

BYLAWS

of the ATLANTIC MOTORSPORT KARTERS ASSOCIATION

Definitions

1. In these by-laws:

(a) "Directors" means those directors serving on the board of directors of the Society at the particular relevant time as elected by the membership.

(b) "President" means the president of the Society.

(c) "Registrar" means the Registrar of Joint Stock Companies appointed under the Nova Scotia Companies Act.

(d) "Society" means the Atlantic Motorsport Karting Association.

(e) "Special Resolution" means a resolution passed by not less than three-fourths of such members entitled to vote as are present in person or by proxy, where proxies are allowed, at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given.

Membership Rights and Responsibilities

2. The Society is ultimately accountable to the members of the Society.

3. Every member is entitled to attend any members' meeting of the Society.

4. Every member who is at least 16 years of age at the time of a member's meeting of the Society may vote at that members' meeting of the Society. If a particular member is not at least 16 years of age at such time, another member who is then at least 16 years of age may vote by proxy on his or her behalf at that meeting. For greater certainty, a member of age can hold more than one proxy and any vote or votes that a particular member may have by virtue of holding one or more than one proxy for another member or members, shall be in addition to the vote that the particular member has in his or her own right as a member).

5. Subject to the other provisions of these Bylaws, any member is entitled to hold any office as a director or officer.

6. Membership in the Society shall consist of:

(a) the original subscribers to the Memorandum of Association so long as they pay the required membership fee as required by the Society from time to time pursuant to paragraph 6(b)(i) of these Bylaws, and

(b) from time to time, any other individual resident in Nova Scotia who supports the objects of the Society and who

- (i) completes and delivers to the Society an application to be a member of the Society, or an application to renew such membership in the Society, in such reasonable form as may be required from time to time by the Society; and
- (ii) pays the annual membership fee in an amount and by a due date, both to be determined by the Society as provided herein;

AND FURTHER PROVIDED THAT:

(c) the Society shall accept all such paying applicants for membership or renewal thereof unless the Society has reasonable grounds for believing that an applicant does not support the objects of the Society and such accepted applicants shall forthwith be written in the Register of Members by the Secretary and the Secretary shall keep the said Register of Members current;

(d) the Society may create different membership classes such as for race kart drivers, associates and friends of the society with corresponding fees in such amounts as the Society determines so long as any member of any class has one vote and not more than one vote in his or her right as a member and so long as there is at least one class of membership for which a parent may qualify as contemplated in paragraph 6(e) herein; and

(e) no person under the age of 15 shall be admitted to the membership of the Society unless a parent or guardian of that particular person is a member in good standing in any class of membership of the Society continuously during the same period of membership of the particular person.

7. Notwithstanding section 6 herein, the Society may from time to time, if the Directors by majority resolution so decide, accept individuals for membership in the Society who are resident outside of Nova Scotia so long as such individuals otherwise meet the requirements for membership in the Society and so long as the number of all such non-resident members together does not exceed 20% of the total number of members of the Society at any given time.

8. Membership in the Society is not transferable.

9. Membership in the Society shall cease:

(a) upon death, or

(b) if the member resigns by written notice to the Society, or

(c) if the member ceases to qualify for membership in accordance with these by-laws, or

(d) if, by a vote of the majority of the members of the society or a majority vote of the Directors of the Society at a meeting duly called and for which notice of the proposed action has been given, the Member's membership in the Society has been terminated.

10. The members may repeal, amend or add to these by-laws by a special resolution. No by-law or amendment to by-laws shall take effect until the Registrar approves of it.

11. No funds of the society shall be paid to or be available for the personal benefit of any member.

Members' Meetings

12. Proxy voting at any member's meeting shall be permitted by use of such form as may be approved and made available to the members by the Society from time to time.

13. A general or special meeting of the members may be held at any time and shall be called:

(a) if requested by the President, or

(b) if requested by a majority of the Directors, or

(c) if requested in writing by 60% of the members.

14. Notice to members is required for general or special meetings. The notice must:

(a) specify the date, place and time of the meeting,

(b) be given to the members seven (7) days prior to the meeting,

(c) be given to the members by newsletters, newspapers, television, radio, e-mail, telephone, fax and/or other electronic means,

(d) specify the nature of business, such as the intention to propose a special resolution, and

(e) the non-receipt of notice by any member shall not invalidate the proceedings.

15. An annual general meeting shall be held within three months after every fiscal year end and notice is required which must:

(a) specify the date, place and time of the meeting,

(b) be given to the members thirty (30) days prior to the meeting,

(c) be given to the members by newsletters, newspapers, television, radio, e-mail, telephone, fax and/or other electronic means,

(d) specify the intention to propose a special resolution, and

(e) the non-receipt of notice by any member shall not invalidate the proceedings.

16. At the annual general meeting of the Society the following items of business shall be dealt with and shall be deemed ordinary business and all other business transacted shall be deemed special business:

(a) minutes of the previous annual general meeting,

(b) consideration of the annual report of the Directors,

(c) consideration of the annual financial report of the Society,

(d) the appointment of auditors, if any are so appointed, for the ensuing year, and

(e) election of Directors.

17. Quorum shall consist of 25% of members. No business shall be conducted at any meeting unless a quorum is present to open the meeting and, upon request, before any vote.

18. (a) If a meeting is convened as per by-law 13(a) or 13(b) and a quorum is not present within one-half hour from the time appointed for the meeting, it shall be adjourned to such time and place as a majority of the members present shall decide. Notice of the new meeting shall be given and at the adjourned meeting the members present shall (if their number is otherwise less than a quorum) constitute a quorum if the only business thereat is the winding up of the Society.

(b) If a meeting is convened at the request of the members as per by-law 13(c) and a quorum is not present within one-half hour from the time appointed for the meeting, it shall be dissolved.

19. The President, or in his/her absence, the Vice-President, or in the absence of both of them, any member appointed from among those present, shall preside as Chair at members' meetings.

20. Where there is an equality of votes the Chair shall have a casting vote in addition to the vote he/she has as a member.

21. The Chair may, with the consent of the meeting, adjourn any meeting. No business shall be transacted at the subsequent meeting other than the business left unfinished at the adjourned meeting unless notice of such new business is given to the members.

22. At any meeting a declaration by the Chair that a resolution has been carried is sufficient unless a poll is demanded by at least three members. If a poll is demanded it shall be held by show of hands or by secret ballot as the Chair may decide. If a member so requests in advance of a vote to be taken on any matter and if the Chair agrees, any vote may be held by secret ballot.

Directors

23. Any member of the society, so long as he or she is of legal age, shall be eligible to be elected a Director of the Society and a Director of the society shall be a member.

24. The number of Directors shall be not less than three (3) and not more than seven (7) and for greater certainty each such Director must have been voted in as Director by the members in accordance with these bylaws and for greater certainty a member may request that any vote by the members to elect directors at any time be done by secret ballot and upon such request the Chair shall cause the vote to be done by secret ballot.

25. Directors shall retire from office at the end of each annual general meeting at which their successors are elected. Retiring Directors shall be eligible for re-election. Directors shall be elected to one year terms.

26. If a Director resigns his/her office or ceases to be a member in the Society, his/her office as Director shall be vacated and the vacancy may be filled for the unexpired portion of the term by the board of Directors from among the members of the Society.

27. The members may, by special resolution, remove any Director and appoint another person to complete the term of office.

28. The management, decisions and operations of the Society is the responsibility of the DirectorsThe Directors may, but are not required to, engage a General Manager, and determine his/her duties, responsibilities and remuneration.

29. The Directors may appoint an executive committee and other committees as they see fit. At minimum, the Directors shall annually, at least three months before the expected start of each racing season of the Society, give consideration to forming a committee to review, and determine whether it recommends changes, deletions or additions to, the Society's existing competition and technical rules regarding the upcoming season's kart races of the Society as contemplated under the objectives of the Society AND the Directors shall, if such a committee is so formed, hear the report and recommendations of the said committee and, where in their discretion they so decide, act thereon by taking decision(s) supported by a resolution or resolutions.

30. Directors who have, or could reasonably be seen to have, a conflict of interest have a duty to declare this interest. The declaration should be made to the members

(a) upon nomination, and

(b) if serving as a Director, when the possibility of a conflict arises.

31. A conflict of interest does not prevent a member from serving as a Director provided that he/she withdraws from the decision making on matters pertaining to that interest. The withdrawal should be recorded in the minutes. Notwithstanding anything else in these Bylaws regarding conflict of interest matters, no Director of the Society or potential such Director shall be considered to be in a conflict of

interest solely because of his or her being a kart race driver participating or planning to participate in race events of the Society.

Directors' Meetings

32. The board of Directors shall meet no less than three (3) times each year.

33. A meeting of the board of Directors may be held at the close of every annual general meeting without notice for the purpose of electing officers. For all other board of Directors meetings, notice is required and must:

(a) specify the date, place and time of the meeting,

(b) be given to the Directors seven (7) days prior to the meeting, unless waived by all Directors, and

(c) be given to the Directors by newsletters, radio, public bulletin boards, e-mail, telephone, fax and/or other electronic means, provided that:

(d) the non-receipt of notice by any Director shall not invalidate the proceedings, and

(e) Notice can be waived for any board of Directors meeting with the unanimous approval of the Directors.

34. No business shall be conducted at any meeting of the board of Directors unless a quorum is present to open the meeting and, upon request, before any vote. For the purposes of the immediately preceding sentence, a quorum shall consist of the greater of three (3) Directors and the number that is 50% of the number of elected Directors then in office, such number being rounded up to the nearest whole number.

35. The President or, in his/her absence, the Vice-President or, in the absence of both of them, any Director appointed from among the Directors shall preside as Chair of the Board.

36. At Directors' meetings, where there is an equality of votes the Chair shall have a casting vote in addition to the vote he or she has as a member.

Officers

37. The officers shall be elected by the Directors and shall be a President, a Vice-President, a Treasurer and a Corporate Secretary and such further officers, if any, as may be identified and described from time to time by the Directors. The offices of President and Vice President must be filled from the Directors. The offices of Treasurer and Corporate Secretary may be combined.

38. One of the officers shall be the President. The President shall be responsible for the effectiveness of the board and shall perform other duties as assigned by the Directors.

39. One of the officers shall be the Vice-President. The Vice-President shall perform the duties of the Chair during the absence, illness or incapacity of the President, or when the Chair may request him/her to do so.

40. One of the officers shall be the Corporate Secretary. The Corporate Secretary shall:

(a) have responsibility for the preparation (subject to section 41) and custody of all books and records including:

1. the minutes of members' meetings,
2. the minutes of Directors' meetings,
3. the register of members, and
4. filing the annual requirements with the office of the Registrar, and

(b) have custody of the Seal, if any, which may be affixed to any document upon resolution of the board of Directors, and

(c) file with the Registrar:

1. within fourteen (14) days of their election or appointment, a list of Directors with their addresses, occupations, and dates of appointment or election
2. a copy of every special resolution within fourteen (14) days after the resolution is passed, and

(d) have other duties as assigned by the Directors.

41. The Directors may also appoint a Recording Secretary

- (a) who is responsible for taking minutes of all board and members' meetings, and
- (b) who need not be a Director or an elected officer.

42. One of the officers shall be the Treasurer. The Treasurer shall have responsibility for the custody of all financial books and records of the Society, and carry out all other duties as assigned by the Directors.

43. Contracts, deeds, bills of exchange and other instruments and documents may be executed on behalf of the Society by the President or the Vice-President and the Corporate Secretary, or otherwise as prescribed by resolution of the Directors.

Finance

44. The fiscal year end of the Society shall be the last day of December.

45. The Directors shall annually present to the members a written report on the financial position of the Society. The report shall be in the form of:

(a) a balance sheet showing its assets, liabilities and equity, and

(b) a statement of its income and expenditure in the preceding fiscal year.

46. A copy of the financial report shall be signed by the auditor, if any such auditor is appointed or otherwise by two Directors.

47. A signed copy of the financial report shall be filed with the Registrar within fourteen (14) days after each annual meeting.

48. An auditor of the Society may be appointed by the members at the annual general meeting and, if the members fail to appoint an auditor, the Directors may but are not required to do so.

49. The Society may only borrow money as approved by a special resolution of the members.

50. The members may inspect the annual financial statements and minutes of membership and Directors meetings at the registered office of the Society with one week's notice. All other books and records of the Society may be inspected by any member at any reasonable time within two days prior to the annual general meeting at the registered office of the Society.

51. Directors and officers shall serve without remuneration and shall not receive any profit from their positions. However, a Director or officer may be paid reasonable expenses incurred in the performance of his/her duties.

52. The Society shall not make loans, guarantee loans or advance funds to any Director.

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