

SOCIETIES ACT

BYLAWS

The name of the Society is

ALBERTA DAIRY COUNCIL

BYLAWS 2012

PART 1 – INTERPRETATION

1. (1) In these Bylaws, unless the context otherwise requires,
 - (a) "Associate Member" means a member of the Society as defined in Bylaw 4(2) and includes but is not limited to suppliers of goods and services to the dairy processing industry in Alberta;
 - (b) "Directors" means the Directors of the Society for the time being;
 - (c) "Industry Member" means a member of the Society as defined in Bylaw 4(1) and includes processors as defined in the *Dairy Industry Act* (RSA 2000, Chapter D2);
 - (d) "Member" includes an Industry Member and an Associate Member;
 - (e) "Representative" means an individual who represents an Industry Member as defined in Section 1(1)(c) or an Associate Member as defined in Section 1(1)(a);
 - (f) "*Societies Act*" means the *Societies Act* of the Province of Alberta from time to time in force and all amendments to it;
 - (g) "Registered address" of a member means his address as recorded in the register of members.
- (2) The definitions in the *Societies Act* on the date these Bylaws become effective apply to these Bylaws.
2. Words importing the singular include the plural and vice versa; and words importing a male person include a female person and a corporation.

PART 2 – MEMBERSHIP

3. The members of the Society are the applicants for incorporation of the Society, and those persons who subsequently have become members, in accordance with these Bylaws and, in either case, have not ceased to be members.
4. There shall be two classes of membership:

(1) Industry Members. The Society shall have Industry Members who shall have all the rights and privileges of members of the Society. A person may apply to the Directors for industry membership in the Society and on acceptance by the Directors shall be an Industry Member. Industry Members of the Society must, in the opinion of the Directors, be included in one or more of the following groups:

- (a) processors as defined under the *Dairy Industry Act* (RSA 2000, Chapter D-2) ("processors") which the Directors determine are related to the purposes of the Society;
- (b) distributors, brokers and sales agents representing processors which the Directors determine are related to the purposes of the Society;
- (c) such other companies which the Directors determine are related to the purposes of the Society and are appropriate for industry membership.

(2) Associate Members. The Society may have Associate Members who shall have such rights and privileges as the Directors establish by resolution, but who shall have no right to vote. A person may apply to the Directors for Associate membership in the Society and on acceptance by the Directors shall be an Associate Member.

The number of Representatives who may represent a single Industry Member shall be determined by the Directors from time-to-time. The number of Representatives who may represent a single Associate Member shall be limited to one.

The number of Associate Members must not exceed the number of Industry Members.

- 5. Every member shall uphold and comply with these Bylaws.
- 6. The amount of the annual membership dues shall be determined by the Directors from time to time.
- 7. A person shall cease to be a member of the Society
 - (1) by delivering his resignation in writing to the Secretary of the Society or by mailing or delivering it to the address of the Society;
 - (2) on his death or in the case of a corporation on dissolution;
 - (3) on being expelled; or
 - (4) on having been a member not in good standing for 12 consecutive months.
- 8. (1) A member may be suspended by unanimous agreement of the Directors or expelled by a special resolution of the members passed at a general meeting in the event of
 - (a) conduct unbecoming a member of the Society;
 - (b) failure to uphold and abide by these Bylaws; or
 - (c) real or apparent conflict of interest with the purpose and objects of the Society.

(2) The notice of special resolution for expulsion shall be accompanied by a brief statement of the reason or reasons for the proposed expulsion.

(3) The person who is the subject of the proposed resolution for expulsion shall be given an opportunity to be heard at the general meeting before the special resolution is put to a vote.

9. All members are in good standing except a member who has failed to pay his current annual membership fee or any other subscription or debt due and owing by him to the Society and he is not in good standing so long as the debt remains unpaid.

10. Any member shall be entitled to inspect the society's financial statements and/or minute book by providing 7 days' written notice to the office of the society, provided however that the records under inspection do not contain proprietary or commercially competitive information. Unless otherwise agreed to by the Chair, such inspection shall take place at the society's designated office.

PART 3 - MEETINGS OF MEMBERS

11. General meetings of the Society shall be held at the time and place, in accordance with the *Societies Act*, that the Directors decide.

12. Every general meeting, other than an annual general meeting, is an extraordinary general meeting.

13. The Directors may, when they think fit, convene an extraordinary general meeting.

14. (1) Notice of a general meeting shall specify the place, day and hour of meeting, and, in case of special business, the general nature of that business.

(2) The accidental omission to give notice of a meeting to, or the non-receipt of a notice by, any of the members entitled to receive notice does not invalidate proceedings at that meeting.

(3) Notice of a general meeting shall be provided in written form. Electronic written notices shall be considered proper notification.

15. The first annual general meeting of the Society shall be held not more than 15 months after the date of incorporation and after that an annual general meeting shall be held at least once in every calendar year and not more than 15 months after the holding of the preceding annual general meeting.

(1) Members shall receive no fewer than 21 days' notice of an Annual General Meeting. Notification by electronic mail shall be considered proper notification.

PART 4 - PROCEEDINGS AT GENERAL MEETINGS

16. Special business is

(1) all business at an extraordinary general meeting except the adoption of rules of order; and

(2) all business transacted at an annual general meeting, except,

(a) the adoption of rules of order;

(b) the consideration of the financial statements;

- (c) the report of the Directors;
- (d) the report of the auditor, if any;
- (e) the election of Directors;
- (f) the appointment of the auditor, if required; and
- (g) the other business that, under these Bylaws, ought to be transacted at an annual general meeting, or business which is brought under consideration by the report of the Directors issued with the notice convening the meeting.

17. (1) No business, other than the election of a chair and the adjournment or termination of the meeting, shall be conducted at a general meeting at a time when a quorum is not present.

(2) If at any time during a general meeting there ceases to be a quorum present, business then in progress shall be suspended until there is a quorum present or until the meeting is adjourned or terminated.

(3) Forty percent (40%) of the members entitled to vote shall constitute a quorum at a meeting of members.

18. If within 30 minutes from the time appointed for a general meeting a quorum is not present, the meeting, if convened on the requisition of members, shall be terminated; but in any other case, it shall stand adjourned to the same day in the next week, at the same time and place, and if, at the adjourned meeting, a quorum is not present within 30 minutes from the time appointed for the meeting, the members present constitute a quorum.

19. Subject to Bylaw 20, the Chair of the Society, the Vice-Chair or in the absence of both, one of the other Directors present, shall preside as chair of a general meeting.

20. If at a general meeting

(1) there is no Chair, Vice-Chair or other Director present within 15 minutes after the time appointed for holding the meeting; or

(2) the Chair and all the other Directors present are unwilling to act as chair; the members present shall choose one of their number to be chair.

21. (1) A general meeting may be adjourned from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(2) When a meeting is adjourned for ten days or more, notice of the adjourned meeting shall be given as in the case of the original meeting.

(3) Except as provided in this Bylaw, it is not necessary to give notice of an adjournment or of the business to be transacted at an adjourned general meeting.

22. (1) The chair of a meeting may move or propose a resolution.

- (2) Resolutions of members other than ordinary or special resolutions as specifically required under the *Societies Act* must be passed by a majority of not less than 66 2/3% of the votes cast at a meeting.
23. (1) An Industry Member in good standing present at a meeting of members is entitled to one vote.
- (2) Voting is by show of hands or, in the event of a meeting conducted wholly or partially by teleconference, by verbal indication on the part of members participating by teleconference.
- (3) An Industry Member, being a corporation, may appoint a proxy holder and may also appoint a representative to act for it by delivering to the Society a copy of a resolution of its directors naming a person as its representative. Such representative, subject to any restrictions contained in the resolution, will be entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if it were an individual member.
- (4) A form of proxy will be in writing either under the seal of the corporation or under the hand of a duly authorized officer or representative of the corporation.
- (5) Unless otherwise provided by the Directors, a form of proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof will be deposited at the registered office of the Society or at such other place as is specified for that purpose in the notice convening the meeting, not less than 48 hours, excluding Saturdays and holidays, before the time of the meeting.
- (6) Except as otherwise provided by law or these Bylaws, a proxy may be in any form the Directors or the Chair of the meeting approve.
- (7) A permanent proxy or proxy entitling a person or member to vote at other than one meeting and any adjournment is void.
24. A corporate member may exercise its rights and privileges through its authorized representative, who shall be reckoned as a member for all purposes with respect to a meeting of the Society.

PART 5 - DIRECTORS AND OFFICERS

25. (1) The Directors may exercise all the powers and do all the acts and things that the Society may exercise and do, and which are not by these Bylaws or by statute or otherwise lawfully directed or required to be exercised or done by the Society in general meeting, but subject, nevertheless, to
- (a) all laws affecting the Society;
 - (b) these Bylaws; and
 - (c) rules, not being inconsistent with these Bylaws, which are made from time to time by the Society in general meeting.
- (2) No rule, made by the Society in general meeting, invalidates a prior act of the Directors that would have been valid if that rule had not been made.

26. (1) The Chair, Vice-Chair, Secretary and Treasurer shall be Directors of the Society.
- (2) The number of Directors shall be five or a greater number determined from time to time at a general meeting, but in any event shall not exceed eleven.
- (3) The Chair, Vice-Chair, Secretary and Treasurer, being Directors of the Society, shall be elected or re-elected to their respective positions at each annual general meeting.
27. Except as set out below, all Directors shall be elected for a term of two (2) years, commencing at the annual meeting at which the election of such individuals is to be effective, provided that the first four (4) Directors are to be appointed as follows:
- (1) two (2) of the Directors shall be appointed for a term of one (1) year;
- (2) two (2) of the Directors shall be appointed for a term of two (2) years,
- and all other subsequent Directors' terms shall be two (2) years except where a Director resigns prior to the expiry of his or her term in which case the term of a new director, will be for the balance of the resigning director's term.
28. (1) The Directors shall retire from office at the annual general meeting when their successors shall be elected.
- (2) Separate elections shall be held for each office to be filled.
- (3) An election may be by acclamation; otherwise it shall be by ballot.
- (4) If no successor is elected the person previously elected or appointed continues to hold office.
29. (1) The Directors may remove from office a Director who has ceased to be active in the dairy processing industry in Alberta or has failed to attend two (2) consecutive Directors' meetings.
- (2) The Directors may at any time and from time to time appoint a member as a Director to fill a vacancy in the Directors.
- (3) A Director so appointed holds office only until the conclusion of the next following annual general meeting of the Society, but is eligible for re-election at the meeting.
30. (1) If a Director resigns his office or otherwise ceases to hold office, the remaining Directors shall appoint a member to take the place of the former Director.
- (2) No act or proceeding of the Directors is invalid only by reason of there being less than the prescribed number of Directors in office.
31. The members may by special resolution remove a Director before the expiration of his term of office, and may elect a successor to complete the term of office.
32. No Director shall be remunerated for being or acting as a Director. The Directors may reimburse a Director for expenses necessarily and reasonably incurred by him while engaged in the affairs of the Society subject to approval by the Chair.

PART 6 - PROCEEDINGS OF DIRECTORS

33. (1) The Directors may meet together at the places they think fit to dispatch business, adjourn and otherwise regulate their meetings and proceedings, as they see fit.
- (2) The Directors may from time to time fix the quorum necessary to transact business, and unless so fixed the quorum shall be a majority of the Directors then in office.
- (3) The Chair shall be chair of all meetings of the directors, but if at a meeting the Chair is not present within 30 minutes after the time appointed for holding the meeting, the Vice-Chair shall act as chair; but if neither is present the Directors present may choose one of their number to be chair at that meeting.
- (4) A Director may at any time, and the Secretary, on the request of a Director, shall, convene a meeting of the Directors.
34. (1) The Directors may delegate any, but not all, of their powers to committees consisting of the Director or Directors as they think fit.
- (2) A committee so formed in the exercise of the powers so delegated shall conform to any rules imposed on it by the Directors, and shall report every act or thing done in exercise of those powers to the earliest meeting of the Directors to be held next after it has been done.
- (3) The Directors shall designate an Audit Committee and a Governance Committee as Standing Committees.
35. A committee shall elect a chair of its meetings; but if no chair is elected, or if at a meeting the chair is not present within 30 minutes after the time appointed for holding the meeting, the Directors present who are members of the committee shall choose one of their number to be chair of the meeting.
36. The members of a committee may meet and adjourn as they think proper.
37. For a first meeting of Directors held immediately following the appointment or election of a Director or Directors at an annual or other general meeting of members, or for a meeting of the Directors at which a Director is appointed to fill a vacancy in the Directors, it is not necessary to give notice of the meeting to the newly elected or appointed Director or Directors for the meeting to be constituted, if a quorum of the Directors is present.
38. A meeting of the Directors, or any committee thereof, may be held in any of the following ways:
- (1) all of the participants meeting in person;
- (2) some of the participants meeting in person and other communicating with them, by telephone or other means of communication, so that each participant can hear each of the others; or
- (3) all of the participants communicating with each other, by telephone or other means of communication, so that each participant can hear each of the others.

A Director who participates in a meeting by any of these means must be counted as present at the meeting.

39. A Director who may be absent temporarily from Alberta may send or deliver to the address of the Society a waiver of notice, which may be by letter, telegram, telex or cable, of any meeting of the Directors and may at any time withdraw the waiver, and until the waiver is withdrawn,

- (1) no notice of meeting of Directors shall be sent to that Director; and
- (2) any and all meetings of the Directors of the Society, notice of which has not been given to that Director shall, if a quorum of the Directors is present, be valid and effective.

40. (1) Questions arising at a meeting of the Directors and committee of Directors shall be decided by a majority of votes.

- (2) In case of an equality of votes the chair has a second or casting vote.

41. The chair of a meeting may move or propose a resolution.

42. A resolution in writing, signed by all the Directors and placed with the minutes of the Directors is as valid and effective as if regularly passed at a meeting of Directors.

PART 7 - DUTIES OF OFFICERS

43. (1) The Chair shall preside at all meetings of the Society and of the Directors.

- (2) The Chair is the Chief Executive Officer of the Society and shall supervise the other officers in the execution of their duties.

44. The Vice-Chair shall carry out the duties of the Chair during his absence.

45. The Secretary shall

- (1) conduct the correspondence of the Society;
- (2) issue notices of meetings of the Society and Directors;
- (3) keep minutes of all meetings of the Society and Directors;
- (4) have custody of all records and documents of the Society except those required to be kept by the Treasurer;
- (5) have custody of the common seal of the Society; and
- (6) maintain the register of members.

46. The Treasurer shall

- (1) keep the financial records, including books of account, necessary to comply with the *Society Act*; and
- (2) render financial statements to the Directors, members and others when required.

47. (1) The offices of Secretary and Treasurer may be held by one person who shall be known as the Secretary-Treasurer.

(2) When a Secretary-Treasurer holds office the total number of Directors shall not be less than four (4) or the greater number that may have been determined pursuant to Bylaw 25(2).

48. In the absence of the Secretary from a meeting, the Directors shall appoint another person to act as Secretary at that meeting.

49. The Board of Directors may appoint or employ an Executive Director.

(1) The duties of the Executive Director shall be as defined by the Board of Directors and updated from time-to-time.

(2) The Executive Director shall serve as a non-voting member of the Board of Directors.

50. The Board of Directors may appoint or employ an Executive Secretary-Treasurer.

(1) The duties of the Executive Secretary Treasurer shall be as defined by the Board of Directors and updated from time-to-time.

(2) The Executive Secretary-Treasurer shall serve as a non-voting member of the Board of Directors.

51. The compensation of the Executive Director and the Executive Secretary-Treasurer, as applicable, shall be fixed by the Board of Directors from time-to-time.

PART 8 - INDEMNITY AND INSURANCE

52. Subject to the provisions of the *Societies Act* and the approval of the court, the Society shall indemnify and save harmless a director or former director of the Society or a director or former director of a subsidiary, and his or her heirs and personal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, actually and reasonably incurred by him or her, in a civil, criminal or administrative action or proceeding to which he or she is made a party because of being or having been a director, including an action brought by the society or subsidiary, if he or she acted honestly and in good faith with a view to the best interests of the society or subsidiary of which he or she is or was a director, and in the case of a criminal or administrative action or proceeding, he or she had reasonable grounds for believing his or her conduct was lawful.

53. The Society shall at all times maintain in force such directors' liability insurance as may be approved by the Directors. The directors may cause the Society to purchase and maintain insurance for the benefit of any person who is or was serving as a director, officer, or agent of the Society and his heirs or personal representatives against any liability incurred by him as such director, officer or agent.

PART 9 - SEAL/EXECUTION OF DOCUMENTS

54. The Directors may provide a common seal for the Society and may destroy a seal and substitute a new seal in its place.

55. (1) Any documents may be validly executed on behalf of the Society without affixation of the seal provided such execution is effected by the Chair and at least one other Director, or as otherwise authorized by resolution of the Directors.

(2) The common seal shall be affixed only when authorized by a resolution of the Directors and then only in the presence of the persons prescribed in the resolution, or if no persons are prescribed, in the presence of the Chair and one other Director.

PART 10 - BORROWING

56. In order to carry out the purposes of the Society the Directors may, on behalf of and in the name of the Society, raise or secure the payment or repayment of money in the manner they decide, and, in particular but without limiting the foregoing, by the issue of debentures.

57. No debenture shall be issued without the sanction of a special resolution.

58. The members may by special resolution restrict the borrowing powers of the Directors, but a restriction imposed expires at the next annual general meeting.

PART 11 - AUDITOR

59. This Part applies only where the Society is required or has resolved to have an auditor.

The first auditor shall be appointed by the Directors who shall also fill all vacancies occurring in the office of the auditor.

61. At each annual general meeting the Society shall appoint an auditor to hold office until he is re-elected or his successor is elected at the next annual general meeting.

62. An auditor may be removed by ordinary resolution.

63. An auditor shall be promptly informed in writing of appointment or removal.

64. No Director and no employee of the Society shall be auditor.

65. The auditor may attend general meetings.

66. The books, accounts and records of the Secretary and Treasurer shall be audited at least once each year by a duly qualified accountant or by two members of the society elected for that purpose at the Annual General Meeting.

PART 12 - NOTICES TO MEMBERS

67. A notice may be given to a member, either personally, by electronic message, or by mail to him at his registered address.

68. A notice sent by mail shall be deemed to have been given on the second day following that on which the notice is posted, and in proving that notice has been given it is sufficient to prove the notice was properly addressed and put in a Canadian post office receptacle. A notice sent by electronic mail shall be deemed to have been given on the day on which the notice is posted, proof of which may be verified by the electronic date stamp attached to the message.

69. (1) Notice of a general meeting shall be given to
- (a) every member entitled to vote at such meeting as shown on the register of members on the day notice is given; and
 - (b) the auditor, if Part 11 applies.
- (2) No other person is entitled to receive a notice of general meeting.

PART 13 - BYLAWS

70. On being admitted to membership, each member is entitled to and the Society shall give him, without charge, a copy of the Bylaws of the Society.

71. These Bylaws shall not be altered or added to except by special resolution.