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Canadian Taxpayers Federation

(the "Federation")

Bylaws

1. TITLE

These Bylaws may be cited as the Bylaws of the Canadian Taxpayers Federation (the "Federation").

2. OBJECTIVES

The objectives of the Federation shall be to advocate for lower taxes, less waste and accountable government.

3. NATURE

The Federation shall be a federally incorporated not-for-profit corporation governed under the *Canada Not-for-Profit Corporations Act* or successor legislation.

The Federation shall be independent of any institutional or partisan affiliation. The policy of the Federation is such that Directors, Officers, Employees, Agents, and other Representatives shall be non-partisan, and prohibited from holding a membership in any political party, endorsing any political candidate and/or donating or providing material support in any capacity to any party or candidate running for Federal, Provincial, Municipal, Regional or other public governmental office. No Director, Officer, Employee or Agent may be a member of the Senate, House of Commons, Provincial Legislature, or a Municipal or Regional Government. Donations and material support under this part includes donations made personally, and also includes donations made by a company or other entity over which the Director, Officer, Employee or Agent exercises central management and control.

The Federation shall not accept any monies from any governmental body whether in the form of grant, reimbursement, investment or organizational status that would allow for issuance of tax receipts.

4. HEAD OFFICE

The Head Office of the Federation shall be in the City of Regina, in the Province of Saskatchewan or in such other place as the Board of Directors of the Federation may from time to time determine.

5. CORPORATE SEAL

The seal shall be in such form as prescribed by the Federation's Board of Directors and shall have the words "CANADIAN TAXPAYERS FEDERATION" endorsed thereon. The seal shall be in the custody of an Officer of the Federation under the control of the Board of Directors.

6. MEMBERS

Membership in the Federation shall be available only to individuals who have applied for Membership, have satisfied the Board that they are interested in furthering the Federation's objectives, and whose applications are accepted by a Resolution of the Board of Directors.

(a) Means or Place of Meetings

The Members may meet together by any means or in any places they think fit to dispatch business, may adjourn and otherwise regulate their Meetings and proceedings as they see fit but a minimum of one (1) Meeting of the Members shall be held each year. Meetings of Members will be conducted in accordance with the procedures set out in the latest edition of Robert's Rules of Order.

(b) Quorum

A majority of the Members shall constitute a quorum necessary to conduct business.

(c) Notice of Meetings

Every Member shall be given at least five (5) days notice of any Meeting. The form of notice may be by letter, telephone, e-mail, or alternative electronic means. This notice period may be waived by Members by so stating by letter, telephone, e-mail or alternative electronic communications.

(d) Written Resolutions

At any time, and without notice, the Members may pass a Resolution if such Resolution is approved by all Members. A Written Resolution may be back-dated so as to coincide with the date of an earlier Verbal Resolution, and may be effective retroactively as of the date stated.

(e) Voting

Each Member is authorized to exercise one (1) vote. Questions arising at any Meeting of Members shall be decided by a majority of votes. 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.

(f) Minutes

Minutes of formal Meetings of the Members shall be provided to all Members in a timely fashion.

(g) Termination

Membership may be terminated at any time by a Special Resolution of no less than two-thirds (2/3) of the Board of Directors, at a Meeting called with notice to the Member affected on no less than fourteen (14) days notice.

7. BOARD OF DIRECTORS

(a) Duties and Number

The affairs of the Federation shall be managed by the Board of Directors who shall be known and referred to as Directors and who shall be responsible for managing and directing the Federation in accordance with these Bylaws. The number of Directors on the Board shall be a minimum of three (3) and a maximum of twenty (20).

(b) Qualifications

Every Director shall be eighteen (18) years of age or more and be a citizen and a resident of Canada.

(c) Appointment

Directors shall be appointed by the Members of the Federation at an Annual General Meeting or other Meeting of the Members.

(d) Term of Office

Directors shall hold office for three (3) years whereupon the Director shall retire from office and a successor may be appointed. A retiring Director shall be eligible for reappointment. If the three (3) year term expires and the Members have not replaced or re-appointed the Director, the Director may overhold his term and continue to serve as a Director until the next Meeting of Members.

(e) Resignation or Ipsa Facto Vacancy

A Director may resign his office upon giving notice to the Chair of the Board which resignation shall take effect immediately upon being received. Notice is deemed given when it is provided in person to the Chair of the Board, or to the Head Office of the Federation. The office of a Director shall be automatically vacated:

- (i) If the Director is found by a court to be mentally incompetent or of unsound mind.
- (ii) If the Director becomes bankrupt or suspends payment of debts generally or compounds with creditors or makes unauthorized assignment or is declared insolvent.
- (iii) If the Director fails to meet the criteria established in Section 7 (b) of these bylaws.
- (iv) If the Director is removed by an Ordinary Resolution of the Members at a Special General Meeting.

(f) Powers

The Board of Directors of the Federation may enact Governance Policies relative to the administration of the affairs of the Federation in all things and make or cause to be made any kind of contracts which the Federation may lawfully enter into.

The Board of Directors shall have the power to authorize expenditures on behalf of the Federation from time to time and borrow money on the credit of the Federation.

The Board of Directors may appoint such Agents or Officers and engage such Employees as it shall deem necessary from time to time and may delegate by Resolution and Governance Policy to such person or persons the right to make expenditures, to engage and pay Employees or Agents and perform any other duties prescribed by the Board of Directors at the time of such appointment or engagement.

The Board of Directors shall take such steps as it may deem requisite to enable the Federation to acquire, accept, solicit or receive legacies, gifts, grants, settlements, bequests, endowments and donations of any kind whatsoever for the purpose of furthering the Objectives of the Federation, subject to the restriction in section 3 of these Bylaws.

(g) Power to Appoint Directors and Committees

The Board may fill a vacancy of any Director position, and may appoint additional Directors between Annual General Meetings so long as the resulting number of Directors is below the maximum allowable. In no case, however, may the Board exercise this power to the extent that more than one third (1/3) of the Director positions have been appointed by the Board. In the event that the Board makes an appointment, the appointment must be confirmed at the next Meeting of Members, and if it is not so confirmed, the term of the appointee shall expire at the end of the Members Meeting.

The Board of Directors may from time to time appoint Committees, as it deems necessary, with such powers, terms, and structure as the Board shall see fit.

(h) Remuneration

No Director shall receive remuneration for acting as such. They shall, however, be entitled to be reimbursed for reasonable and approved expenses incurred in carrying out their duties as Directors of the Federation.

(i) Protection and Indemnity

Every Director or Officer of the Federation or other person who by virtue of being a Director or Officer is exposed to any liability and such Director's 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 funds of the Federation, from and against:

- (i) All costs, charges and expenses reasonably incurred 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 in respect of any act, deed, matter or thing whatsoever, made, done or permitted by him, in or about the execution of the duties of his office or in respect of any such liability.
- (ii) All costs, charges and expenses, which are reasonably incurred in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by his own willful neglect or default.

(j) Chair of the Board

The Board of Directors shall from time to time appoint from among its Members a Chair and may appoint a Vice Chair and such other Officers of the Board, as they deem expedient. All such appointments by the Board shall be at the pleasure of the Board, and may be changed by the Board from time to time.

The Chair shall chair all Meetings of the Members and Directors. In the absence of the Chair, any Vice Chair may chair the Meeting. In the absence of the Chair and any Vice Chair, the Directors present shall appoint from among them a Chair who will chair that Meeting only.

The Chair shall perform all duties incident to the office and shall have such powers and duties as may from time to time be assigned by the Board.

The Chair shall also be Chair of the Executive Committee.

In the event that the Chair is the subject of a Resolution, or declares a conflict of interest on any subject, the Chair may not chair the part of the Meeting where such Resolution is considered, but must vacate the Chair immediately upon the introduction of the Resolution.

8. EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS

(a) Number and Quorum

The Board of Directors shall from time to time appoint an Executive Committee of not less than three (3) persons and not more than four (4) persons consisting of the Chair and if applicable, the Vice Chair, and other Directors. A quorum of the Executive Committee shall consist of two (2) Members if the total number is three (3); or of three (3) Members if the total number is four (4).

(b) Duties and Powers

The Executive Committee shall exercise all the rights, privileges, and powers of the Board of Directors, with the exception of:

- i) Those matters specifically reserved by the Board of Directors to the entire Board, by Resolution.
- ii) Adopting an amalgamation agreement under Sections 204 and of the *Canada Not-for-Profit Corporations Act* or otherwise approving an amalgamation, except for an amalgamation to be effected under section 207 of the *Canada Not-for-Profit Corporations Act*.
- iii) Proposing an arrangement under Section 216 of the *Canada Not-for-Profit Corporations Act*; or otherwise approving the Federation's participation as a party to an arrangement.
- iv) Proposing a continuance under Section 213 of the *Canada Not-for-Profit Corporations Act*.

- v) Recommending to the Members any amendment to the Articles or these Bylaws of the Federation to be effected under Section 197 of the *Canada Not-for-Profit Corporations Act*, or any other action that requires the Members' approval, except when such action by the Executive Committee is taken pursuant to and in accordance with a prior and specific authorization by the Board.
- vi) Otherwise approving any liquidation, dissolution or reorganization of the Federation or its subsidiaries, if any; undertaking, authorizing or performing any action in furtherance of an amalgamation, consolidation, merger or combination of the Federation or its subsidiaries, if any, with any person, or approving the sale of any material the assets of the Federation or its subsidiaries, if any, except when such action by the Executive Committee is taken pursuant to and in accordance with a prior and specific authorization by the Board.
- vii) Electing or appointing any Director, or removing any Officer or Director.
- viii) Amending or repealing any Resolution previously adopted by the Board.
- ix) Assuming or incurring any debt, secured or unsecured, or guaranteeing any obligation, except for normal operating debt contemplated in a budget that has received the prior approval of the Board.

(c) Meetings

The Executive Committee may hold Meetings by any means or at any place determined by the Members of the Committee.

(d) Records

Records and reports of all Meetings of the Executive Committee shall be provided to all the Directors of the Board in a timely fashion.

9. PROCEEDINGS OF THE BOARD OF DIRECTORS AND COMMITTEES

(a) Means or Place of Meetings

The Board of Directors and Committees of the Board may meet together by any means or in any places they think fit to dispatch business, may adjourn and otherwise regulate their Meetings and proceedings as they see fit but a minimum of one (1) Meeting of the Directors shall be held each year. Meetings of Directors and Committees will be conducted in accordance in accordance with the procedures set out in the latest edition of Robert's Rules of Order.

(b) Quorum

A majority of the Directors or Committee Members shall constitute a quorum necessary to conduct business.

(c) Notice of Meetings

Every Director shall be given at least five (5) days' notice of any Meeting. The form of notice may be by letter, telephone, e-mail, or alternative electronic means. This notice period may

be waived by Directors by so stating by letter, telephone, e-mail or alternative electronic or communications.

(d) Resolutions

At any time, and without notice, the Directors or Committee members may pass a Resolution via e-mail or other electronic means, if such Resolution is approved by all Directors. A Resolution so approved must be appended to the minutes of the subsequent Directors Meeting.

(e) Voting

Each Director and Committee member is authorized to exercise one (1) vote. Questions arising at any Meeting of Directors or Committee Members shall be decided by a majority of votes. 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.

(f) Minutes

Minutes of all Meetings of the Board of Directors shall be provided to all Directors in a timely fashion.

10. MEETINGS

(a) Annual General Meeting

An Annual General Meeting of the Members of the Federation shall be held not more than fifteen (15) months from the last Annual General Meeting. Members may meet together by any means or places they think fit to consider such matters as may be required or prudent. A majority of Members will constitute a quorum and no proxies allowed. Notice of the Meeting must be given as specified by the Board from time to time, provided that such notice be reasonable and be expected to give fair notice of any Meeting.

(b) Special General Meetings

All other Meetings are considered Special General Meetings, and may be called by the Directors on fourteen (14) days notice to the Members.

(c) Special Resolutions

Special Resolutions are required in order to amend these Bylaws, and must be passed by a vote of at least two-thirds (2/3) of the Members present at a General Meeting called with no less than fourteen (14) days notice.

11. FISCAL YEAR

The financial year of the Federation shall terminate on the 30th day of June each year or on such other date as the Directors may from time to time determine and an audit of the Federations accounts shall be conducted each year. The Auditors shall be appointed annually by the Board of Directors.