an annual report of its membership and activities, and containing such information as the Board may reasonably request. The Board shall at its next regularly scheduled meeting, or as soon thereafter as reasonably practical, consider the annual report and the probationary member will be accepted into full membership by a resolution of the board passed by a majority of the directors entitled to vote on such resolution. If, however, such resolution fails the probationary member shall cease to be a member of the Corporation.
- (d) BMW special interest groups (such as vintage or model clubs, Canadian BMW Club Racers, etc.) must be composed of Individual Members in good standing in order to be recognized by the Corporation, which the Corporation may or may not do in its absolute discretion. Any such recognition does not afford voting privileges at meetings of members.

3.02 Meetings and Voting

Each Member Club that is a full member shall be entitled to receive notice of, attend and vote at all meetings of the members of the Corporation. Member Clubs that are probationary members shall be entitled to notice of and to attend all meetings of the Corporation, but shall not be entitled to vote.

3.03 Participation by Probationary Members

Other than voting, there shall be no restriction on the participation by BMW Clubs that are probationary members and their Individual Members in any activities of the Corporation or BMW Clubs in Canada.

3.04 Amendments of this Section 3 - Membership

Pursuant to subsection 197(1) (Amendment of Articles and bylaws) of the Act, a special resolution of the members is required to make any amendments to this section of the by-laws if those amendments affect membership rights and/or conditions described in paragraphs 197(1)(e), (h), (l) or (m).

3.05 Responsibility of Members

Member Clubs are responsible to:

- (a) act in a manner consistent with the purposes of the Corporation as set out in its Articles as amended from time to time;
- (b) to comply with the spirit and intent of the by-laws of the Corporation as established from time to time;
- (c) to comply with the guidelines set by BMW AG, BMW International Council or the Corporation from time to time regarding the use of the BMW logo and the designation "BMW";
- (d) to enhance the BMW ownership experience for its members in such manner as the Member may determine appropriate to promote camaraderie and encourage social awareness and individual responsibility among its Individual Members, including providing such things as publications, services, support, information and activities that may be practical in the circumstances;
- (e) to attend and participate in meetings of members; or, if unable to attend, to assign a representative proxy with another member;
- (f) to designate a representative director as contemplated by these by-laws;
- (g) to be cordial in dealings with other BMW Clubs;
- (h) to participate in and meet the standards of the insurance arranged by the Corporation for members. All proof of Certificates of Insurance for events must be provided to the Corporation within 30 days.
- (i) to pay annual dues, if levied, to the Corporation on a timely basis;
- (j) to provide the Corporation with the following by its fiscal year end or at such other time or times as the executive may reasonably request:
 - i. current membership numbers;
 - ii. names and contact information for regional club executive officers;
 - iii. statement of past year's activities; and
 - iv. any other information the board or executive may reasonably request; and

- (k) to comply with such reasonable standards as set by the Board from time to time and required by the Corporation for an organization to continue to qualify as a BMW Club.
- (l) to provide the Corporation with details of forthcoming events listings for the coming year within 90 days of the Fiscal Year End.

3.06 Restriction on Use of BMW Logo or Designation by Members

Under no circumstances shall Member Clubs or Individual Members use the BMW Logo or the designation "BMW" for the member's or any of its Individual Members' commercial purposes. For this purpose, the distribution of accessories bearing the official BMW Club logo or the BMW Club name to Member Clubs is not considered to be a use of the BMW logo or designation for commercial purposes provided that the distribution is directly linked to the Member Club related activities and that any revenue in respect of same is intended to cover costs.

3.07 Individual Members of BMW Clubs

Membership in any Member Club shall be open to any person who shares an interest in the BMW marque and who desires to further the objects and purposes of that BMW Club. Ownership of a BMW car or motorcycle is not a prerequisite for membership in a BMW Club. Subject to the by-laws and the guidelines of the Corporation and of BMW Clubs International Council, each Member Club may determine the rights and privileges of its members.

3.08 Rights of Individual Members

Individual Members in good standing with any Member Club shall be welcome to participate without discrimination of any sort, financial or otherwise, in the activities of any other member of the Corporation with the exception of voting or electoral privileges afforded to members of a BMW Club of which that individual is not a member in good standing.

3.09 Verification of Membership

The executive may, at such times and from time to time as it deems appropriate, take such steps and impose such reasonable measures as it determines in its absolute discretion to confirm or verify the number of Individual Members of any Member Club.

Section 4 - Membership Dues, Termination and Discipline

4.01 Membership Dues

- (a) If in the discretion of the Board the need arises, the Board may levy annual dues on each Member Club and, in such event, shall notify in writing the Member Clubs of the annual dues.
- (b) Annual dues, if levied, for any particular fiscal year shall be calculated based on the number of regular, full-paying Individual Members of the respective Member Club as of December 31st of the previous year, and shall be paid by March 1st or within one (1) month of notice of assessment of annual dues, which ever may be the latest date.

4.02 Termination of Membership

A membership in the Corporation may be terminated upon a resolution of the board passed by two-thirds (2/3) of the directors present and entitled to vote on such a resolution when:

- (a) the Member Club is dissolved;
- (b) the Member Club fails to maintain any qualifications for membership described in these by-laws;
- (c) the Member Club resigns by delivering a written resignation to the chair of the board of the Corporation in accordance with the articles or by-laws;
- (d) the Member Club is expelled or is otherwise terminated in accordance with the articles or by-laws;
- (e) the Member Club has been inactive for two (2) years; or
- (f) the Corporation is liquidated or dissolved under the Act.

Subject to the articles, upon termination of membership, the rights of the Member Club, including rights in the property of the Corporation, automatically cease to exist.

4.03 Discipline of Members

- (a) The board shall have the authority to suspend or expel any Member Club from the Corporation for any one of more of the following grounds:
 - i. violating any provision of the articles, by-laws, or written policies of the Corporation;
 - ii. carrying out any conduct which may be detrimental to the Corporation as determined by the board in its sole and absolute discretion;
 - iii. for any reason that the board in its sole and absolute discretion considers to be reasonable, having regard to the purpose of the Corporation.
- (b) In the event that the board determines that a Member Club should be expelled or suspended from membership in the Corporation, the President or such other executive member as may be designated by the board, shall provide twenty (20) days notice of

suspension or expulsion to the Member Club and shall provide reasons for the proposed suspension or expulsion.

- (c) The Member Club may make written submissions to the President, or such other executive member as may be designated by the board, in response to the notice received with such twenty (20) day period. In the event that no written submissions are received by the President, the President, or other executive member as may be designated by the board, may proceed to notify the Member Club that the member is suspended or expelled from membership in the Corporation.
- (d) If written submissions are received in accordance with this section, the board will consider such submission in arriving at a final decision and shall notify the member concerning such final decision with a further (20) days from the date of receipt of the submissions. The board's decision shall be final and binding on the Member Club, without any further right of appeal other than that as may be provided by International Council of BMW Clubs.

Section 5 - Meetings of Members

5.01 Place of Meetings of Members

Subject to compliance with section 159 (Place of Meetings) of the Act, meetings of the members may be held at any place within Canada determined by the board or, if all of the members entitled to vote at such meeting so agree, outside Canada.

5.02 Notice of Meeting of Members

Notice of the time and place of a meeting of members shall be given to each member entitled to vote at the meeting by the following means:

- (a) by mail, courier or personal delivery to each member entitled to vote at the meeting, during a period of 21 to 60 days before the day on which the meeting is to be held; or
- (b) by telephonic, electronic or other communications facility to each member entitled to vote at the meeting, during a period of 21 to 35 days before the day on which the meeting is to be held.
- (c) Pursuant to subsection 197(1) (Fundamental Changes) of the Act, a special resolution of the members is required to make any amendment to the by-laws of the Corporation to change the manner of giving notice to members entitled to vote at a meeting of members.

5.03 Members Calling a Members' Meeting

The board of directors shall call a special meeting of members in accordance with Section 167 of the Act, on written requisition of members carrying not less than twenty-five percent (25%) of the voting rights. If the directors do not call a meeting within twenty-one (21) days of receiving the requisition, any member who signed the

requisition may call the meeting. Without in any way limiting the foregoing, the members shall meet at least once every other calendar year in the spring or such other date as the board may determine for that particular year.

5.04 Designated Representatives of Members

Each Member Club shall designate a natural person who is an Individual Member in good standing of that Member Club as it thinks fit to act as its representative at any meeting of the members of the Corporation by notice in writing to the Secretary of the Corporation, which designation may be changed from time to time at the will of the respective member. The individual so designated as a representative of a member shall be entitled to exercise the powers and votes on behalf of that member which he or she represents. The individual so designated as a representative may be, but does not need to be, the same individual who is appointed by that member as its representative on the board as hereinafter provided. Unless the Member Club indicates otherwise, its representative at meetings of members shall be the same individual appointed by the Member Club as a director.

5.05 Persons Entitled to be Present

Directors, executive members, the public accountant of the Corporation, the designated representative of Members, and any individual who is a member of a Canadian BMW Club are entitled to be present at a meeting of the members. However, only the designated representatives of members, other than probationary members, are entitled to vote at a meeting of the members. All members, including probationary members, and such other persons as may be permitted at the discretion of the Chair, may speak at meetings of members. Any other person may be admitted only on the invitation of the chair of the meeting or by resolution of the members.

5.06 Chair of the Meeting of Members

The President shall chair the meeting of members. In the absence of the President or the inability of the President to act, the Vice-President (Automobiles) in years ending in an even number and the Vice-President (Motorcycles) in years ending in an odd number shall chair the meeting of members. In the event both the President and the other Vice-President are absent or unable to act the Vice-President present, regardless of year, shall chair the meeting of members. In the event that the President and both Vice-Presidents are absent or unable to act, the designated representatives of members who are present and entitled to vote at the meeting of members shall choose one of their number to chair the meeting of members.

5.07 Quorum

A quorum at any meeting of the members (unless a greater number of members are required to be present by the Act) shall be a majority of the members entitled to vote at the meeting. If a quorum is present at the opening of a meeting of members, the members present may proceed with the business of the meeting even if a quorum is not present throughout the meeting.

5.08 Voting

- (a) At any meeting of members every question shall, unless otherwise provided by the articles or by-laws or by the Act, be determined by a majority of the votes cast on the questions.
- (b) Each member, not holding probationary status, shall be entitled to one vote on all questions called at meetings of members.
- (c) In case of an equality of votes either on a show of hands or on a ballot or on the results of electronic voting, the chair of the meeting, in addition to an original vote or votes if that person is a designated representative of a member, shall have a casting or second vote.

5.09 Participation by Electronic Means at Members' Meetings

- (a) If the Corporation chooses to make available a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during a meeting of members, any person entitled to attend such meeting may participate in the meeting by means of such telephonic, electronic or other communication facility in the manner provided by the Act. A person participating in a meeting by such means is deemed to be present at the meeting.
- (b) Notwithstanding any other provision of this by-law, any person participating in a meeting of members pursuant to this section who is entitled to vote at that meeting may vote, in accordance with the Act, by means of any telephonic, electronic or other communication facility that the Corporation has made available for that purpose.

5.10 Members' Meeting Held Entirely by Electronic Means

If the directors or members of the Corporation call a meeting of members pursuant to the Act, those directors or members, as the case may be, may determine that the meeting shall be held, in accordance with the Act and the Regulations, entirely by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting.

5.11 Absentee Voting

- (a) Pursuant to subsection 171(1) (Absentee Voting) of the Act, a member entitled to vote at a meeting of members may vote by mailed in or electronic ballot if the Corporation has a system that:
 - i. enables the votes to be gathered in a manner that permits their subsequent verification, and
 - ii. permits the tallied votes to be presented to the Corporation without it being possible for the Corporation to identify how each member voted.
- (b) Pursuant to subsection 197(1) (Amendments of articles or by-laws) of the Act, a special resolution of the members is required to make any amendment to the by-laws of the Corporation to change this method of voting by members not in attendance at a meeting of members.

5.12 Cost of Publishing Proposals for Annual Members' Meetings

The member who submitted the proposal shall pay the cost of including the proposal and any statement in the notice of meeting at which the proposal is to be presented unless otherwise provided by ordinary resolution of the members present at the meeting.

Section 6 - Board of Directors

6.01 Composition of Board

- (a) The board shall be comprised of one (1) individual representative who is a natural person appointed by each Member Club other than a probationary member, which representative must be an Individual Member in good standing of that Member Club. The members shall cast their votes at meetings of the members where directors are elected so as to cause the representative so appointed by the Member Clubs to be elected as directors. Each director shall hold office for a term of three (3) years or until replaced by the appointing Member Club or until ceasing to meet the required qualification to be a director, whichever may occur first. There is no restriction on the appointment of any individual representative for successive terms or multiple terms should the respective Member Club so determine.
- (b) The board shall elect from among the directors a Chair, a Vice-Chair (Automobiles) and a Vice-Chair (Motorcycles) for such term as the board may determine or to serve at the pleasure of the board. The typical term of office for the Chair and each Vice-Chair shall be three (3) years and the terms are renewable at the will of the board. The board should endeavour to stagger the terms of these offices where practical.
- (c) If a representative of a member appointed to the board is appointed Chair or if for any reason the office of director becomes vacant, that Club Member who appointed the director who vacated office shall be entitled to appoint a replacement director.

- (d) A director who misses two consecutive meetings of the board without a valid excuse accepted by the board shall automatically cease to be a director and the Member Club who appointed such representative shall be advised of same.

6.02 Chair of Board

- (a) The Chair shall preside at meetings of the board and meetings of the members.
- (b) The Chair shall not vote on any motions coming before a meeting of the board or the members unless the outcome of such a vote is a tie, in which event the Chair shall have a casting vote to decide the matter.
- (c) If the office of Chair for any reason becomes vacant, the board shall appoint another an individual who is a member in good standing of a BMW Club that is a member of the Corporation to be Chair to complete the term of office of the individual who has vacated the office.

6.03 Vice-Chairs

- (a) In the absence of the Chair or the inability of the Chair to act, the Vice-Chair (Automobiles) in years ending in an even number and the Vice-Chair (Motorcycles) in years ending in an odd number shall exercise the powers of the Chair. In the event both the Chair and the other Vice-Chair are absent or unable to act the Vice-Chair present, regardless of year, shall exercise the powers of Chair.

6.04 Meetings of the Board

- (a) There shall be annual meetings of the board, normally held in the spring of each year.
- (b) Additional meetings of the board may be called at any time by the Chair, a Vice- Chair, or any two (2) directors.
- (c) One or more representative from BMW Group Canada shall normally be invited to attend annual meetings of the board as an observer, unless the executive determines otherwise.
- (d) In the event that the Chair and both Vice-Chairs are absent or unable to act, the directors who are present at a meeting of the board shall choose one of their number to chair the meeting.

6.05 Notice of Meetings of the Board

- (a) Notice of the time and place for the holding of a meeting of the board shall be given in the manner provided in this by-law to every director of the Corporation not less than twenty-one (21) days before the time when the meeting is to be held.
- (b) Notice of a meeting shall not be necessary if all the directors are present, and none objects to the holding of the meeting, or if those absent have waived notice of or have otherwise signified their consent to the holding of such meeting.

- (c) Notice of an adjourned meeting is not required if the time and place of the adjourned meeting is announced at the original meeting.
- (d) Unless the by-law otherwise provides, no notice of meeting of the board need specify the purpose or the business to be transacted at the meeting except that a notice of meeting of directors shall specify any matter referred to in subsection 138(2) (Limits on Authority) of the Act that is to be dealt with at the meeting.

6.06 Votes to Govern

- (a) At all meetings of the board, unless stated otherwise herein, every question shall be decided by a majority of the votes cast on the question. The chair of the meeting shall not have an original vote.
- (b) Each director, other than the chair of the meeting, shall be entitled to one vote at all questions called at meetings of the board.
- (c) In case of an equality of votes either on a show of hands or on a ballot or on the results of electronic voting, the chair of the meeting shall have a deciding or casting vote.

6.07 Committees

The board may from time to time appoint any committee or other advisory body, as it deems necessary or appropriate for such purposes and, subject to the Act, with such powers as the board shall see fit. Any such committee may formulate its own rules of procedure, subject to such regulations or directions as the board may from time to time make. Any committee may be removed by resolution of the board.

Section 7 - Executive (Officers)

7.01 Appointment of Executive Members (Officers)

- (a) The President shall be the individual elected by the board as Chair, the Vice President (Automobiles) shall be the individual elected by the board as Vice- Chair (Automobiles), and the Vice-President (Motorcycles) shall be the individual elected by the board as Vice-Chair (Motorcycles). The board shall also elect from among its members an individual to serve as Secretary, and an individual to serve as Treasurer.
- (b) Executive members (officers) must each be Individual Members in good standing of a Member Clubs, other than a probationary member.
- (c) The executive members (officers) of the Corporation, including without limitation those offices described below and such other offices as the board in its discretion may determine, shall be elected from time to time by the board for such term as the board may specify or to serve at the pleasure of the board.
- (d) The typical term of office shall be three (3) years and the terms are renewable at the pleasure of the board. An executive member (officer) may be removed from office at

any time at the will of the board. The board shall endeavour to stagger the terms of the executive members (officers) where practical.

- (e) Two or more offices (other than President and Vice President) may be held by the same individual.
- (f) All the officers so appointed shall constitute the executive of the Corporation.

7.02 Description of Officers

- (a) Unless otherwise specified by the board which may, subject to the Act, modify, restrict or supplement such duties and powers, the officers of the Corporation, if designated and if executive members (officers) are appointed, shall have the following duties and powers associated with their positions:
 - i. President - The President shall be the chief executive officer of the Corporation and shall be responsible for implementing the policies and strategic plans of the Corporation. As President, he will, subject to the authority of the board, have general responsibility for the day-to-day conduct and supervision of the affairs of the Corporation. The President will be the liaison between the Corporation and BMW Group Canada, and between the Corporation and BMW Clubs International Council, and BMW Clubs worldwide and will have primary responsibility for communications with both BMW Group Canada and BMW Clubs International Council and BMW Clubs worldwide. The President shall have such other powers and duties as the board may specify. In the event that a former President has an ongoing role as a member of the BMW Clubs International Council, the former President may, at the pleasure of the board, continue as the delegate of the Corporation to the BMW Clubs International Council.
 - ii. Vice-Presidents - The Vice-Presidents shall be the liaison between the Corporation and the Member Clubs and have primary responsibility for communications with the Member Clubs. In particular, the Vice President (Automobiles) shall be the primary liaison with BMW Car Clubs and the Vice-President (Motorcycles) shall be the primary liaison with BMW Motorcycle Clubs. The Vice-Presidents shall have such other duties and powers as the board may from time to time specify.
 - iii. Secretary - The Secretary shall attend and be the Secretary of all meetings of the board, members and committees of the board. The Secretary shall maintain a register and record therein the names and addresses of all members of the Corporation and their designated representatives, and enter or cause to be entered in the Corporation's minute book, minutes of all proceedings at such meetings; the Secretary shall give, or cause to be given, as and when instructed, notices to members, directors and members of committees; the Secretary shall be the custodian of all books, papers, records, documents and other instruments belonging to the Corporation. The Secretary shall have such powers and duties as the board may specify.

- iv. Treasurer - The Treasurer shall keep the records and books of accounts of the Corporation's affairs, ensure that all monies of the Corporation are carefully accounted for and are deposited to the Corporation's bank on a timely basis, and have such powers and duties as the board may specify.
- (b) The board may appoint an Executive Director to perform special duties, such as oversight of legal matters, as are reasonably required or requested by the board or the President from time to time. The Executive Director may be but does not need to be a director, but must be an Individual Member in good standing with a Member Club. The Executive Director shall be a non-voting member of the executive, and shall serve at the pleasure of the board.
- (c) The board may from time to time appoint additional officers (eg. Club Racing Officer) to perform duties as the terms of their engagement require. Such officers do not need to be a member of the board but must be Individual Members in good standing with a Member Club. These officers shall be non-voting members of the executive, and shall serve at the pleasure of the board.
- (d) The board may from time to time and subject to the Act, vary, add to or limit the powers and duties of any office.
- (e) The executive members (officers) shall report to the board at regular intervals or upon request, or as otherwise directed by the board.

7.03 Vacancy in Office

In the absence of a written agreement to the contrary, the board may remove, whether for cause or without cause, any executive member (officer) of the Corporation. Unless so removed, an executive member (officer) shall hold office until the earlier of:

- (a) the expiry of the executive member's term of office,
- (b) the executive member's successor being appointed,
- (c) the executive member's resignation,
- (d) the executive member ceasing to meet the qualification for office,
- (e) the executive member suffering a disability that is reasonably expected to impede the performance of that executive member's duties for six (6) consecutive months or more, and
- (f) the executive member's death.

If the office of an executive member (officer) shall be or become vacant, the directors may, by resolution, appoint a person who meets the required qualifications to fill such vacancy.

Section 8 - Notices

8.01 Method of Giving Notices

- (a) Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served), other than notice of a meeting of members or a meeting of the board of directors, pursuant to the Act, the articles, the by-laws or otherwise to a member, director, executive member (officer) or member of a committee of the board shall be sufficiently given:
- i. if delivered personally to the persons to whom it is to be given or if delivered to such person's address as shown in the records of the Corporation or in the case of notice to a director to the latest address as shown in the last notice that was sent by the Corporation in accordance with section 128 (Notice of directors) or 134 (Notice of change of directors or director's address); or
 - ii. if mailed to such person at such person's recorded address by prepaid ordinary or air mail; or
 - iii. if sent to such person by telephonic, electronic or other communication facility at such person's recorded address for that purpose; or
 - iv. if provided in the form of an electronic document in accordance with Part 17 of the Act.
- (b) A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box; and a notice so sent by any means of transmitted or recorded communication shall be deemed to have been given when dispatched or delivered or delivered to the appropriate communication company or agency or its representative for dispatch. The Secretary may change or cause to be changed the recorded address of any member, director, executive member (officer) or member of a committee of the board in accordance with any information believed by the Secretary to be reliable. The declaration by the Secretary that notice has been given pursuant to this by-law shall be sufficient and conclusive evidence of the giving of such notice. The signature of any director or executive member (officer) of the Corporation to any notice or other document to be given by the Corporation may be written, stamped, type-written or printed or partly written, stamped, type-written or printed.

8.02 Invalidity of any provision of this by-law

The invalidity or unenforceability of any provision of this by-law shall not affect the validity or enforceability of the remaining provisions of this by-law.

8.03 Omissions and Errors

The accidental omission to give notice to any member, director, executive member (officer) or member of a committee of the board or the non-receipt of any notice by any

such person where the Corporation has provided notice in accordance with the by-laws or any error in any notice not affecting its substance shall not invalidate any action taken at any meeting to which the notice pertained or otherwise founded on such notice.

Section 9 - Disputes

9.01 Mediation and Arbitration

Disputes or controversies among members, directors, executive members, committee members or volunteers of the Corporation are as much as possible to be resolved in accordance with mediation and/or arbitration as provided in Section 9.02 of this by-law

9.02 Dispute Resolution Mechanism

Only disputes or controversy not decided by an appropriate vote of the National Directors may be considered for dispute resolution.

In the event that a dispute or controversy among members, directors, executive members, committee members, or volunteers of the Corporation arising out of or related to the articles of by-laws, or out of any aspect of the operations of the Corporation is not resolved in private meetings between the parties, then without prejudice to or in any other way derogating from the rights of the members, directors, executive members, committee members, employees or volunteers of the Corporation as set out in the articles, by-laws or the Act, and as an alternative to such person instituting a law suit or legal action, such dispute or controversy shall be settled by a process of dispute resolution as follows:

- (a) The dispute or controversy shall first be submitted to a panel of mediators whereby the one party appoints one mediator, the other party (or if applicable the board of the Corporation) appoints one mediator, and the two mediators so appointed jointly appoint a third mediator. The three mediators will then meet with the parties in question in an attempt to mediate a resolution between the parties.
- (b) The number of mediators may be reduced from three to one or two upon agreement of the parties.
- (c) If the parties are not successful in resolving the dispute through mediation, then the parties agree that the dispute shall be settled by arbitration before a single arbitrator, who shall not be any one of the mediators referred to above, in accordance with the provincial or territorial legislation governing domestic arbitrations in force in the province or territory where the registered office of the Corporation is situated or as otherwise agreed upon by the parties to the dispute. The parties agree that all proceedings relating to the arbitration shall be kept confidential and there shall be no disclosure off any kind. The decision of the arbitrator shall be final and binding and shall not be subject to appeal on a question of fact, law or mixed fact and law.

(d) All costs of the mediators appointed in accordance with this section shall be borne equally by the parties to the dispute or the controversy. All costs of the arbitrators appointed in accordance with this section shall be borne by such parties as may be determined by the arbitrators.

Section 10 - BMW Clubs International Council

The Corporation shall participate in the BMW Clubs International Council and shall at all times conduct its affairs and be operated in a manner that complies with the spirit and intent of the guidelines of the BMW Clubs International Council.

Section 11 - Cooperation with BMW Group Canada and BMW Motorrad Canada

In carrying out its objectives, the Corporation shall actively seek the cooperation of and work with BMW Group Canada and BMW Motorrad Canada on a basis of mutual benefit.

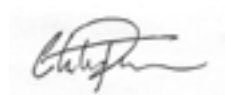
Section 12 - Effective Date

This by-law shall be effective when made by the members.

CERTIFIED to be By-Law No. 1 of the Corporation, as enacted by the members of the Corporation by special resolution on the 9th day of April, 2017.

Made at Regina, Saskatchewan as of the 9th day of April, 2017

Chris Pawlowicz, Chair and President



Roger Harmston, Director and Secretary

