

**CANADA WEST SKI AREAS ASSOCIATION
BY-LAWS**

The By-laws of Canada West Ski Areas Association (the "Association") shall be as set out below.

1. MEMBERSHIP

1.1 Members of the Association shall include Members as of the date of the Certificate of Continuance and any business entities or natural persons who thereafter become Members.

1.2 There shall be two classes of Membership in the Association, the particulars of which are set out below.

Regular Member: A business entity located in Western Canada that provides one or more of the following types of services:

- **Alpine Skiing:** Downhill skiing or boarding facilitated by the use of Lifts.
- **Nordic Skiing:** Skiing or boarding that utilizes Nordic (also referred to as "Cross Country") equipment and is not dependent on Lifts to transport skiers and boarders.
- **Helicopter Skiing:** Skiing that utilizes helicopters (instead of Lifts) to transport skiers and boarders to higher elevations.
- **Cat Skiing:** Skiing that utilizes Snowcats (instead of Lifts) to transport skiers and boarders to higher elevations.
- **Lift Operations** for tourism purposes.

Associate Member: A business entity or natural person that does not meet all of the criteria for being a Regular Member, but does meet one or more of the following criteria:

- A business entity located outside Western Canada that provides one or more of the services described under "Regular Member" above.
- A business entity or natural person that provides goods or services to the ski industry.

1.3 A business entity or natural person may apply to the President for Membership in the Association and, on acceptance by the President, shall be a Member.

1.4 All Members are in good standing except a Member who has failed to pay his current annual Membership dues or any other subscription or debt due and owing by him to the Association and he is not in good standing as long as the debt remains unpaid.

1.5 If any of the following occurs then Membership must immediately terminate without further process or notice (unless a process or notice is otherwise specified):

- a. Upon the Member tendering his written resignation to the President of the Association;
- b. Upon the Member not being in good standing for a period of six consecutive calendar months;
- c. Upon the Member no longer fulfilling the Definition of Membership in Section 1.2;
- d. Upon the Member being expelled or suspended by the Directors pursuant to the procedure described below.

1.6 The Directors have the power by their unanimous vote, to expel or suspend from any or all activities of the Association the following:

- a. Any Member whose conduct has been determined by the Directors likely to endanger the interest or reputation of the Association; or,
- b. Any Member who has wilfully committed a breach of the By-laws of the Association;

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- 1.7 No Member shall be expelled or suspended without:
- a. being notified of the charge or complaint against him; and,
 - b. having first been given an opportunity to be heard by the Directors at a Directors' meeting called for that purpose.
- 1.8 Upon termination of the Membership the following must occur:
- a. the Member forthwith forfeits all right, claim and interest arising from, or associated with being a Member of the Association; and,
 - b. the Member shall remain liable for payment of any assessment or other sum levied or which became payable by him to the Association prior to his termination;
- 1.9 A Member can be reinstated as follows:
- a. A Member that was not in good standing paying arrears of Membership dues and other debts to the Association, if any, as the Directors determine necessary; or,
 - b. An expelled or suspended member may be reinstated upon a majority vote of the Directors.

2. MEMBERS' MEETINGS

- 2.1 The Annual General Meeting or any other meeting must be held at any place in Canada that the Directors may determine and on whatever day as they must appoint, all in accordance with the Act.
- 2.2 Notice of all Meetings must be communicated to Members by telephonic, electronic or other communication 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.
- 2.3 The quorum for a General Meeting of the Members will be 15% of the Regular Members. The quorum for a Division Meeting will be 15% of the Regular Members in that Division. The quorum, however, does not need to be present throughout the Meeting.
- 2.4 Regular Members shall be entitled to vote on all matters at Members' Meetings, except for the election of the Associate Member Director (described in Section 3.1).
- 2.5 Associate Members shall only be entitled to vote during the Associate Member Director election (described in Section 3.1), and where expressly mandated under the Act.

3. BOARD OF DIRECTORS

- 3.1 The Board of Directors shall have a total of 12 directors, consisting of specific individual representatives of CWSAA Members, as follows:

Four Regular Members from the BC-Yukon Alpine-Nordic Division elected as Directors at the AGM by the Regular Members in that Division. One of these Directors must be elected by the Directors from this Division to the position of "BC-Yukon Division Chair";

Four Regular Members from ASM Alpine-Nordic Division elected as Directors at the AGM by Regular Members in that Division. One of these Directors must be elected by the Directors from this Division to the position of "ASM Division Chair";

One Regular Member from the Helicopter-Cat Skiing Division elected as a Director at the AGM by the Regular Members from that Division. This Director shall have the position of "Helicopter-Cat Skiing Division Chair";

One additional Regular Member from the BC-Yukon Alpine-Nordic Division, the ASM Alpine-Nordic Division, or the Helicopter-Cat Skiing Division, elected as a Director at the AGM by the Regular Members;

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One Regular Member nominated by the Directors immediately before the AGM, which person, if elected by the Regular Members at the AGM, shall have the position of "Board Chair." If the Board Chair nominee is not elected, then the Directors shall briefly adjourn the AGM and select another Board Chair nominee and, if need be, repeat the procedure herein until the Regular Members of the AGM elect the Board Chair nominee;

One Associate Member elected at the AGM by the Associate Members, who shall have the position of "Associate Member Director".

- 3.2 A person shall be eligible to be elected as a Director if, at the time of his election and throughout the term of his office he shall be a Member or duly authorized representative of a Member.
- 3.3 Upon election, each Director shall serve for a term of two (2) years. The maximum consecutive terms for any Director shall be three consecutive terms (6 years), unless the Director is a Division Chair or Board Chair in which case the maximum consecutive terms shall be four terms (8 years) and five terms (10 years), respectively.
- 3.4 If any one of the following events occurs, the office of the Director shall be automatically vacated:
- a. a Director resigns his office by delivering a written resignation to the President of the Association.
 - b. a Director is found to be mentally incompetent;
 - c. a Director becomes bankrupt;
 - d. a Director is removed by means of a duly executed Members' resolution.
 - e. a Director ceases to be employed by a Member of the Division he was elected from, for a period exceeding four weeks.
 - f. a Director dies.
 - g. a Director's position on the Board ceases to exist due to a change in the Act or change in the By-laws of the Association.
- 3.5 A vacancy created by the removal of a director may be filled at the meeting of the members at which the director is removed or, if not so filled, may be filled as described under section 3.6.
- 3.6 In the event that Board vacancy is created as described under Section 3.4, and not filled as described under section 3.5, then the vacancy will be filled as follows:
- If the Director was elected by the Members of a specific Division, then the remaining Directors that are Members of that Division will elect a replacement Director at the next Board Meeting. In the event that there are no Directors from that Division remaining on the Board, then the Members of that Division will elect a replacement Director at the next Members' Meeting; or,
 - If the Director was elected by the Associate Members, then the Associate Members will elect a replacement Director at the next Members' Meeting; or,
 - In all other situations, all of the Directors in attendance at the next Board Meeting will elect a replacement Director at that meeting.
- 3.7 Directors shall receive no remuneration for their services. However, Directors shall be reimbursed for their reasonable expenses incurred in the performance of their duties as Directors.
- 3.8 The Directors may exercise all powers and do all acts and things as may be exercised or done by the Association and are bound by the provisions of the Act and the By-laws of the Association.

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4. BOARD MEETINGS

- 4.1 The Directors shall meet at such times and places as they may determine, and may adjourn any meeting at their discretion.
- 4.2 The quorum for a Board Meeting will be seven (7) Directors.
- 4.3 The Board Chair, or in his absence a Division Chair, shall preside as Chair of any Board Meeting.
- 4.4 Voting at any Board Meeting is by show of hands or by voice. Every question must be determined by a majority of votes, unless otherwise provided within the By-law or Act. In the case of a tie vote at any Board Meeting, the presiding Chair of the Directors' Meeting shall have a second or casting vote, except if the vote relates to the hiring or termination of the President.
- 4.5 The President and immediate Past Board Chair are invited to attend and participate in Board Meetings. However, as non-elected participants, they are not entitled to vote.

5. OFFICERS

- 5.1 The following persons shall be Officers of the Association, with the duties described below, plus other duties assigned by the Board of Directors from time to time:
 - a. President:** The President is the Association's most senior paid executive as hired by the Board. The President reports to the Board, which is represented by the Board Chair for matters related to the President's employment contract. The President has general authority and responsibility for managing the affairs of the association, including, but not limited to, government relations, media relations, public relations, member relations, finance, budgeting, accounting, marketing, administration, safety and risk management. The President shall have the authority and responsibility to create, manage and dissolve Committees, subject to Board oversight and direction. Subject to the President's employment contract, unless otherwise specified within, the President may only be hired or terminated by a duly executed vote by the Board, at a Board Meeting, and only if seven (7) or more Directors vote in support of the action. The President, when available, shall sit as a non-voting participant at all Board Meetings and Members' Meetings.
 - b. Board Chair:** The Board Chair presides at all General Meetings and Directors' Meetings. The Board Chair has direct responsibility for the employment contract, annual performance review and annual salary review of the President, but shall solicit the input of the other Officers in managing these matters.
 - c. BC-Yukon Alpine-Nordic Division Chair:** Presides at all BC-Yukon Alpine-Nordic Division Meetings. Presides at Directors' Meetings if the Board Chair is not present.
 - d. ASM Alpine-Nordic Division Chair:** Presides at all ASM Alpine-Nordic Division Meetings. Presides at Directors' Meetings if the Board Chair and BC-Yukon Alpine-Nordic Division Chair are not present.
 - e. Helicopter-Cat Skiing Division Chair:** Presides at all Helicopter-Cat Skiing Division Meetings.
 - f. Treasurer:** Provides oversight for the work of the President concerning the finances of the Association.

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5.2 The term of each Officer shall expire when that Officer's term as a Director expires and a new Officer shall be accordingly elected by the Directors. Each officer is subject to removal by a majority vote of the Board of Directors.

5.3 Except for the President, the Officers shall receive no remuneration for their services. However, Officers shall be reimbursed for their reasonable expenses incurred in the performance of their duties as Officers.

6. FINANCE, ACCOUNTING

6.1 The Members, acting in a manner that it consistent with provisions of the Act, will appoint a Public Accountant at the AGM to conduct a review engagement or audit of the Association's financial statements. Notwithstanding this, if the Association meets the requirements provided for in the Act, the Members may elect not to appoint a Public Accountant, and not to conduct a review engagement or audit.

6.2 The Association may only borrow money with the prior approval of a two-thirds majority of votes cast at a General Meeting. However, this restriction does not apply to any of the Association's credit purchases.

6.3 The fiscal year end of the Association shall be March 31.

7. INSURANCE, INDEMNIFICATION

7.1 The Association will purchase Directors and Officers insurance providing coverage for all of it Directors and Officers.

7.2 The Board may, by majority vote, indemnify a Director for expenses related to legal action against the Director, if:

- a) The Board reasonably believes that the legal action is directly related to the Director's activities in his role as a Director of the Association; and,
- b) The Board reasonably believes that the Director acted honestly, in good faith and in the best interests of the Association; and,
- c) If the case is a criminal or administrative case, the Board has reasonable grounds to believe the conduct was lawful.

8. MISCELLANEOUS

8.1 In these By-laws and in all other By-laws of the Association hereafter passed and the regulations unless the context otherwise requires, words importing the singular number or the masculine gender shall include the plural number or the feminine gender, as the case may be, and vice versa.

8.2 The headings in these By-laws; the captions appearing in the margin of this Agreement; the table of contents and, the index, if any, in these By-laws all form no part of these By-laws and must be considered to have been inserted for convenience only.

8.3 The accidental omission to give any notice to any Member, Director, Officer, committee member or public accountant, or the non-receipt of any notice by any such person where the Association 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.

8.4 The invalidity or unenforceability of any provision of these By-laws shall not affect the validity or enforceability of the remaining provisions of these By-laws.

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8.5 These by-laws may be amended by ordinary or special resolution of Members, as required by the Act.

9. DEFINITIONS

9.1 In these By-laws, the following words and phrases will have the following meanings:

- "Act" means the *Canada Not-for-profit Corporations Act* and the *Canada not-for-profit Corporations Regulations*.
- "ASM Alpine-Nordic Division" means the Regular Members operating in the provinces of Alberta, Saskatchewan and Manitoba; excluding those whose primary business is Helicopter and/or Cat Skiing.
- "Annual General Meeting" or "AGM" means a meeting of the Members held pursuant to the Act and pursuant to Section 2 of the By-laws.
- "BC-Yukon Alpine-Nordic Division" means the Regular Members operating in geographic area of the province of British Columbia and the territory of the Yukon; excluding those whose primary business is Helicopter and/or Cat Skiing.
- "Board of Directors" or "Board" means the Board of Directors of the Association, as defined in Section 3 of the By-laws.
- "Board Meeting" means a meeting of the Board of Directors held pursuant to Section 4 of the By-laws.
- "Division" means either the BC-Yukon Alpine-Nordic Division, the ASM Alpine-Nordic Division or the Helicopter-Cat Skiing Division.
- "Division Chair" means either the BC-Yukon Division Chair, the ASM Division Chair, or the Helicopter-Cat Skiing Division Chair.
- "General Meeting" means a meeting of the Members held pursuant to the Act and pursuant to Section 2 of the By-laws.
- "Helicopter / Cat Skiing Division" means the Regular Members whose primary business is Helicopter and/or Cat Skiing.
- "Lift" or "Lifts" refers to surface conveyors, surface lifts (e.g. T-Bars, rope tows or handle tows), aerial lifts or gondolas used to transport persons within a Ski Area or other tourism business.
- "Member" means a "Regular Member" or "Associate Member" as per Section 1.2.
- "Meeting" means either an Annual General Meeting or a General Meeting or both, as the context may require.
- "Ski Area" means a geographic area in which a company is permitted by the applicable governing authority to conduct the business of Skiing and related activities.
- "Skiing" means one or more of the following recreational activities: Alpine (downhill) skiing, Nordic skiing, ski mountaineering, Telemark skiing, snowboarding, snow tubing.
- "Snowcat" or "Cat" means a tracked vehicle for travelling over snow.
- "Western Canada" means the following provinces or territories: Yukon Territory, British Columbia; Alberta; Manitoba; and Saskatchewan.