

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

CANADIAN BOOKBINDERS AND BOOK ARTISTS GUILD

("CBBAG")

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

1. Definition

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

"Act" means the Canada Not-For-Profit Corporations Act S.C. 2009, c.23 including the Regulations made pursuant to the Act, and any statute or regulations that may be substituted, as amended from time to time;

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

"board" means the board of directors of CBBAG and "director" means a member of the board;

"by-law" means this by-law and any other by-law of CBBAG as amended and which are, from time to time, in force and effect;

"meeting of members" includes an annual meeting of members or a special meeting of members; "special meeting of members" includes a meeting of any class or classes of members and a special meeting of all members entitled to vote at an annual meeting of members;

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

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

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

"special resolution" means a resolution passed by a majority of not less than two-thirds (2/3) of the votes cast on that resolution.

2. Interpretation

In the interpretation of this by-law, words in the singular include the plural and vice-versa, words in one gender include all genders, and "person" includes an individual, body corporate, partnership, trust, and unincorporated organization.

Other than as specified above, words and expressions defined in the Act have the same meanings when used in this by-law.

3. Governance

CBBAG shall be governed by a board of directors (the "board") each of whom shall be elected or appointed in accordance with this by-law.

4. Execution of Documents

Deeds, transfers, assignments, contracts, obligations, and other instruments in writing requiring execution by CBBAG may be signed by any two (2) of the President, Vice-President, Secretary, Treasurer, and such other individual as has been designated by the Board for that purpose. In addition, 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 signing officer may certify a copy of any instrument, resolution, by-law, or other document of CBBAG to be a true copy thereof.

5. Head Office

The head office of CBBAG shall be located in the City of Toronto, in the Province of Ontario. The board may establish such other offices and agencies elsewhere within Canada as it deems necessary.

6. Financial Year

The financial year end of CBBAG shall be December 31 in each year.

7. Auditor

The Members shall, at each AGM, appoint an auditor, licensed as a public accountant in Ontario, to audit the accounts of CBBAG and to hold office until the next AGM. The remuneration of the auditor shall be fixed by the board.

8. Signatures

All cheques, contracts, or other binding documents requiring the signature of CBBAG shall be signed by any two (2) of the president, vice-president, secretary, treasurer, and such other individual as has been designated by the board for that purpose.

9. Banking Arrangements

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

10. Borrowing Powers

The board has the power to open a bank account in such banks or trust companies in Canada as the board may determine; to borrow money upon the credit of CBBAG; and to limit or increase the amount to be borrowed.

11. Membership Conditions

The members of CBBAG shall be any individual, family, student, institution, or other person as determined by the board, subject to such conditions as may be prescribed by the board, and shall be eligible to be a member of CBBAG with full voting rights. Individual and student members shall have one vote per member. Family members shall have one vote per each member of the family member. Institutions shall have one vote per institution.

Pursuant to subsection 197(1) (Fundamental Change) of the Act, a special resolution of the members is required to make any amendments to this section of the by-law if those amendments affect membership rights and/or conditions described in paragraphs 197(1)(e), (h), (l) or (m).

12. 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 two (2) calendar months of the membership renewal date the members in default shall automatically cease to be members of CBBAG.

13. Termination of Membership

A membership in CBBAG is terminated when:

- the member dies or resigns;
- the member is expelled or their membership is otherwise terminated in accordance with the articles or the by-law;
- the member's term of membership expires; or
- CBBAG is liquidated and dissolved under the Act.

14. Membership Transferability

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

15. Effect of Termination of Membership

Subject to the articles, upon any termination of membership, the rights of the member, including any rights in the property of CBBAG, automatically cease to exist.

16. Regional Chapters

CBBAG is authorized to establish regional chapters. Regional chapters of CBBAG do not have voting rights and only members of regional chapters who are also members in good standing of CBBAG shall have voting rights.

17. Notice of Members' Meetings

Notice of the time and place of a meeting of members, any special meeting of members, and/or an Annual General Meeting, shall be given to each member entitled to vote at the meeting by the following means:

- by mail, courier, or personal delivery to each member entitled to vote at the meeting, during a period of 21 to 60 days before the day on which the meeting is to be held; or
- 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.

The notice shall contain:

- the date, time, and place of the meeting as determined by the board;
- the agenda;
- sufficient information to allow the members to make informed decisions at the meeting; and a reminder of the process by which voting members may vote by proxy.

Pursuant to subsection 197(1) (Fundamental Change) of the Act, a special resolution of the members is required to make any amendment to the by-law of CBBAG to change the manner of giving notice to members entitled to vote at a meeting of members.

18. Members Calling a Members' Meeting

The board of directors shall call a special meeting of members in accordance with Section 167 of the Act, on written requisition of members carrying not less than 5% of the voting rights. If the directors do not call a meeting within twenty-one (21) days of receiving the requisition, any member who signed the requisition may call the meeting.

19. Absentee Voting at Members' Meetings

Pursuant to section 171(1) (Absentee Voting) of the Act, a member entitled to vote at a meeting of members may vote by proxy by appointing in writing a proxy holder who is a member in good standing of CBBAG, to attend and act at the meeting in the manner and to the extent authorized by the proxy and with the authority conferred by it subject to the following requirements:

- a proxy is valid only at the meeting in respect of which it is given or at a continuation of that meeting after an adjournment;
- a proxy holder has the same rights as the member by whom they were appointed, including the right to speak at a meeting of members in respect of any matter, to vote by way of ballot at the meeting, to demand a ballot at the meeting and, except where a proxy holder has conflicting instructions from more than one member, to vote at the meeting by way of a show of hands

Pursuant to subsection 197(1) (Fundamental Change) of the Act, a special resolution of the members is required to make any amendment to the by-law of CBBAG to change this method of voting by members not in attendance at a meeting of members.

20. Annual General Meetings

CBBAG shall hold its Annual General Meeting (the "AGM") within six (6) months and no later than nine (9) months after the financial year end.

At the AGM the following shall occur:

- receipt of the reports and statements required by the Act;
- election of directors;
- appointment of the auditor to audit the accounts of CBBAG; and
- transaction of such other business as may properly be brought before the meeting.

21. Quorum at Meetings of Members

Twenty (20) members in good standing of CBBAG shall constitute a quorum at any AGM or special meeting of the members.

22. Voting at Meetings of Members

Each member in good standing of CBBAG shall, at all meetings of members, be entitled to one vote on each question and may vote by mail-in ballot, deposited with the secretary.

Every question shall be decided by a majority of the votes of the voting members present in person or represented by ballot, unless otherwise required by the by-law of CBBAG, or by law.

Every question shall be decided by a show of hands unless a poll is demanded by any member. A poll, if required, shall be taken in such manner as the chair shall direct. Declaration by the chair that a resolution has been carried or not, and an entry to that effect in the minutes of the meeting shall be admissible in evidence as prima facie proof of the fact, without proof of the number or proportion of the votes accorded in favour of or against the resolution. In the event of a tie vote, the chair shall have the deciding vote.

23. Number of Directors

The board shall be composed of no fewer than five (5) and no more than fifteen (15) directors, being the president, vice-president, secretary, treasurer, immediate past-president, and five (5) to ten (10) other directors. Every director shall be eighteen (18) or more years of age and shall be a member in good standing of CBBAG at the time of his or her election to the board, or within ten (10) days thereafter, and throughout his or her term of office.

24. Nominations Process

There shall be a Nominations Committee composed of the immediate past-president and from two (2) to five (5) additional members appointed by the board, at least one of which Members shall not be serving on the Board.

The immediate past-president shall be Chair of the Nominations Committee.

The Nominations Committee shall send out a call for nominations to the members no less than one hundred and twenty (120) days prior to the Annual General Meeting.

The call for nominations shall include the date of the AGM.

Nominations to the board that are received up to sixty (60) days or more prior to the Annual General Meeting shall be included with the Notice of the Meeting.

All such nominations shall be proposed and seconded in writing by members and shall be accompanied by the written consent of the nominees.

The Nominations Committee shall present to the Annual General Meeting, a slate of its nominees for all open board positions.

The secretary will, at the same time, present the list of the remaining nominees resulting from its call to the members.

Nominations will not be accepted from the floor at an AGM.

25. Term of Office of Directors

In even-numbered years, the president, vice-president, and no more than five (5) directors shall be elected at the AGM. In odd numbered years, the secretary, treasurer, and no more than five (5) directors shall be elected at the AGM.

The term of office of a director upon election is two (2) years.

26. Remuneration of Directors

Directors shall serve without remuneration, and no director shall directly or indirectly receive any profit from his or her position as such, provided that a director may be reimbursed for reasonable expenses incurred in the performance of his or her duties. A director shall not be prohibited from receiving compensation for services provided to CBBAG in another capacity.

27. Calling of Meetings of Board of Directors

Meetings of the board may be called by the chair of the board, the vice-chair of the board, or any two (2) directors at any time.

28. Notice of Meeting of Board of Directors

Directors shall be given at least one (1) week's notice of board meetings.

29. Regular Meetings Section

There shall be at least one (1) meeting of the board in each fiscal year. Meetings of the board shall be held at the call of the president and the date, time, and place of a board meeting shall be determined by the president, in his or her discretion. Upon the written request of three (3) directors, the president shall, within two (2) weeks of the request, call a meeting of the board. Five (5) directors shall constitute a quorum of the board.

30. Votes to Govern at Meetings of the Board of Directors

At all meetings of the board, every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes, the chair of the meeting in addition to an original vote shall have a second or casting vote.

31. Committees of the Board of Directors

The board may from time to time appoint any committee or other 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. Any committee member may be removed by resolution of the board of directors.

32. Appointment of Officers

The board may designate the offices of CBBAG, 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 CBBAG. A director may be appointed to any office of CBBAG. An officer may, but need not be, a director unless this by-law otherwise provides. Two or more offices may be held by the same person.

33. 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 CBBAG, if designated and if officers are appointed, shall have the following duties and powers associated with their positions:

President

The president shall chair all meetings of members and of the board and shall be ex officio a member of all committees. In the absence of the president, then the vice-president shall so chair.

In the absence of the president and the vice-president, the members present at any meeting of the members or the directors at a board meeting shall choose another director as chair and if no director is

present or if all the directors present decline to act as chair, the members present shall choose one of their number to be chair.

During the absence or inability of the president, the duties and powers of the president may be exercised by the vice-president, and failing the vice-president, by such other director as the board may from time to time appoint.

Secretary

The secretary shall give notice of and attend all meetings of the board and record all facts and minutes of all proceedings in the books kept for that purpose.

The secretary shall be the custodian of all books, papers, records, documents, and other instruments belonging to it, except when some other officer or agent has been appointed for the purpose.

Treasurer

The treasurer shall oversee the financial affairs of CBBAG.

The treasurer shall prepare and present a proposed budget to the Board for the next fiscal year of CBBAG.

The treasurer shall be responsible for full and accurate accounts of all receipts and disbursements of CBBAG in proper books of account and shall see that all moneys or other valuable effects in the name and to the credit of CBBAG shall be deposited in such bank or banks as may, from time to time, be designated by the board.

The treasurer shall disburse the funds of CBBAG under the direction of the board, taking proper vouchers thereof and shall render to the board at the regular meetings thereof or whenever required of him or her, an account of all his or her transactions as treasurer, and of the financial position of CBBAG.

The treasurer shall also perform such other duties as may from time to time be determined by the board.

The powers and duties of all other officers of CBBAG shall be such as the terms of their engagement call for or the board or president requires of them. The board may from time to time and subject to the act, vary, add to, or limit the powers and duties of any officer.

34. Vacancy in Office

The board may, by resolution, in the absence of a reasonable explanation accepted by the board, remove from office any director before the expiration of that director's term of office, where that director has refused or neglected to attend three (3) consecutive meetings of the board, and declare the directorship to be vacant, provided that:

- the director has been given at least thirty (30) days written notice of the proposed removal, setting out the nature of the allegation and giving the director an opportunity to be heard; and
- at least two-thirds (2/3) of the directors present at the meeting vote in favour of the resolution.

The members may, by resolution at a meeting of the members duly called for the purpose, in the absence of a reasonable explanation accepted by the members, remove from office any director for cause before the expiration of that director's term of office, and declare the directorship to be vacant, provided that:

- the director and the Board have been given at least thirty (30) days written notice of the proposed removal, setting out the nature of the allegation and giving the director an opportunity to be heard; and
- at least two-thirds (2/3) of the members present at the meeting vote in favour of the resolution. The members may then, by majority vote, elect any duly qualified person in the director's stead for the remainder of his or her term.

35. Executive Committee

The Executive Committee shall consist of the president, vice-president, secretary, treasurer, immediate past president, and up to two (2) additional directors appointed by the board.

The Executive Committee shall be responsible for the operation of CBBAG between board meetings.

Any resolutions made by the Executive Committee are effective only until the next meeting of the board at which time the resolution must be brought before the board to be confirmed, rejected, amended, or otherwise dealt with as the Board sees fit.

36. Protection of Directors and Officers

No Director or individual appointed under Article 3 shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or employee, or for joining in any receipt or other act for conformity, or for any loss, damage or expense happening to CBBAG through the insufficiency or deficiency of title to any property acquired by order of the Board for or on behalf of CBBAG, or for the insufficiency or deficiency of any security in or upon which any of the moneys of CBBAG shall be invested, or for any loss or damage arising from the bankruptcy, insolvency, or tortuous act of any person with whom any of the moneys, securities, or effects of CBBAG shall be deposited, or for any loss occasioned by any error of judgment or oversight on the Director's or officer's part, or for any other loss, damage, or misfortune whatever which shall happen in the execution of the duties of the Director's or officer's office or in relation thereto, unless the same shall happen through the Director's or officer's own wilful neglect or default.

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

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

37. Method of Giving Any Notice

Any notice (which term includes any communication or document), other than notice of a meeting of members or a meeting of the board of directors, to be given (which term includes sent, delivered, or served) pursuant to the Act, the articles, this by-law, or otherwise to a member, director, officer, or member of a committee of the board or to the public accountant shall be sufficiently given:

- if delivered personally to the person to whom it is to be given or if delivered to such person's address as shown in the records of CBBAG or in the case of notice to a director to the latest address as shown in the last notice that was sent by CBBAG in accordance with section 128 (Notice of directors) or 134 (Notice of change of directors);
- if mailed to such person at such person's recorded address by prepaid ordinary or air mail;
- if sent to such person by telephonic, electronic, or other communication facility at such person's recorded address for that purpose; or
- if provided in the form of an electronic document in accordance with Part 17 of the Act.

A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box; and a notice so sent by any means of transmitted or recorded communication shall be deemed to have been given when dispatched or delivered to the appropriate

communication company or agency or its representative for dispatch. The secretary may change or cause to be changed the recorded address of any member, director, officer, public accountant, or member of a committee of the board in accordance with any information believed by the secretary to be reliable. The declaration by the secretary that notice has been given pursuant to this by-law shall be sufficient and conclusive evidence of the giving of such notice. The signature of any director or officer of CBBAG to any notice or other document to be given by CBBAG may be written, stamped, type-written, or printed or partly written, stamped, type-written, or printed.

38. Invalidity of any Provisions of this By-law

The invalidity or unenforceability of any provision of this by-law shall not affect the validity or enforceability of the remaining provisions of this by-law.

39. Omissions and Errors

The accidental omission to give any notice to any member, director, officer, member of a committee of the board, or public accountant, or the non-receipt of any notice by any such person where CBBAG has provided notice in accordance with this by-law 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.

40. Mediation and Arbitration

Disputes or controversies among members, directors, officers, committee members, or volunteers of CBBAG are as much as possible to be resolved in accordance with mediation and/or arbitration as provided in the section on dispute resolution mechanism of this by-law.

41. Dispute Resolution Mechanism

In the event that a dispute or controversy among members, directors, officers, committee members, or volunteers of CBBAG arising out of or related to the articles or this by-law, or out of any aspect of the operations of CBBAG is not resolved in private meetings between the parties then without prejudice to or in any other way derogating from the rights of the members, directors, officers, committee members, employees, or volunteers of CBBAG as set out in the articles, this by-law, or the Act, and as an alternative to such person instituting a law suit or legal action, such dispute or controversy shall be settled by a process of dispute resolution as follows:

- The dispute or controversy shall first be submitted to a panel of mediators whereby the one party appoints one mediator, the other party (or if applicable the board of CBBAG) appoints one mediator, and the two mediators so appointed jointly appoint a third mediator. The three mediators will then meet with the parties in question in an attempt to mediate a resolution between the parties.
- The number of mediators may be reduced from three to one or two upon agreement of the parties.
- If the parties are not successful in resolving the dispute through mediation, then the parties agree that the dispute shall be settled by arbitration before a single arbitrator, who shall not be any one of the mediators referred to above, in accordance with the provincial or territorial legislation governing domestic arbitrations in force in the province or territory where the registered office of CBBAG is situated or as otherwise agreed upon by the parties to the dispute. The parties agree that all proceedings relating to arbitration shall be kept confidential and there shall be no disclosure of any kind. The decision of the arbitrator shall be final and binding and shall not be subject to appeal on a question of fact, law or mixed fact and law.

All costs of the mediators appointed in accordance with this section shall be borne equally by the parties to the dispute or the controversy. All costs of the arbitrators appointed in accordance with this section shall be borne by such parties as may be determined by the arbitrators.

42. Not for Profit Clause

The Canadian Bookbinders and Book Artists Guild shall be carried on without the purpose of gain for its members, and any profits or other accretions to the corporation shall be used in furtherance of its purposes.

43. Dissolution of the Canadian Bookbinders and Book Artists Guild

In the event of the dissolution or winding up of CBBAG, all of its remaining assets after payment of liabilities shall be distributed to one or more charitable organizations, each of which is resident in Canada, has objectives similar to those of CBBAG, and is recognized as a charitable organization by Canada Customs and Revenue Agency, as may be decided by the board of directors or the members.

44. By-laws and Effective Date

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

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

Approved by CBBAG members June 16, 2015