

Tourism Industry Association of Prince Edward Island

BY-LAWS

ARTICLE I - NAME

The name of the Corporation is Tourism Industry Association of Prince Edward Island.

ARTICLE II - DEFINITIONS

In these By-Laws:

- (1) "Board" shall mean the Board of Directors of this Corporation;
- (2) "By-Laws" shall mean the by-laws of this Corporation as amended from time to time;
- (3) "Corporation" shall mean Tourism Industry Association of Prince Edward Island;
- (4) "member" shall mean a member of this Corporation as determined under Article III.

ARTICLE III - MEMBERSHIP

- (1) The directors of the Corporation may by resolution from time to time admit persons or corporations to membership in the Corporation, as regular, associate, affiliate or honorary members, on such terms, on payment of such fees and for such periods as they shall by resolution determine, which persons or corporations shall become members on such date as may be specified in the resolution of the Board of Directors admitting them to membership or if no date is specified then they shall become members on the date upon which such resolution is passed.
- (2) Any corporation or unincorporated association which is a member of the Corporation may designate by written instrument, filed with the Secretary of the Corporation, a nominee to represent such corporation or unincorporated association in all matters pertaining to the Corporation, and such nominees so designated shall have the right to attend meetings of members of the Corporation and to vote thereat on behalf of the corporation or unincorporated association until the corporation or unincorporated association making such designation ceases to be a member. No one person may be a nominee of more than one corporation or unincorporated association.

- (3) The interest of a member in the Corporation is not transferrable and lapses and ceases to exist upon his/her death or when the period of his/her membership expires or when he/she ceases to be a member by resignation or otherwise in accordance with the by-laws of the Corporation. Any member may resign from membership upon notice in writing to the Corporation.
- (4) To be in good standing, members must have paid all requisite fees and dues as determined by the Board and have filed with the Secretary all requisite application and membership documentation.
- (5) The directors shall have the right to remove the name of any member from the Corporation registry for any reason which to a majority of the directors of the Corporation shall deem sufficient.

ARTICLE IV - DIRECTORS

- (1) The affairs of the Corporation shall be managed by a Board of a minimum of three (3) and a maximum of eleven (11) directors.
- (2) All persons elected or appointed to the Board shall be members or nominees of members in good standing of the Corporation.
- (3) A Nominating Committee consisting of three (3) directors appointed by the Board shall solicit and submit nominations for each of the vacant positions each year. Members may make other nominations, submitted in writing, with the signature of no fewer than three (3) Members in good standing. Such nominations must be submitted no later than ten (10) working days prior to the Annual General Meeting.
- (4) The board will benefit from the knowledge of operators throughout the Province of Prince Edward Island and across sectors. To encourage diversity, the Board shall be composed as follows:
 - (a) A minimum of One (1) person from each for the following sectors who shall be elected at the annual meeting in accordance with these By-laws:
 - (i) Accommodations;
 - (ii) Food and Beverage;
 - (iii) Attractions;

- (iv) Retail Organizations and tour operators;
 - (v) Cultural products and events
 - (b) A minimum of One (1) person from each of the three counties:
 - (i) Prince County;
 - (ii) Queens County;
 - (iii) Kings County;
 - (c) Three (3) persons elected at-large from the membership
- (5) Directors shall be elected for a term of three (3) years by the members at the Annual General Meeting of members.
- (a) Transitional Provisions
- (i) The first election under these By-laws shall be held in 2015 at a general meeting of the members called in accordance with Article VIII within six months of the ratification of these By-laws by the membership.
 - (ii) At that time, the positions will be filled as follows:
 - (A) The sector positions in Article IV(4)(a) shall be elected by the membership for a term of approximately 32 months until the Annual General Meeting in 2017.
 - (B) The county positions in Article (IV)(4)(b) shall be filled by election from the membership for a term of approximately 20 months until Annual General Meeting in 2016.
 - (C) The at-large positions in Article IV(4)(c) shall be held by the President, Vice President, and Treasurer at the time of ratification until the Annual General Meeting in 2015.
- (6) Directors may serve a maximum of two successive terms consecutively.
- (7) Notwithstanding any provision herein, Directors may serve up to six (6) consecutive years on the Board.
- (8) A minimum of three (3) Directors meetings shall be held annually.
- (9) Fifty One percent (51%) of the Board members shall constitute a quorum.
- (10) Any member of the Board of Directors may be suspended from the Board by a vote of Seventy five percent (75%) of the Board present at a meeting, which suspension shall

be presented for ratification to a special general meeting of the Corporation called for that purpose within thirty (30) days of the date of the suspension.

- (11) In the event a vacancy occurs on the Board, the remaining members shall have power to appoint a member to fill the vacancy until the next Annual General Meeting, at which time an election will be held for that position.
- (12) Subject to the By-laws or directions given them by a majority vote at any meeting of the members properly called and duly constituted, the Board shall have control and management of the business and affairs of the Corporation, and meetings of the Board shall be held as often as the business of the Corporation shall require, and shall be called by the President at least forty-eight (48) hours before being held; a special meeting shall be called on the instructions of one-third of the Board members provided a notice of such instruction is presented to the President in writing to call such meeting for the time and place specified in the notice.
- (13) The Board of Directors may appoint special committees of Board or non-Board members which shall report to the Board when directed by the Board. At least one (1) member of the Board shall sit on any such committees.
 - (a) There shall be established a Planning and Priorities Committee of the Board chaired by the President and managed by the Chief Executive Officer which shall:
 - (i) Establish the mandate descriptions for any new committees being formed;
 - (ii) Annual review the mandates of all committees and make recommendations thereon to the Board;
 - (iii) Assess program needs, options, and priorities and advise the Board;
 - (iv) Prepare an annual plan for the Association for approval by the Board.
- (14) The Board of Directors, in its discretion, may appoint a member of the Board to sit on External Committees, boards and/or foundations where it is in the interests of the Corporation to be represented.
- (15) The Board of Directors shall have power to hire, review or discharge an Executive Director, Chief Executive Officer, Managing Director, or other such designated senior executive staff person to oversee the day to day operations of the Corporation.

- (16) All directors of the Corporation, when representing the Corporation, shall present the position of the Corporation or the Board established in accordance with the By-laws.
- (17) Any director may vote at any meeting of the directors and a vote on any issue may also be taken by signed [or electronic] documents from all Board members.
- (18) In special circumstances where due notice of a meeting of the Board cannot be given, the President may act upon instruments received from a majority of the Board taken by telephone call [or electronic means] or telephone conference call. The President shall call a Board meeting to be held forthwith and in any event not later than twenty eight (28) days after the date of receipt of such telephone instructions at which the Board shall consider the matter or matters upon which the President obtained such telephone instructions.

ARTICLE V - OFFICERS

- (1) The officers of the Corporation shall be the President, the First Vice-President, the Second Vice-President, the Secretary and the Treasurer. The offices of Secretary and Treasurer may be held by one person.
- (2) The directors shall elect from among their number a President, First Vice-President, Second Vice-President, Secretary and Treasurer who shall hold office until the first meeting of the Board of Directors following the next ensuing Annual General Meeting. The Board of Directors may remove or replace any or all of the officers at any time.
- (3) The President shall be the ex-officio member of all Committees; he/she shall when present preside at all meetings of the Corporation and of the Board. The President shall approve all press releases on behalf of the Corporation.
- (4) The First Vice-President shall assist the President and in the latter's absence, shall perform the duties of President; in the absence of the President, the First Vice-President shall preside at all meetings of the Corporation and of the Board. In the absence of the President and First Vice-President, the Second Vice-President shall be chosen to preside at meetings and perform the duties of President.
- (5) The Secretary shall attend all meetings of the Corporation and of the Board and shall keep or cause to be kept accurate Minutes of the same; and shall have charge of the seal of the Corporation, which seal whenever used shall be authenticated by the

signatures of the President and the Secretary, or, in the case of the inability of either to act, by the Vice-President and one other director, respectively; in the case of the absence of the Secretary, the duties shall be discharged by such officer as may be appointed by the Board. The Secretary shall have charge of all correspondence of the Corporation and be under the direction of the President and the Board; the Secretary shall also keep a record of all members of the Corporation and their addresses, and send all notices of the various meetings as required. The Secretary shall have all correspondence to and from the Corporation available to be presented to the Board.

- (6) The Treasurer shall receive all monies paid to the Corporation and shall be responsible for the deposit of same in whatever bank, trust company or credit union the Board may order; and shall properly account for the funds of the Corporation and keep such books of account and records as may be directed; and shall present a full, detailed account of receipt and disbursements to the Annual General Meeting, duly audited as hereinafter set forth.
- (7) All officers of the Corporation, when representing the Corporation, shall present the position of the Board of Directors established in accordance with the By-laws.

ARTICLE VI – CHIEF EXECUTIVE OFFICER

- (1) The Chief Executive Officer, subject to the control of the Board of Directors, shall have the general charge and control of the business and affairs of the Corporation and of the work and management of the property thereof and may make and enter into all contracts necessary or proper for the transaction of the business of the Corporation.
- (2) The Chief Executive Officer shall have the power to hire, review and discharge such permanent or part-time employees as may be necessary to carry on the business of the Corporation and shall further have the right to review terms of employment.

ARTICLE VII - AUDITORS

The books, accounts and records of the Corporation shall be audited at least once every year by a duly qualified chartered accountant appointed for that purpose at the Annual Meeting. A complete and proper statement of the standing of the books for the previous year shall be submitted by such auditor at the next Annual Meeting of the Corporation. The books and records of the Corporation may be inspected by any member of the Corporation after the Annual General Meeting provided for herein or at any time upon giving reasonable notice and arranging

a time satisfactory to the officer or officers having charge of same. Each member of the Board shall at all times have access to such books and records.

ARTICLE VIII - FISCAL YEAR

The fiscal year end of the Corporation shall be the 31st of July in each year.

ARTICLE IX - MEETINGS

- (1) The Corporation shall hold an Annual General Meeting not later than one hundred eighty (180) days after the end of the fiscal year in each year, of which meeting due notice shall be given to all members by the Secretary.
- (2) Meetings of the Corporation may be called at any time by the Secretary upon the instructions of the Chairman of the Board upon at least forty-eight (48) hours notice being given to each member. Such notice shall be written, oral, or otherwise communicated by electronic means. The accidental omission to give such notice to or the non-receipt of such notice by a member shall not invalidate the proceedings at any general meeting.
- (3) A special meeting shall be called by the President within seven (7) days upon receipt by him/her of a petition signed by at least fifty (50) of the regular members in good standing setting forth the reasons for calling such meeting.
- (4) Thirty Five (35) of the members in good standing shall constitute a quorum at any annual or special meeting of the Corporation.
- (5) Any regular member who has not withdrawn from membership or been suspended or expelled as herein provided, shall be entitled to a single vote at any meeting of the Corporation at which he is personally present. No proxy votes shall be permitted, save and except for a corporate nominee pursuant to Article III (2).

ARTICLE X - REMUNERATION

Unless authorized at any meeting of the Directors by vote of two-thirds of the total Directors and after notice of same shall have been given, no officer or member of the Corporation shall receive any honorarium for his/her services.

ARTICLE XI - BORROWING POWERS

For the purpose of carrying out its objectives, the Corporation may borrow or raise or secure the payment of money in such manner as it deems fit, and in particular by the issue of promissory notes, debentures, mortgages, and the like, but this power shall be exercised only under the authority of the Corporation and in no case shall debentures be issued without the sanction of an extraordinary resolution of the Corporation passed at a duly constituted meeting of the regular members.

ARTICLE XII – SIGNING AUTHORITY

All cheques, contracts and other legal instruments in writing shall be signed by any two of the following; President, Chief Executive Officer or Treasurer.

ARTICLE XIII - AMENDMENTS TO BY-LAWS

Any By-Law may be repealed or amended by a By-Law passed by a majority of not less than seventy-five percent (75%) of the regular members entitled to vote as are present in person at a general meeting of which one month's notice specifying the intention to propose the repeal or amendment of the By-Law has been duly given.

ARTICLE XIV - INDEMNIFICATION AND PROTECTION OF DIRECTORS AND OFFICERS

- (1) Every director of the Corporation, and his/her heirs, executors, and administrators and estate and effects, shall be indemnified and saved harmless out of the funds of the Corporation from and against all costs, charges, and expenses which he/she shall or may sustain or incur in any action or proceeding which is brought or prosecuted against him/her for or in respect of any act, deed, matter or thing made, done or permitted by him/her in or about the execution of the duties of his/her office, and also from and against all other costs, charges and expenses which he/she may sustain or incur in or about or in relation to the affairs thereof, except such costs, charges, and expenses as are occasioned by his/her own willful neglect or default.
- (2) No director or officer shall be liable for the acts, receipts, neglects or defaults of any other Director, Officer or employee or for joining in any receipt or act for the conformity or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or

upon which any of the monies of or belonging to the Corporation shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency, or wrongful act of any person, firm or corporation with whom any monies, securities or effects shall be lodged or deposited or for any loss occasioned by an oversight or error in judgment on his/her part or for any other loss, damage or misfortune which may happen in the exercise of his/her respective duties or trust or relation thereto unless the same shall happen by his/her own or through his/her own willful act or default. Directors may rely upon the accuracy of any statement or report prepared by the Corporation's auditors and shall not be responsible or held liable for any loss or damage resulting from acting upon such statement or report.

ARTICLE XV – NOTICE

Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served), shall be sufficiently given:

- (1) 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 the Corporation or in the case of notice to a director to the latest address as shown in the last notice that was sent by the Corporation; or
- (2) if mailed to such person at such person's recorded address by prepaid ordinary or air mail; or
- (3) if sent to such person by telephonic, electronic or other communication facility at such person's recorded address for that purpose;

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 the Corporation

to any notice or other document to be given by the Corporation may be written, stamped, type-written or printed or partly written, stamped, type-written or printed.

ARTICLE XVI - INTERPRETATION

- (1) In these By-Laws, all other By-Laws and all resolutions of the Corporation, unless a contrary intention is expressed, words importing the singular number only shall include the plural word and vice-versa; words importing the masculine gender shall include the feminine and neuter genders.
- (2) The term Executive Director shall refer to senior staff member designated by the Board and could include the title of Chief Executive Officer or Managing Director as assigned by the Board.

ARTICLE XVII - DISSOLUTION AND WINDING UP

The net profit of the Corporation shall be expended in the operation of the Corporation and in the event of a winding up or other dissolution of the Corporation, there shall not be any distribution of any kind among members, but the funds of the Corporation shall be applied to some one or more not-for-profit tourism organizations within the community serviced by the Corporation.