
**CANADIAN ARTISTS REPRESENTATION /
LE FRONT DES ARTISTES CANADIENS**

GENERAL OPERATING BY-LAW

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

CANADIAN ARTISTS REPRESENTATION / LE FRONT DES ARTISTES CANADIENS

(“CARFAC”)

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CANADIAN ARTISTS REPRESENTATION / LE FRONT DES ARTISTES CANADIENS

BE IT ENACTED as a by-law of CARFAC as follows:

SECTION I – INTERPRETATION

1.01 Definitions and Interpretation

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

- (a) “Act” means the *Canada Not-for-profit Corporations Act*, S.C. 2009, c. 23, including any regulations made pursuant thereto, and any statute or regulations substituted therefore, as amended from time to time;
- (b) “articles” means the articles of continuance as amended from time to time and all other constating documents which are, from time to time, in force and effect;
- (c) “board” means the board of directors of CARFAC and “director” means a member of the board;
- (d) “by-laws” means this by-law and all other by-laws of CARFAC as amended and which are, from time to time, in force and effect;
- (e) “CARFAC National” means the organization that is the subject of this by-law, a nomenclature used to distinguish it from CARFAC Affiliates;
- (f) “CARFAC Affiliate” means an association or corporation representing the interests of visual artists in a particular province or territory or group of provinces and/or territories and which has been recognized by the board of directors of CARFAC as a CARFAC Affiliate in accordance with Section 8.01;
- (g) “meeting of members” includes an annual meeting of members and a special meeting of members. A “special meeting of members” means a special meeting of all members entitled to vote at an annual meeting of members and a meeting of any class or classes of members entitled to vote on the question at issue.

SECTION II - MEMBERS

2.01 Entitlement

There shall be two (2) classes of voting members and four classes of non-voting members as described in more detail below. The board of directors of CARFAC may, by resolution, approve the admission of the members of CARFAC. The board of directors may also establish rules and regulations for the admission of members by officers or

employees of CARFAC. Each member shall be promptly informed by the Secretary of their admission as a member.

2.02 Classes of Membership

For the purposes of this section, “professional visual artist” or “professional artist” has the meaning ascribed to the term by the International Artists Association as follows:

A creator of visual art has the status of professional artist if: earning a living through art making, or possessing a diploma in an area considered to be within the domain of the fine arts, or teaching art in a school of art or applied art, or work is often seen by the public or is frequently or regularly exhibited; or recognized as an artist by consensus of opinion among professional artists.

There shall be two classes of members: voting and non-voting.

2.03 Categories of Voting Membership

There shall be two (2) categories of voting membership which shall be available to professional visual artists in Canada, being Regular Voting Members and Honorary Life Members as follows:

(a) Regular Voting Members

- (i) Regular Voting membership shall be available to professional visual artists, (as defined above), who hold Canadian citizenship or Permanent Resident status and who are resident in Canada. Regular Voting Membership shall be automatically available to those who are members of a CARFAC Affiliate that is in good standing; provided that where a CARFAC Affiliate is not in good standing or is inactive, individuals may become Regular Voting Members upon application to the National Office of CARFAC.
- (ii) Each Regular Voting member is entitled to receive notice of, attend and vote at all meetings of members and each Regular Voting Member shall be entitled to one (1) vote at meetings of members of CARFAC.

(b) Honorary Life Members

- (i) The board of directors may by resolution designate and approve a professional visual artist (as defined above) who has made an outstanding contribution to the promotion and furtherance of CARFAC’s objectives or who has made a significant contribution to the social, financial, or professional status of visual artists generally as an Honorary Life Member of CARFAC.
- (ii) Each Honorary Life member is entitled to receive notice of, attend and vote at all meetings of members and each Honorary Life Member shall be entitled to one (1) vote at meetings of members of CARFAC.

2.04 Categories of Non-Voting Membership

There shall be four (4) categories of non-voting membership, being Individual Associate Members, Organizational Associate Members, Sustaining Associate Members and Student Associate Members. Subject to the Act, non-Voting members are not entitled to receive notice of, attend or vote at any meeting of the members; however the board of directors may extend an invitation to non-voting members to attend a members' meeting for information purposes. The following classes of non-voting membership are:

(a) Individual Associate Members

Individual Associate membership shall be available to any individual who is not otherwise eligible for voting membership in CARFAC.

(b) Organizational Associate Members

Organizational Associate membership shall be available to associations and corporations whose objects include the furtherance and encouragement of visual artists.

(c) Sustaining Associate Members

Sustaining Associate Membership of CARFAC shall consist of those persons or groups who support the aims of CARFAC through significant financial contributions, the lower limit of which shall be determined from time to time by resolution of the board.

(d) Student Members

The Student Membership of CARFAC shall consist of those persons admitted to Student Membership and who are carrying out a full-time course of study at a post-secondary institution.

2.05 Term of Membership

The term of any membership in CARFAC, other than Honorary Life Membership which shall be for life, shall be one (1) year, renewable in accordance with CARFAC's membership policies.

2.06 Termination of Membership

Subject to the Act, the interest of a member in CARFAC is non-transferable and lapses and ceases to exist upon the earlier of the member's term of membership expiring, the member's resignation, death or removal in accordance with this by-law or in the event of the dissolution of CARFAC.

2.07 Resignation

Any member may resign as a member by delivering a written resignation to the president or vice-president of CARFAC. A resignation shall be effective from the date specified in the resignation.

2.08 Removal

A member may be expelled as a member of CARFAC if, at a special meeting of members, a resolution is passed to remove the member by at least two-thirds (2/3) of the votes cast at the special meeting of members.

2.09 Basic Membership Dues

Members shall be notified in writing of the membership dues at any time payable by them and, if any are not paid within one (1) calendar month of the membership renewal date, as the case may be, the members in default shall thereupon cease to be members of CARFAC.

CARFAC Affiliates that are holding basic membership dues in account for CARFAC shall be notified of the dues at any time payable by them. In addition to any other recourse, the board of directors of CARFAC may declare any CARFAC Affiliate that is in default to be a CARFAC Affiliate that is not in good standing.

2.10 Working Dues - Status of the Artist Act

In addition to Basic Dues, all artists within the jurisdiction of CARFAC National Scale Agreements, whether members or non-members shall pay Working Dues in accordance with the terms of the relevant scale agreement. All negotiated National Scale Agreements are subject to Working Dues based on the minimum fees as per the applicable agreement.

Such dues shall be deducted by the producer and remitted to CARFAC in accordance with the terms of the relevant scale agreement.

2.11 Additional Membership Rights - Status of the Artist Act

In accordance with Subsection 23(b) of the *Status of the Artist Act*, voting members of CARFAC shall have the right to participate in a ratification vote on any scale agreement negotiated by CARFAC due to its certification under the *Status of the Artist Act*. Members must remain in good standing until the closing date of the vote to maintain eligibility to vote.

Ratification may be conducted by conventional mail, by electronic means, or by a special meeting of members called for the purposes of voting on the agreement. In the latter case, voting shall be by secret ballot. A majority affirmative response from the votes cast shall be required for the approval of the agreement.

SECTION III - MEETINGS OF MEMBERS

3.01 Annual Meetings

Subject to the Act, the board shall call, at such date and time as it determines, an annual meeting of members for the purpose of considering the financial statements and reports of CARFAC pursuant to the Act, announcing the election and appointment of directors, appointing the auditor and transacting such other business as may properly be brought

before the meeting, and such meeting shall be held no later than six (6) months after the end of the corporation's preceding financial year.

3.02 Special Meetings

The board of directors may at any time call a special meeting of members for the transaction of any business which may properly be brought before the members. The board of directors shall call a special general meeting of members on written requisition of members carrying not less than 5% of the voting rights.

3.03 Place of Meetings

Subject to compliance with Section 102 of the Act, meetings of the members may be held at any place within Canada or, if all of the members entitled to vote at the meeting so agree, outside Canada.

3.04 Special Business

Special business means all business transacted at a special meeting or an annual meeting of members, except the following: consideration of the minutes of an earlier meeting, the financial statements and the auditor's report, election/appointment of directors and reappointment of the incumbent auditor. Where special business will be brought before the members at an annual or special meeting, CARFAC will comply with the provisions of Section 3.05 to ensure that information concerning such special business is provided to the members as part of the notice requirements.

3.05 Notice of Meetings

Notice of the time and place of a meeting of members shall be provided in the manner provided in Section X of this by-law to the following:

- (a) each member entitled to vote at the meeting (which may be determined in accordance with any record date fixed by the board of directors or failing which, in accordance with the Act);
- (b) each director; and
- (c) the auditor of CARFAC

within 25 to 60 days before the meeting if sent by mail, courier or personal delivery, or within 25 to 35 days if sent by telephonic, electronic or other communication facility. Notice of a meeting of members at which special business is to be transacted shall state the nature of that business in sufficient detail to permit the member to form a reasoned judgment on the business and provide the text of any resolution or by-law to be submitted to the meeting and a reminder of the member's right to vote by proxy.

3.06 Waiving Notice

A member and any other person entitled to attend a meeting of members may in any manner and at any time waive notice of a meeting of members, and attendance of any such person at a meeting of members is a waiver of notice of the meeting, except where

such person attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

3.07 Persons Entitled to be Present

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 auditor of CARFAC and such other persons who are entitled or required under any provision of the Act, the articles or by-laws of CARFAC to be present at the meeting. Any other person may be admitted only on the invitation of the chair of the meeting or with the consent of the meeting.

3.08 Chairperson of the Meeting

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

3.09 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 twenty-five (25) voting members present 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. For the purpose of determining quorum, a member may be present in person, or, if authorized under Section 3.10, by telephonic and/or by other electronic means.

3.10 Participation at Meetings by Telephone or Electronic Means

Any person entitled to attend a meeting of members may participate in the meeting using telephonic, electronic or other communications means permitting all participants to communicate adequately with each other during the meeting provided that:

- (a) the board of directors of CARFAC has passed a resolution addressing the mechanics of holding such a meeting and dealing specifically with how security issues should be handled, the procedure for establishing quorum and recording votes;
- (b) CARFAC makes available such a communication facility or the person in question has access to such a communication facility; and
- (c) each person has consented in advance to meeting by telephone or electronic and a written consent pursuant to this section may be given before or after the meeting to which it relates and may be a "blanket" consent, relating to all meetings of the members.

A person participating by telephonic, electronic or other communication facility may vote by any such means if the facility enables the votes to be gathered in a manner that permits their subsequent verification and permits the tallied votes to be presented to CARFAC without it being possible for CARFAC to identify how a particular member or group of members voted. A person participating in the meeting by any such means shall be deemed to have been present at that meeting.

3.11 Adjournment

Subject to the Act, the chairperson of any meeting of members may with the consent of the meeting adjourn the same from time to time to a fixed time and place and no notice of such adjournment need be given to the members, so long as such meeting of members is adjourned for thirty (30) days or less in aggregate. Any business may be brought before or dealt with at any adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

3.12 Absentee Voting

Subject to compliance with the Act, in lieu of voting in person, every member entitled to vote at a meeting of members may vote by any of the following means:

- (a) by appointing a proxyholder or one or more alternate proxyholders (each of which proxyholder to be a voting member), as the member's nominee to attend and act at the meeting in the manner and to the extent and with the authority conferred by the proxy; provided that a proxyholder must not hold proxies for more than three (3) members at any meeting of members;
- (b) except where the Act requires a meeting of members with respect to the matter to be voted on by the members, by using a mailed-in ballot in the form provided by CARFAC;
- (c) by means of a telephonic, electronic or other communication facility, if the facility enables the votes to be gathered in a manner that permits their subsequent verification and permits the tallied votes to be presented to CARFAC without it being possible for CARFAC to identify how each member voted.

3.13 Votes to Govern

At all meetings of the members, every question shall be determined by a majority of votes unless otherwise specifically provided by the Act or by this by-law. In case of an equality of votes, the chairperson of the meeting in addition to an original vote shall have a second or casting vote.

3.14 Show of Hands

Subject to the Act and this by-law, except where a ballot is demanded or the meeting is held by telephone, voting on any question proposed for consideration at a meeting of members shall be by show of hands, and a declaration by the chair of the meeting as to whether or not the question or motion has been carried and an entry to that effect in the minutes of the meeting shall, in the absence of evidence to the contrary, be evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the motion.

3.15 Ballots

For any question proposed for consideration at a meeting of members, either before or after a vote by show of hands has been taken, the chair of the meeting, or any member or proxyholder may demand a ballot, in which case the ballot shall be taken in such manner

as the chair directs and the decision of the members on the question shall be determined by the result of such ballot.

3.16 Resolution in Lieu of Meeting

Except where the Act requires a meeting of members with respect to the matter to be voted on by the members, a resolution in writing, signed by members entitled to vote on that resolution at a meeting of members, is as valid as if it had been passed at a meeting of members. A majority vote of the members shall be required to approve any matter that can be voted on by written resolution. A copy of every resolution referred to above shall be kept with the minutes of meetings of members.

SECTION IV - DIRECTORS

4.01 Powers

Subject to the Act and the articles, the board of directors shall administer the affairs of CARFAC in all things and make or cause to be made for CARFAC, in its name, any kind of contract which CARFAC may lawfully enter into and, save as hereinafter provided, generally, may exercise all such other powers and do all such other acts and things as CARFAC is by its articles or otherwise authorized to exercise and do.

4.02 Number of Board of Directors

Subject to the articles, there shall be a minimum of six (6) directors and a maximum of fourteen (14) directors of the CARFAC.

4.03 Qualifications

A director must be a Regular Voting Member of CARFAC. Each director shall be an individual who is not less than 18 years of age. No person who has been found by a court in Canada or elsewhere to be incapable or who has the status of a bankrupt shall be a director. If a director acquires the status of a bankrupt or becomes incapable and is so found, such person shall thereupon cease to be a director. A director of CARFAC must be a Canadian citizen or Permanent Resident.

4.04 Election, Appointment and Term

The board of directors of CARFAC shall be elected or appointed as follows:

The term of office shall be two (2) years calculated from the date of the annual general meeting at which they are elected until the second annual meeting next following or until their successors are elected.

Directors shall be elected by the members from the slate of candidates put forward by the Nominating Committee described in Section 4.08 at each annual meeting of members at which an election of directors is required.

Subject to the provisions of the by-laws, directors shall be eligible for re-election for a maximum of three (3) consecutive terms, for a total of six (6) years. If the director is the

president at the end of their term limit, they may be eligible for re-election to a maximum of eight (8) years.

The board may appoint additional directors who shall hold office for a term expiring not later than the close of the next annual meeting of members, but the total number of directors so appointed may not exceed one third (1/3) of the number of directors elected at the previous annual meeting of members.

4.05 Vacation of Director Position

The position of a director of CARFAC shall automatically be vacated if the director:

- (a) ceases to be a Regular Voting Member of CARFAC;
- (b) ceases to attend two (2) consecutive board meetings without an adequate explanation for such absence (as determined by the board of directors);
- (c) becomes bankrupt or suspends payment of debts generally or compounds with creditors or makes an authorized assignment or is declared insolvent;
- (d) is found to be a mentally incompetent person or becomes of unsound mind;
- (e) gives notice of resignation in writing to the CARFAC Secretary, which notice shall be effective at the time it is received by the Secretary of CARFAC or at the time specified in the notice, whichever is later;
- (f) is removed as a director before the expiration of the director's term of office by a resolution passed by at least two-thirds (2/3) of the votes cast by the members at a special meeting of members duly called for that purpose; or
- (g) if the director dies.

4.06 Filling Vacancies

A vacancy occurring among the directors may be filled upon the vote of a majority of the board of directors and any director elected to fill such a vacancy shall hold office for the remainder of the vacating director's term. If the board is unable to fill the vacancy because there are fewer than six (6) directors in office or there is an inability to form a quorum, the members may fill the vacancy at a meeting of members within such time frame established by the Nominating Committee.

4.07 Remuneration of Directors

The directors shall serve as such without remuneration and no director shall directly or indirectly receive any profit from their positions as such, provided that directors may be paid reasonable expenses incurred by them in the performance of their duties.

4.08 Nominating Committee

The board of directors shall appoint a Nominating Committee, the members of which shall hold office for a term of one (1) year from the date of their appointment, or until their successors are appointed. The Nominating Committee shall be comprised of a minimum

of three (3) committee members including the Past-President who will serve as Committee chair, a current director of CARFAC, and up to three (3) members drawn from the directors and/or membership of CARFAC. Board members who serve on the committee must agree not to run for re-election to the board of directors while they serve on the committee. In the event that the Past-President is unable or unwilling to act as Chair of the Nominating Committee, the board of directors shall select an alternative person to act as Chair. The primary task of the Nominating Committee shall be to recruit and secure strong balanced leadership for CARFAC.

4.09 Committees

The board may from time to time appoint any committee, including an executive committee (which may be referred to as the “national executive”) or 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. All committees shall be chaired by a CARFAC director with the exception of the nominating committee which shall be chaired by the past-president. Any committee member may be removed by resolution of the board of directors. The board of directors may fix any remuneration for committee members who are not also directors of CARFAC. A quorum at any meeting of a committee shall be a majority of the committee members.

SECTION V - MEETINGS OF DIRECTORS

5.01 Place of Meetings

Meetings of the board may be held at the head office of CARFAC or at any other place within Canada, as the board may determine.

5.02 Calling of Meetings

Meetings of the board may be called by the president, the vice-president or any three (3) directors at any time.

5.03 Notice of Meeting

Unless sent by mail, forty-eight (48) hours notice of a meeting of the board of directors shall be given to each director. Notice of any such meeting that is sent by mail shall be served in the manner specified in Section X of this by-law not less than fourteen (14) days (exclusive of the day on which the notice is delivered or sent but inclusive of the date for which the notice is given) before the meeting is to take place. Notwithstanding the foregoing, 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.

5.04 First Meeting of New Board

Provided that a quorum of directors is present, a newly elected board may, without notice, hold its first meeting immediately following the meeting of members at which such board is elected.

5.05 Regular Meetings

The board may appoint a day or days in any month or months for regular meetings of the board at a place and hour to be named. 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, and no other notice shall be required for any such regular meeting.

5.06 Quorum

A majority of the directors in office shall form a quorum for the transaction of business. For the purpose of determining quorum, a director may be present in person, or, if authorized under Section 5.07 below, by teleconference and/or by other electronic means.

5.07 Participation at Meeting by Telephone or Electronic Means

The directors of CARFAC may meet by teleconference provided that either a majority of the directors consents to meeting by teleconference or meetings by teleconference have been approved by resolution passed by the board of directors at a meeting of the directors of CARFAC

The directors of CARFAC may meet by other electronic means that permits each director to communicate adequately with each other, provided that:

- (a) the board of directors of CARFAC has passed a resolution addressing the mechanics of holding such a meeting and dealing specifically with how security issues should be handled, the procedure for establishing quorum and recording votes;
- (b) each director has equal access to the specific means of communication to be used; and
- (c) each director has consented in advance to meeting by electronic means using the specific means of communication proposed for the meeting.

5.08 Chairperson of the Meeting

In the event that the president and the vice-president are absent, the directors who are present shall choose one of their number to chair the meeting.

5.09 Votes to Govern

Each director is authorized to exercise one (1) vote. 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 chairperson of the meeting in addition to an original vote shall have a second or casting vote.

5.10 Disclosure of Interest

A director or officer of CARFAC shall disclose in writing to CARFAC or request to have entered in the minutes of meetings of directors or committees of directors, the nature and extent of any interest that the director or officer has in any material contract or material transaction whether made or proposed, with CARFAC if the director or officer:

- (a) is a party to the contract or transaction,
- (b) is a director or officer, or an individual acting in a similar capacity, of a party to the contract or transaction or
- (c) has a material interest in a party to the contract or transaction.

Disclosure shall be made at the time and in the manner required by the Act, and a director or officer so having an interest in a contract or transaction shall, unless expressly permitted by the Act, not vote on any resolution to approve the contract or transaction.

5.11 Delegation

Subject to the Act, the board may appoint from their number a managing director or a committee of directors and delegate to the managing director or committee any of the powers of the board. Unless otherwise determined by the board, a committee shall have the power to fix its quorum at not less than a majority of its members, to elect its chairman and to otherwise regulate its procedure.

SECTION VI - EXECUTIVE DIRECTOR

6.01 Executive Director

The board of directors may from time to time engage an executive director of CARFAC who shall hold office in accordance with the terms of his or her contract of engagement with CARFAC. The executive director shall be an *ex-officio* non-voting member of all committees of CARFAC. The executive director shall have full power to manage and direct the business and affairs of CARFAC and, if authorized by the president acting on behalf of the board of directors, to employ and discharge agents and employees of CARFAC. The executive director shall conform to all lawful orders given by the board of directors of CARFAC and shall at all reasonable times give to the directors or any of them all information they may require regarding the affairs of CARFAC. The executive director may resign from the position by delivering a written resignation to the president of CARFAC.

SECTION VII - OFFICERS

7.01 Appointment

The board may designate the offices of CARFAC, appoint officers on an annual or more frequent basis, specify their duties and, subject to the Act, delegate to such officers the

power to manage the affairs of CARFAC. Two or more offices may be held by the same person. Unless otherwise provided in this by-law, all officers must be directors and members of CARFAC except for the secretary and treasurer of CARFAC.

7.02 Description of Offices

Unless otherwise specified by the board (which may, subject to the Act, modify, restrict or supplement such duties and powers), the offices of CARFAC, if designated and if officers are appointed thereto, shall have the following duties and powers associated therewith:

- (a) **President** - The president of CARFAC shall act as chairperson of the board. The president, shall, when present, preside at all meetings of the board of directors, committees of directors, if any, and the members. The president shall supervise the activities of CARFAC and shall ensure that it functions in accordance with the policies established by the board of directors. The president shall have primary responsibility for securing the services of an executive director and overseeing the contractual arrangements with the executive director.
- (b) **Vice-President** - The vice-president will carry out the duties of the president if the president is absent or is unable or refuses to act. If there is more than one vice-president, then such duties shall be carried out by the vice-presidents in order of seniority.
- (c) **Past-President** – The immediate past-president of CARFAC shall occupy the position of CARFAC Past President unless such person is unable or unwilling to act in which case, the position may be held by any past-president of CARFAC. The past-president shall serve as chair of the nominating committee and carry out any other duties as the board may prescribe. The past-president may but need not be a member of the board of directors of CARFAC.
- (d) **Secretary** - The secretary, when in attendance, shall be the secretary of all meetings of the board, members and committees of the board and, whether or not the secretary attends, the secretary shall enter or cause to be entered in CARFAC'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, the auditor and members of committees; the secretary shall be the custodian of the corporate seal as well as all books, papers, records, documents and other instruments belonging to CARFAC.
- (e) **Treasurer** - The treasurer shall be responsible for the maintenance of proper accounting records in compliance with the Act as well as the deposit of money, the safekeeping of securities and the disbursement of funds of CARFAC; whenever required, the treasurer shall render to the board an account of all such person's transactions as treasurer and of the financial position of CARFAC.

The duties of all other officers of CARFAC shall be such as the terms of their engagement call for or the board requires of them.

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

- (a) the officer's successor being appointed,
- (b) the officer's resignation,
- (c) such officer ceasing to be a director (if a necessary qualification of this appointment) or
- (d) such officer's death,

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

7.04 Remuneration of Officers

Subject to Section 4.07 of this by-law relating to remuneration of directors and compliance with the *Income Tax Act* (Canada), the remuneration of officers appointed by the board of directors shall be determined from time to time by resolution of the board of directors. All officers shall be entitled to be reimbursed for reasonable expenses incurred in the performance of the officer's duties.

7.05 Agents and Attorneys

Subject to the by-laws, the board may authorize any officer from time to time to appoint agents or attorneys for CARFAC in or out of Canada with such powers of management, administration or otherwise as the board considers fit.

7.06 Remuneration of Agents and Employees

The remuneration of agents, employees and committee members shall, subject to the other provisions of this by-law, be fixed by the board of directors by resolution provided that the board of directors may delegate this function to an officer or officers of CARFAC.

SECTION VIII - PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

8.01 Limitation of Liability

Except as otherwise provided in the Act, no director or officer for the time being of CARFAC shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee or for any loss, damage or expense happening to CARFAC through the insufficiency or deficiency of title to any property acquired by CARFAC or for or on behalf of CARFAC or for the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to CARFAC shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person including any person with whom or which any moneys, securities or effects shall be lodged or deposited or for any loss, conversion, misapplication or misappropriation of or

any damage resulting from any dealings with any moneys, securities or other assets belonging to CARFAC or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of the director's or officer's respective office or trust or in relation thereto unless the same shall happen by or through the director's or officer's own willful neglect or default.

8.02 Indemnity of Directors and Officers

Subject to the Act, CARFAC may indemnify a director or officer of CARFAC, a former director or officer of CARFAC or another individual who acts or acted at CARFAC's request as a director or officer or in a similar capacity of another entity, and such person's heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by such person in respect of any civil, criminal, administrative or investigative action or other proceeding in which the individual is involved because of that association with CARFAC or other entity if,

- (a) He/she/they acted honestly and in good faith with a view to the best interests of CARFAC or, as the case may be, to the best interests of the other entity for which the individual acted as director or officer or in a similar capacity at CARFAC's request; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he/she/they had reasonable grounds for believing that his/her/their conduct was lawful.

CARFAC may indemnify such person in all such other matters, actions, proceedings and circumstances as may be permitted by the Act or the law. Nothing in this by-law shall limit the right of any person entitled to indemnity to claim indemnity apart from the provisions of this by-law.

8.03 Insurance

CARFAC may purchase and maintain insurance for the benefit of any person entitled to be indemnified by CARFAC pursuant to the immediately preceding section.

SECTION IX - CARFAC AFFILIATES

9.01 Approval of CARFAC Affiliate

The board of directors may, by resolution, approve the establishment of new or existing entities as CARFAC Affiliates. Within thirty (30) days of receiving notice of approval as a CARFAC Affiliate, the CARFAC Affiliate will enter into an Affiliation Agreement with CARFAC in the form required by the board of directors of CARFAC and upon execution of the Agreement, the CARFAC Affiliate will be entitled to all of the rights and privileges of CARFAC Affiliates described in these by-laws and in the Affiliation Agreement. As of the date of enactment of this by-law, the following are recognized as CARFAC Affiliates:

CARFAC BC
Visual Arts Alberta - CARFAC
CARFAC Saskatchewan

CARFAC Manitoba
CARFAC Ontario
RAAV – le Regroupement des Artistes en arts visuels du Québec
VANL-CARFAC (Visual Arts Newfoundland and Labrador)
CARFAC Maritimes (New Brunswick, Nova Scotia, Prince Edward Island)

9.02 Name of CARFAC Affiliates

Each CARFAC Affiliate will be known as “CARFAC – [NAME OF PROVINCE OR TERRITORY]” or another name approved by the board of directors of CARFAC.

9.03 Responsibilities of CARFAC Affiliates

Subject to its incorporating legislation, each CARFAC Affiliate will conform with this Section IX of the by-laws and the purposes contained in the articles of CARFAC, any Affiliate Regulations approved from time to time by the board of CARFAC, the Affiliation Agreement and any trade-mark or other policies established by CARFAC. In addition, each CARFAC Affiliate will comply with the following:

- (a) supply membership lists to CARFAC in a form required by CARFAC and at such intervals as CARFAC may require;
- (b) ensure that all members of the CARFAC Affiliate meet the definition of professional visual artist set forth in Section 2.02;
- (c) conduct all programs and meetings in a fair and open manner,
- (d) provide CARFAC with its current by-laws, articles or constitution (as the case may be) including any amendments thereto;
- (e) utilize program materials developed by CARFAC where appropriate;
- (f) provide written reports to the president on an annual or more frequent basis (as the President may require), including such information as may be directed;
- (g) in carrying out its programs, comply with all applicable laws and regulations.

9.04 CARFAC Affiliate Affairs

Subject to its incorporating legislation, a CARFAC Affiliate may engage in activities and adopt rules, regulations and policies for the management of its affairs which are not inconsistent with its obligations under this Section IX of the by-laws, the purposes contained in the articles or the Affiliation Agreement. However, nothing herein shall be construed as giving to CARFAC Affiliate, the power and authority to represent or act on behalf of CARFAC National in any manner or thing, except with the approval of the Board of CARFAC National.

9.05 Termination of CARFAC Affiliate

The status of a CARFAC Affiliate as an affiliate of CARFAC may be terminated in accordance with the terms of the Affiliation Agreement with CARFAC or in the event that a CARFAC Affiliate fails to execute an Affiliation Agreement with CARFAC within thirty (30) days of a request to so do by CARFAC. A CARFAC Affiliate may also dissolve

according to the provisions of its incorporating legislation and shall provide immediate notice to CARFAC's President or Vice-President regarding any such intended dissolution.

Upon termination of a CARFAC Affiliate's status as such, the CARFAC Affiliate will comply with the provisions contained in the Affiliation Agreement and any Affiliate Regulations, as well as the following directives:

- (a) all usage of the name "CARFAC" and CARFAC trade-marks shall immediately cease;
- (b) the CARFAC Affiliate shall return all materials which have been provided by CARFAC;
- (c) the CARFAC Affiliate shall destroy all letterhead and other similar material on which its name and recognition as a CARFAC Affiliate appears;
- (d) the CARFAC Affiliate shall immediately comply with all financial and other directives provided by the head office of CARFAC, including provision of membership information and financial information regarding the affairs of the CARFAC Affiliate to the head office of CARFAC National.

SECTION X - NOTICES

10.01 Method of Giving Notices

Any notice, communication or other document required to be given by CARFAC to a member, director, officer, or auditor of CARFAC pursuant to the Act, the articles or by-laws or otherwise shall be sufficiently given to such person if:

- (a) delivered personally, in which case it shall be deemed to have been given when so delivered;
- (b) delivered to such person's recorded address by courier or other similar means, in which case it shall be deemed to have been given when so delivered;
- (c) mailed to such person at their recorded address by prepaid ordinary mail, in which case it shall be deemed to have been given on the fifth day after it is deposited in a post office or public letter box; or
- (d) to such person by electronic means such as e-mail or facsimile, in which case it shall be deemed to have been given when it is so transmitted without subsequent error notification,

at such person's latest address as shown in the records of CARFAC and to the auditor at its business address, or if no address be given therein then to the last address of such member or director known to the Secretary.

10.02 Computation of Time

Where a given number of days' notice or notice extending over a period is required to be given under the by-laws, the day of service, posting or other delivery of the notice shall not, unless it is otherwise provided, be counted in such number of days or other period.

10.03 Omissions and Errors

The accidental omission to give any notice to any member, director, officer, member of a committee of the board or auditor, or the non-receipt of any notice by any such person 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.

10.04 Waiver of Notice

Any member, proxyholder, director, officer, member of a committee of the board or auditor may waive or abridge the time for any notice required to be given to such person, and such waiver or abridgement, whether given before or after the meeting or other event of which notice is required to be given shall cure any default in the giving or in the time of such notice, as the case may be. Any such waiver or abridgement shall be in writing except a waiver of notice of a meeting of members or of the board or of a committee of the board, which may be given in any manner.

SECTION XI - RULES AND REGULATIONS

11.01 Rules and Regulations

The board of directors may prescribe such rules and regulations not inconsistent with the by-laws relating to the management and operation of CARFAC and other matters provided for in this by-law as they may deem expedient, provided that such rules and regulations shall have force and effect only until the next annual meeting of the members of CARFAC when they shall be confirmed and in default of confirmation at such annual meeting of members shall at and from that time cease to have force and effect.

SECTION XII - GENERAL

12.01 Registered Office

The head office of CARFAC shall be in the City of Ottawa, in the Province of Ontario subject to change by special resolution of at least 2/3 of the votes cast at a special meeting of members.

12.02 Corporate Seal

The seal, an impression of which is stamped in the margin hereof shall be the seal of CARFAC.

12.03 Fiscal Year

The fiscal year of CARFAC shall be March 31 in each year or on such other date as the board may determine by resolution.

12.04 Execution of Documents

Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by CARFAC may be signed by any two (2) of its officers and/or authorized representatives. Notwithstanding the foregoing, 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 thereto.

12.05 Official Records

All members of CARFAC have a right of access to the financial statements of CARFAC, which shall be provided to such voting members upon reasonable notice to CARFAC.

12.06 Banking

The banking business of CARFAC 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 thereof shall be transacted by an officer or officers of CARFAC and/or other persons as the board of directors may by resolution from time to time designate, direct or authorize.

12.07 Auditors

The members shall at each annual meeting appoint an auditor to audit the accounts of CARFAC for report to members who shall hold office until the next following annual meeting; provided, however, that the directors may fill any casual vacancy in the office of the auditor. The remuneration of the auditor shall be fixed by the board of directors.

12.08 Bilingualism

CARFAC recognizes the official status of the two official languages of Canada and the full participation of the two official language communities.

12.09 Rules of Parliamentary Procedure

Meetings of the directors and members of CARFAC shall be conducted according to *Roberts Rules of Order, Newly Revised*.

12.10 Interpretation

In the interpretation of this by-law, unless the context otherwise requires, the following rules shall apply:

- (a) except where specifically defined herein, all terms contained herein and which are defined in the Act shall have the meanings given to such terms in the Act;

- (b) words importing the singular number only shall include the plural and *vice versa*; the word “person” shall include an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, and a natural person in his capacity as trustee, executor, administrator, or other legal representative; and
- (c) the headings used in the by-laws are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions thereof or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions.

SECTION XIII - BY-LAWS

13.01 By-laws

The board of directors may from time to time enact by-laws relating in any way to CARFAC or to the conduct of its affairs, including, but not limited to, by-laws providing for applications to amend the articles, and may from time to time by by-law amend, repeal or re-enact the by-laws but no by-law shall be effective until sanctioned by at least two-thirds (2/3) of the votes cast at a meeting of the members duly called for the purpose of considering same.

ENACTED this ____ day of _____, 2018.

President

Secretary