

BY-LAWS AND CONSTITUTIONS OF LIVESTOCK MARKETING ASSOCIATION OF CANADA

CONDITIONS OF MEMBERSHIP

1. Provincial or territorial Livestock Marketing Associations may affiliate with this association upon establishing, to the satisfaction of the Board of Directors, that it is bona fide engaged in carrying out the object of the Livestock Marketing Association of Canada. The provincial or territorial livestock marketing association shall be known as a Constituent Member.
2. All members of the constituent member's organization will be considered members of Livestock Marketing Association of Canada.
3. Any livestock market, order buying firm, or individual that is not a member in good standing of their provincial or constituent member organization may not be a voting member of Livestock Marketing Association of Canada. In the event that there is no constituent member organization in their immediate area, they may apply in writing for associate member status under the by-laws.
 - A. Any Constituent Member may withdraw from the Livestock Marketing Association of Canada by delivering to the Association a written resignation.
 - B. A Constituent Member shall be terminated for failing to pay any annual membership or levy.
4. Any person, firm or corporation which either owns or operates an auction and/or holds a valid livestock dealer's or agents license in the Dominion of Canada shall be eligible for membership upon a favourable vote of the members of the Association and upon paying the membership fee. In the event that the livestock marketing company proposed is owned by more than one person or by a corporation, the membership shall be issued in the name of the partnership, firm or corporation. That membership shall be entitled to one vote. If the partnership, firm or corporation that operates out of more than one location or has more than one auction market or livestock marketing centre, then separate memberships may be requested for each of the individual markets, marketing centres or locations. These separate memberships would be subject to separate membership fees.

5. Dealer's agents and employees of livestock marketing firms, as well as other industry personnel, shall be eligible for Associate membership in the Association upon a favourable majority vote of the membership of the Association, and upon paying an Associate membership fee. Associate members do not hold any voting privileges; however they may participate in Association functions and be included on Association mailing lists, as well as gain all of the benefits of an Association member.
6. The annual membership fee, from time to time, shall be set at any annual general meeting and passed by a majority of the members present. Supplementary dues or levies shall be fixed in a similar manner.
7. Proxy votes will not be allowed at general meetings.
8. If any member is in arrears of dues or levies or annual membership fees for a period of six months, that member shall stand automatically suspended and shall thereafter be entitled to no membership privileges or powers in the Association; any member so suspended shall be eligible for further membership upon a favourable majority vote of the members of the Association, and upon payment of such assessment as may then be determined.
9. Any member shall be liable to be expelled from the Association for reasonable cause upon a two-thirds vote of all members of the Board of Directors.

BOARD OF DIRECTORS

1. The property and the business of the Association shall be managed by a board, consisting of one director elected or appointed by each Constituent Member in good standing. If the Constituent Member's delegate is elected as president of this association; the Constituent Member delegate a second person to the board of directors. The remainder of the board will consist of the past president and five (5) directors-at-large, to be elected at the annual meeting by the majority of the members present. Directors-at-large must be members of good standing of a constituent member's organization. Nominees will be presented to the annual meeting by nominations from the membership and additional nominees can be presented from the floor at that time. If there are insufficient nominations from the floor, the Board of Directors may appoint members to fill the remaining positions on the Board.

2. All directors shall be elected or appointed for a two (2) year term.

3. The office of a director will automatically be vacated:
 - A. If a director resigns his office.

 - B. At a meeting of the Board of Directors, a resolution is passed by three quarters (3/4) of the board members present, that said board member be removed from office.

4. The Board of Directors may meet together for the dispatch of business, adjourn, and otherwise regulate their meetings and proceedings as they see fit, but shall meet in person at least twice in each year. A majority of the directors shall constitute a quorum for the transaction of business.

5. The board may, from time to time, appoint such other members as officers as they deem expedient.

6. The Administrator, on the direction and request of two (2) directors, may call a meeting of the Board of Directors. Otherwise, the president or vice-president may formally call said meetings.

7. A meeting of the Board of Directors, at which a quorum is present, shall be competent to exercise all or any of the authorities, powers and discretion, by or under the by-laws for the time being, vested in or exercisable by the said board.

DUTIES OF THE DIRECTORS

1. The directors of the association shall include a president, a first vice-president, a past president, an Administrator, and such other directors as the Board of Directors may by by-law determine.

2. The president and vice-president shall hold office for two (2) years, and until their successors are elected or appointed in their stead, and shall not serve in any one capacity for more than four (4) consecutive years. A member that has served as President must wait minimum of 5 years from the conclusion of their term before they are considered eligible to run for re-election as President. However they are allowed to serve as a Director at Large or a

Constituent appointment to the board anytime after their current term has expired.

3. The Past President will serve on the Board of Directors for one year after their term of President has expired.
4. The Administrator and two (2) directors not nominated for office shall be appointed by the Board of Directors as scrutineers for the election of officers. The President may appoint other scrutineers if necessary.

PRESIDENT

The president shall preside over the meetings of the Board of Directors and the Association, and shall be the general executive officer thereof and perform such other duties as may from time to time be directed by the board. The president shall have the general and active management of the business of the Association. The president shall see that all orders and resolutions of the board are carried into effect, and the president or the vice-president, with the secretary-treasurer or other officer appointed by the board for the purpose, shall sign all by-laws and other documents requiring the signatures of the officers of the Association. Where as the President is a Constituent Member delegate or a director at large, and for whatever reason is not re-elected to the Board, he/she will remain the President until the end of their term.

VICE-PRESIDENT

The first vice-president shall, in the absence or disability of the president, perform the duties and exercise the power of the president and shall perform such other duties as shall from time to time be imposed upon the vice-president by the board; in the absence or disability of the first vice-president, the Board upon a majority vote will appoint a Board member to carry out the duties as required.

THE EXECUTIVE ADMINISTRATOR

The Executive Administrator shall be appointed by the Board of Directors and shall be the clerk of the Board of Directors, and shall record minutes of all meetings, direct notices, and shall perform such other duties as directed by the Board of Directors, including the custody of records, membership lists and correspondence. The Executive Administrator shall receive, deposit, and make disbursements of all monies of the

Association. The Executive Administrator will follow the guidelines included in the Finance section of the By-Laws when making disbursements on behalf of LMAC. The Executive Administrator shall have custody of all bank records and shall maintain books of the account.

SPECIAL COMMITTEES

The Board of Directors may delegate any or all of their powers to committees consisting of one or more members of the Association. If deemed necessary by the Board of Directors, associate members may be given special voting privileges, allowing them to be appointed to committees of the Association. Any act or thing done by such committee in pursuance of the authority delegated by the board shall be valid and binding as if done by the board.

FINANCES

1. The directors shall not be entitled to any remuneration for their services as such, but may be reimbursed any approved expenses under the LMAC travel and expense policy. The LMAC travel and expense policy will be reviewed on an annual basis by the Board of Directors, changes to the policy will be recommended by the Board to the membership at the Annual Meeting. Changes will be approved by a majority vote of eligible members at the Annual Meeting.
2. For the purpose of carrying out its objectives, the secretary may borrow money only upon the express resolution of the Board of Directors.
3. The Executive Administrator has authority to make individual payments on behalf of LMAC up to a maximum of \$3000.00. All cheques over \$3,000.00 must have the approval of the President or in their absence the Vice President.
4. All money shall be paid to the secretary and shall be deposited in a chartered bank authorized to receive deposits and shall be withdrawn by cheque or debit card.

5. Financial statements of the Association shall be prepared at least twice a year and presented to the Finance Committee and Board of Directors for review.
6. Upon the dissolution of the Association, and after the payment of all debts and liabilities, the remaining property of the Association shall be distributed or disposed of as directed by the board, in such a way that there is benefit to the livestock industry.
7. The financial year of the Association shall end December 31.

GENERAL MEETINGS

1. A general meeting of the Association to be called the "Annual Meeting" shall be held once in a calendar year at such time and place as the Board of Directors may determine, but that same meeting must be held on or before the 31st day of July in each year.
2. Any ten (10) members in good standing may require the Board of Directors to call a special general meeting by giving said board written notice of their wish to hold such a meeting, and the business to be transacted at it, and the said board shall hold such a special general meeting within one month of the date on which it received from the ten (10) members in good standing, the request to do so.
3. Fifteen (15) members in good standing shall constitute a quorum for the Annual Meeting and any special meeting. Any meeting at which a quorum is not present within one hour of the stipulated time for such meeting may be adjourned to such time as the members in good standing who are present should see fit.
4. The business to be transacted at the Annual Meeting shall be the consideration of the written reports of the Board of Directors and its officers, the written reports of all committee chairs, the election of officers, and such special business as it may be expedient to bring before the meeting, provided that notice of such special business has been incorporated in the notice calling the special meeting.
5. Only members in good standing shall have the right to vote at Annual Meetings or special meetings or to hold office of the Association.

6. Except as herein otherwise provided, all matters in question at Annual Meetings or special meetings of the Association shall be determined by a majority vote of members in good standing, taken verbally, by show of hands, or by and open or secret ballot, all of which shall be at the discretion of the Board of Directors.
7. The Board of Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings and proceedings as they see fit, but shall meet at least twice in each year. A majority of the directors shall constitute a quorum for the transaction of business.
8. At all meetings of the Livestock Marketing Association of Canada, questions shall be determined by a majority of votes, unless otherwise specifically provided by the by-laws.
9. Notice of a meeting of the Board of Directors shall be sent to each of the directors at least twenty-one (21) days before the meeting date. The executive secretary will confirm the attendance at the meeting of each of the board members by telephone, fax or e-mail at least seven (7) days prior to the meeting. Notwithstanding the foregoing, a meeting of the Board of Directors may be held on shorter notice, or without notice, providing all directors have given their consent to the holding of the meeting. In the event that a director is unable to attend a meeting for any reason, the Constituent Member may appoint an alternate director for that meeting only.
10. The Executive Administrator will contact each of the Constituent Members by fax or e mail at least 7 days prior to the annual meeting to confirm their appointment to the Board of Directors. The Constituent Members may change their appointment at their discretion by informing the LMAC Executive Administrator of their change of appointee in writing.

MANNER OF MAKING, ALTERING AND RESCINDING BY-LAWS

The by-laws herein may be rescinded, altered or added to by any “extraordinary resolution” passed by the majority of not less than three-quarters (3/4) of such members entitled to vote as are present in person at a general meeting of which fourteen (14) days written notice specifying the intention to propose the resolution as an extraordinary resolution has been duly given.

INDEMNITY OF DIRECTORS AND OFFICERS

Every director or officer of the Association and his or her heirs, executors, administrators and assigns, from time to time and at all times, be indemnified and saved harmless out of the funds of the Association from and against:

- A. All costs, charges and expenses whatsoever which such director or officer sustains or incurs in or about any action, suit or proceedings which is brought, commenced or prosecuted against him or her, for or in respect to any act, deed, matter or thing whatsoever made, done or permitted by him or her or about the execution of his or her office.
- B. All other costs, charges and expenses which he or she sustains or incurs in or about or in relation to the affairs thereof, except such charges, costs and expenses as are occasioned by his or her willful neglect or default.