

## CANADIAN CARWASH ASSOCIATION (CCA)

### BY-LAW NO. 1

A By-law relating generally to the conduct of the affairs of the Canadian Carwash Association (CCA)

Be it enacted as a By-law of the Association as follows:

#### **Section 1 - General**

##### **1.01 Definitions**

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

1. "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;
2. "Articles" means the original or restated articles of incorporation or articles of amendment, amalgamation, continuance, reorganization, arrangement or revival of the corporation;
3. "Board" means the Board of directors of the corporation and "director" means a member of the Board;
4. "By-law" means this by-law and any other by-laws of the corporation as amended and which are, from time to time, in force and effect;
5. "Meeting of members" includes an annual meeting of members or a special meeting of members; "special meeting of members" includes a meeting of any class or classes of members and a special meeting of all members entitled to vote at an annual meeting of members;
6. "Ordinary resolution" means a resolution passed by a majority of not less than 50% plus 1 of the votes cast on that resolution; and
7. "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 Mission Statement:** The mission of the CCA is to promote the benefits of professional carwashing and to:

1. Communicate to the media and consumers the environmental and economic benefits of professional carwashing;
2. Promote sensible, effective environmental standards and encourage supportive legislation;
3. Provide educational opportunities designed to promote the highest ethical and professional business practices;
4. Provide carwash operators with tangible, cost-saving benefits.
5. Provide networking opportunities for the exchange of information designed to improve the performance and services offered by professional carwashes.
6. Promote the standards, services, benefits and activities of the CCA to all Canadian carwash operators.

##### **1.04 Execution Of Documents**

Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by the corporation may be signed by the President or an officer designated by the President for this purpose and the Director of Finance. 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 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 Financial Year End**

The financial year end of the corporation shall be on the 31<sup>st</sup> day of December.

##### **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

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from time to time. The banking business or any part of it shall be transacted by an officer or officers of the corporation and/or other persons as the Board of directors may by resolution from time to time designate, direct or authorize.

**1.07 Annual Financial Statements**

- 1) The corporation shall provide a summary of the annual financial statements as referred to in subsection 172(1) (annual financial statements) of the Act to the members no later than 21 days before the AGM.
- 2) 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 the 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 - Members**

**2.01 Membership Conditions**

Subject to the articles, there shall be two classes of members in the corporation, namely, Class A members and Class B members. Members may be admitted in any such manner as may be prescribed by the Board by resolution. The following conditions of membership shall apply:

**1) Class A Members**

1. Class A voting membership shall be available to all members who have applied and have been accepted for Class A voting membership in the corporation in accordance with the Regulations.
2. The term of membership of a Class A voting member shall be annual, subject to renewal in accordance with the policies of the corporation.
3. As set out in the articles, each Class A voting member is entitled to receive notice of, attend and vote at all meetings of members and each such class a voting member shall be entitled to one (1) vote at such meetings.

**2) Class B Members**

1. Class B non-voting membership shall be available only to life members or supplier representatives who have not been designated the right to vote in the corporation and who have applied and have been accepted for Class B non-voting membership in the corporation.
2. The term of membership of a Class B non-voting member shall be annual, subject to renewal in accordance with the policies of the corporation.
3. Subject to the Act and the articles, a Class B non-voting member shall not be entitled to receive notice of, attend or vote at meetings of the members of the corporation.

Pursuant to subsection 197(1) (fundamental change) 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).

**2.02 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:

- 1) By mail, courier or personal delivery or telephonic, electronic or other communication facility to each member entitled to vote at the meeting no later than 45 days before the day on which the meeting is to be held;

Pursuant to subsection 197(1) (fundamental change) 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.

**2.03 Absentee Voting By Mail Ballot**

Pursuant to section 171(1) (absentee voting) of the act, a member entitled to vote at a meeting of members may vote by

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mailed-in ballot if the corporation has a system that:

1. Enables the votes to be gathered in a manner that permits their subsequent verification, and
2. Permits the tallied votes to be presented to the corporation without it being possible for the corporation to identify how each member voted.

Pursuant to subsection 197(1) (fundamental change) 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.

**Section 3 Membership**

**3.01 Membership Dues**

1) Members shall be notified in writing of the membership dues at any time payable by them and, if any are not paid within sixty (60) days of the membership renewal date, the members in default may have their membership privileges suspended.

2) Authority to establish the membership dues schedule, or to levy an assessment on the membership is vested in the Board, and such shall require a two-thirds vote of the Board.

**3.02 Termination Of Membership**

A membership in the corporation is terminated when:

1. The member dies, or, in the case of a member that is a corporation, the corporation is dissolved;
2. A member fails to maintain any qualifications for membership described in section 2.01 of these by-laws;
3. The member resigns by delivering a written resignation to the chair of the Board of the corporation in which case such resignation shall be effective on the date specified in the resignation;
4. The member is expelled in accordance with section 3.03 below or is otherwise terminated in accordance with the articles or by-laws;
5. The member's term of membership expires; or
6. The corporation is liquidated or dissolved under the Act.

Subject to the articles, upon any termination of membership, the rights of the member, including any rights in the property of the corporation, automatically cease to exist.

**3.03 Discipline Of Members**

The Board shall have authority to suspend or expel any member from the corporation for any one or more of the following grounds:

1. Violating any provision of the articles, by-laws, or written policies of the corporation;
2. Carrying out any conduct which may be detrimental to the corporation as determined by the Board in its sole discretion;
3. For any other reason that the Board in its sole and absolute discretion considers to be reasonable, having regard to the purpose of the corporation.

In the event that the Board determines that a member should be expelled or suspended from membership in the corporation, the president, or such other officer as may be designated by the Board, shall provide twenty (20) days' notice of suspension or expulsion to the member and shall provide reasons for the proposed suspension or expulsion. The member may make written submissions to the president, or such other officer as may be designated by the Board, in response to the notice received within such twenty (20) day period. In the event that no written submissions are received by the president, the president, or such other officer as may be designated by the Board, may proceed to notify the member that the member is suspended or expelled from membership in the corporation. If written submissions are received in accordance with this section, the Board will consider such submissions in arriving at a final decision and shall notify the member concerning such final decision within a further twenty (20) days from the date of receipt of the

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submissions. The Board's decision shall be final and binding on the member, without any further right of appeal.

**Section 4 - Meetings Of Members**

**4.01 Persons Entitled To Be Present**

- 1) The only persons entitled to be present at a meeting of members shall be those entitled to vote at the meeting, the directors and the public accountant of the corporation and such other persons who are entitled or required under any provision of the Act, articles or by-laws of the corporation to be present at the meeting. Any other person may be admitted only on the invitation of the chair of the meeting or by resolution of the members.
- 2) Voting: Only Class A members in good standing may cast a vote.

**4.02 Chair Of The Meeting**

In the event that the President of the Board and the Vice-President of the Board are absent, the members who are present and entitled to vote at the meeting shall choose one of their number to chair the meeting.

**4.03 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 25% 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.

**4.04 Votes To Govern**

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 question. 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 shall have a second or casting vote

**4.05 Time of Annual General Meeting**

The Annual General Meeting shall take place within four (4) months of the fiscal year end, at which time the following year's Board of directors will be announced.

**Section 5 Directors**

**5.01 Election And Term**

- 1) Subject to the articles, the members will elect the directors at the first meeting of members and at each succeeding annual meeting at which an election of directors is required, and the directors shall be elected to hold office for a one-year term.
- 2) The business of the corporation shall be managed by a national Board of directors. The Board shall be comprised of not less than eleven (11) and not more than fourteen (14) directors.

**Section 6 Meetings**

**6.01 Calling Of Meetings**

Meetings of the Board may be called by the President or by a vote of any three (3) Board directors, provided that for the first organization meeting following incorporation, such meeting may be called by any director.

**6.02 Notice Of Meeting**

Notice of the time and place for the holding of a meeting of the Board shall be given in the manner provided in section 8.01 of this By-law to every director of the corporation not less than five (5) days before the time when the meeting is to be held.

Notice of a meeting shall not be necessary if all of 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

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meeting. Notice of an adjourned meeting is not required if the time and place of the adjourned meeting is announced at the original meeting.

Unless the by-law otherwise provides, no notice of meeting 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.

**6.03 Regular Meetings**

Regular Board meetings are to be held bi-monthly on a set schedule with a minimum of six (6) meetings each year. A monthly meeting may be canceled only if approved by a two-thirds vote of the Board. A copy of any resolution of the Board fixing the place and time of such regular meetings of the Board shall be sent to each director forthwith after being passed, but no other notice shall be required for any such regular meeting except if subsection 136(3) (Notice of meeting) of the Act requires the purpose thereof or the business to be transacted to be specified in the notice.

**6.04 Votes To Govern**

At all meetings of the Board, every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes, the chair of the meeting in addition to an original vote shall have a second or casting vote. A majority decision by the Board is final and not subject to appeal.

**6.05 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 member may be removed by resolution of the Board of directors and all committee appointments by the President shall be subject to the approval of the Board.

The Board shall annually make a full report to the members regarding Association activities.

**Section 7 -Officers**

**7.01 Description Of Officers**

1) The officers of the Association shall consist of:

The President, the immediate past President, and four (4) Vice Presidents, as follows:

- i. Carwash Owner/Manager
- ii. Manufacturer/Distributor/Supplier
- iii. Oil Company Employee/Operator
- iv. The Treasurer

2) Unless otherwise specified by the Board which may, subject to the Act modify, restrict or supplement such duties and powers, the offices of the corporation, if designated and if officers are appointed, shall have the following duties and powers associated with their positions:

**1. PRESIDENT:** He/she shall be the C.E.O. of the Association, and it shall be his/her duty and responsibility to carry out all policies, programs and orders of the Board. He/she shall preside at all meetings and shall be ex-officio member of all committees. He/she shall, with the approval of the Board, make and execute all contracts for and on behalf of the Association.

**2. VICE PRESIDENT:** One shall, in the absence of the President, preside at meetings, or when the President is taking part in the discussion on the floor. While so doing, he/she shall discharge all duties of the President. In the absence of the President and all Vice Presidents, a pro-term President shall be chosen by a majority of the members present.

**3. TREASURER:** He/she shall perform such other duties as may be assigned to him/her by the Board.

3) The powers and duties of all officers of the corporation shall be such as the terms of their engagement call for or the Board or president requires of them. The Board may, from time to time and subject to the act, vary, add to or limit

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the powers and duties of any officer.

**7.02 Director of Finance**

The Board may appoint a Director of Finance to be responsible for the books and records of the association, collection of all funds due the Association, the safeguarding and proper distribution of such funds, and keeping of all proper records relating to the finances of the Association. The Director of Finance shall report to the Board but shall not have a vote on the Board of Directors.

**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 officer of the corporation. Unless so removed, an officer shall hold office until the earlier of:

1. The officer's successor being appointed,
2. The officer's resignation,
3. Such officer ceasing to be a director (if a necessary qualification of appointment) or
4. Such officer's death.

If the office of any officer of the corporation shall be or become vacant, the directors may, by resolution, appoint a person to fill such vacancy.

**Section 8 - Notices**

**8.01 Method Of Giving Notices**

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, officer or member of a committee of the Board or to the public accountant shall be sufficiently given:

1. If delivered personally to the person to whom it is to be given or if delivered to such person's address as shown in the records of the 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
2. If mailed to such person at such person's recorded address by prepaid ordinary or air mail; or
3. If sent to such person by telephonic, electronic or other communication facility at such person's recorded address for that purpose; or
4. If provided in the form of an electronic document in accordance with part 17 of the act.

A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box; and a notice so sent by any means of transmitted or recorded communication shall be deemed to have been given when dispatched or delivered to the appropriate communication company or agency or its representative for dispatch. The secretary may change or cause to be changed the recorded address of any member, director, officer, public accountant 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 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 Provisions 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 any notice to any member, director, officer, member of a committee of the Board or public accountant, or the non-receipt of any notice by any such person where the corporation has provided notice in



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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 - Dispute Resolution**

**9.01 Mediation And Arbitration**

Disputes or controversies among members, directors, officers, 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**

In the event that a dispute or controversy among members, directors, officers, committee members or volunteers of the corporation arising out of or related to the articles or 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, officers, 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:

- 1) 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.
- 2) The number of mediators may be reduced from three to one or two upon agreement of the parties.
- 3) 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 arbitration shall be kept confidential and there shall be no disclosure of 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.
- 4) 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.

**9.03 Indemnification and Insurance**

- 1) CCA shall indemnify its present and former Directors and Officers to the full extent permitted by the Act.
- 2) CCA may purchase and maintain insurance for the benefit of any present or past Director or Officer or any other person acting on behalf of CCA against any liability incurred by such person
  - (i) in their capacity as a director, officer or agent of CCA, except where the liability relates to their failure to act honestly and in good faith with a view to the best interests of CCA, or
  - (ii) in their capacity as a director or officer of another body corporate where they act or acted in that capacity at CCA's request, except where the liability relates to their failure to act honestly and in good faith with a view to the best interests of the National Society.

**Section 10 - Effective Date**

**10.01 Effective Date**

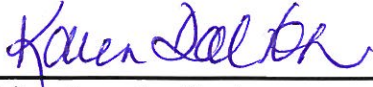
Subject to matters requiring a special resolution, this By-law shall be effective as of the date of Incorporation of the Canadian Carwash Association (CCA) under the Canada Not-for-profit Corporations Act.

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Certified to be By-law No. 1 of the Association, as enacted by the Directors of the Association by Resolution on the 22<sup>nd</sup> day of January, 2015 and confirmed by the members of the Association by Special Resolution on the 25<sup>th</sup> day of February, 2016.

Dated as of the 7 day of March, 2016.



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Karen Dalton, Executive Director



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Mike Dietrich, President