



A by-law relating generally to the conduct of the affairs of
The Hang Gliding and Paragliding Association of Canada Corporation
La Corporation Association Canadienne De Vol Libre
(the "Corporation")

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

SECTION 1 — General

1.01 Definition

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

"**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;

"**articles**" means the original or restated articles of incorporation or articles of amendment, amalgamation, continuance, reorganization, arrangement or revival of the Corporation;

"**board**" means the board of directors of the Corporation and "director" means a member of the board;

"**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;

"**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;

"**ordinary resolution**" means a resolution passed by a majority of not less than 50% plus 1 of the votes cast on that resolution;

"**proposal**" means a proposal submitted by a member of the Corporation that meets the requirements of section 163 (Shareholder Proposals) of the Act;

"**Regulations**" means the regulations made under the Act, as amended, restated or in effect from time to time; and

"**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 above, words and expressions defined in the Act have the same meanings when used in these by-laws.

1.03 Corporate Seal

The Corporation may have a corporate seal in the form approved from time to time by the board. If a corporate seal is approved by the board, the secretary of the Corporation shall be the custodian of the corporate seal.

1.04 Execution of Documents

Contracts, documents or any instruments in writing requiring that signature of the Corporation, shall be signed by the president or the vice president, and all contracts, documents and instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality

1.05 Borrowing Powers

The directors of the Corporation may, without authorization of the members,

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

1.06 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 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 — Membership – Matters Requiring Special Resolution

2.01 Membership Conditions

Subject to the articles, there shall be two classes of members in the Corporation. Membership in the Corporation shall be available only to individuals interested in furthering the Corporation's purposes and who have applied for and been accepted into membership in the Corporation by resolution of the board or in such other manner as may be determined by the board. Each full member shall be entitled to receive notice of, attend and vote at all 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 Membership Transferability

A membership may only be transferred to the Corporation. Pursuant to Section 197(1) (Fundamental Change) of the Act, a special resolution of the members is required to make any amendment to add, change or delete this section of the by-laws.

2.03 Notice of Members Meeting

Members shall be given notice of an AGM or a special meeting of members by mail, by electronic means such as e-mail or facsimile, by a notice in a regular Corporation publication sent to all Members individually or by a notice on the Corporation web site

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.

SECTION 3 — MEMBERSHIP DUES AND TERMINATION OF MEMBERSHIP

3.01 Membership Dues

Members shall pay a membership fee at such time and in such amount as may be set from time to time by the board.

3.02 Termination of Membership

Any member who fails to pay the Corporation's membership fee shall be deemed to have withdrawn from the Corporation. Furthermore, any Member may be expelled by a resolution to that effect at a meeting of the board and shall be carried by an 85% majority of the vote of Directors present.

3.03 Effect of Termination of Membership

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.

SECTION 4 — MEETINGS OF MEMBERS

4.01 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 5% 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.

4.02 Proposals Nominating Directors at Annual Members' Meetings

Subject to the Regulations under the Act, any proposal may include nominations for the election of directors if the proposal is signed by not less than 5% of members entitled to vote at the meeting at which the proposal is to be presented.

4.03 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.

4.04 Place of Members' Meeting

Meetings of members may be held in a place selected by the board of the Corporation. Meetings may be attended in person or held through electronic means that permit members to communicate adequately with each other

4.05 Quorum at Members' Meetings

At any meeting of members, 25 members shall constitute a quorum.

4.06 Votes to Govern at Members' Meetings

Each member at an AGM or a special meeting of Members shall have one (1) vote.

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. 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.

4.07 Participation by Electronic Means at Members' Meetings

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. 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.

4.08 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.

SECTION 5 — DIRECTORS

5.01 Number of Directors

The board shall consist of the number of directors specified in the articles. If the articles provide for a minimum and maximum number of directors, the board shall be comprised of the fixed number of directors as determined from time to time by the members by ordinary resolution or, if the ordinary resolution empowers the directors to determine the number, by resolution of the board. In the case of a soliciting corporation the minimum number of directors may not be fewer than three (3), at least two of whom are not officers or employees of the Corporation or its affiliates.

5.02 Term of Office of Directors

The term of office of Directors shall be determined from time to time by a majority of the members at an annual meeting of the members.

Directors shall serve as such without remuneration and no Director shall directly or indirectly receive any profit from his position as such. A Director may be compensated for reasonable expenses incurred by him in the performance of his duties as Director. Nothing herein contained shall be construed to preclude any Director from serving the Corporation as an officer or in any other capacity and receiving compensation therefore.

SECTION 6 — MEETINGS OF DIRECTORS

6.01 Calling of Meetings of Board of Directors

Meetings of the Directors may be held at any time and place to be determined by the Directors provided that the meeting is approved by 75% of the Directors of the Corporation. Meetings may be attended in person or held through electronic means that permit Directors to communicate adequately with each other. The board can approve the holding of a meeting of the Directors by a majority vote of the Directors.

6.02 Notice of Meeting of Board of Directors

Notice of the time and place for the holding of a meeting of the board shall be given in the manner provided in the section on giving notice of meeting of directors of this by-law to every director of the Corporation not less than 7 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 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 Votes to Govern at Meetings of the Board of Directors

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.

SECTION 7 — OFFICERS

7.01 Appointment of Officers

The officers of the Corporation shall be a president, vice-president, secretary, treasurer and any such other officers as the board may by by-law determine.

Officers of the Corporation shall be appointed by resolution at a meeting of the board. The officers of the Corporation shall hold office for one year from the date of the appointment or until their successors are appointed in their stead.

Officers shall be subject to removal by resolution of the board at any time.

The remuneration of the officers shall be set by the board.

7.02 DUTIES OF OFFICERS

The president shall preside at all meetings of Members and all meetings of the board.

The vice president shall, in the absence or disability of the president, perform the duties and exercise the powers of the president.

The secretary or designated alternate shall attend all meetings of the Members and all meetings of Directors and act as clerk thereof and record all votes and minutes of all proceedings in the books to be kept for that purpose. He shall be the custodian of the seal of the Corporation, which he shall deliver only when authorized by a resolution of the board to do so and to such person or persons as may be named in the resolution.

The treasurer shall have the custody of the funds and securities of the Corporation and shall keep full and accurate accounts of all assets, liabilities, receipts and disbursements of the Corporation in the books belonging to the Corporation. He shall render to the president and Directors at the regular meeting of the Directors, or whenever they may require it, an accounting of all the transactions and a statement of the financial position of the Corporation.

7.03 INDEMNITIES TO DIRECTORS AND OTHERS

Every Director or officer of the Corporation or other person who has undertaken or is about to undertake any liability on behalf of the Corporation or any company controlled by it and their heirs, executors and administrators, and estate and effects, respectively, shall from time to time and at all times, be indemnified and saved harmless out of the funds of the Corporation, from and against:

- a. all costs, charges and expenses which such Director, officer or other person sustains or incurs in or about any action, suit or proceedings which is brought, commenced or prosecuted against him, or in respect of any fact, deed, matter of things whatsoever, made, done or permitted by him, in or about the lawful execution of the duties of his office or in respect of any such liability;
- b. all other costs, charges and expenses which he sustains or incurs in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by his own willful neglect or default.

SECTION 8 — OTHER

8.01 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.

8.02 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 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 — EFFECTIVE DATE

9.01 By-laws and Effective Date

Subject to the articles, the board of directors may, by resolution, make, amend or repeal any by-laws that regulate the activities or affairs of the Corporation. Any such by-law, amendment or repeal shall be effective from the date of the resolution of directors until the next meeting of members where it may be confirmed, rejected or amended by the members by ordinary resolution. If the by-law, amendment or repeal is confirmed or confirmed as amended by the members it remains effective in the form in which it was confirmed. The by-law, amendment or repeal ceases to have effect if it is not submitted to the members at the next meeting of members or if it is rejected by the members at the meeting.

This section does not apply to a by-law that requires a special resolution of the members according to subsection 197(1) (fundamental change) of the Act because such by-law amendments or repeals are only effective when confirmed by members.