



ATLANTIC REGION MOTOR SPORTS

GENERAL BY-LAWS

Revised as of January 23, 2016

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ARMS Code of Conduct

ARMS clubs, members and participants in ARMS sanctioned events shall conduct themselves according to the highest standards of behaviour and sportsmanship and in a manner that shall not be prejudicial to the interests and the reputation of ARMS or its Clubs or of motorsport generally. Failure to do so shall be considered a breach of the ARMS GCRs and may result in penalties being applied.

The following statements further define the beliefs, expectations, ideals and principles of individual conduct that ARMS believes should be exemplified:

1. Participants in ARMS sanctioned activities shall be bound by this Code of Conduct;
2. Participants in ARMS sanctioned activities shall accept that motorsports can be dangerous and entails inherent risks;
3. Participants in ARMS sanctioned activities shall be treated with consideration and respect, and shall treat fellow participants with the same consideration and respect;
4. Participants in ARMS sanctioned activities shall endeavour to portray a positive image of motorsports through their exemplary driving habits;
5. Participants in ARMS sanctioned events shall not knowingly place themselves or others in a position of undue risk. Consideration of safety shall be placed before competitive goals;
6. ARMS members shall strive to set exemplary standards of behaviour as they are all ambassadors for motorsports;
7. ARMS members shall pledge to demonstrate with their actions care and concern for the environment.



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1. CORPORATE NAME: The Corporate Name of the Company shall be the Atlantic Region Motor Sports Inc., and the Company shall hereinafter and in all subsequent by-laws, resolutions, documents and writings be alternatively referred to as the "Club".

2. HEAD OFFICE: The Head Office of the Club within the Province of New Brunswick shall be in the city of Moncton, County of Westmoreland, and the territory within which the activities of the Club will be substantially carried out shall be the four Atlantic Provinces.

3. CORPORATE SEAL: The Corporate Seal of the Club shall bear the name of the Club and the year of its incorporation. The President and the Secretary, or any Director of the Club so designated by the Board of Directors, shall have authority to affix the Corporate Seal of the Club to any document requiring the same.

4. INTERPRETATION: In these By-Laws, unless the context otherwise requires, words importing the singular number or masculine gender shall include the plural number or the feminine gender, as the case may be, and vice versa. References to persons or members include firms, corporations, societies, associations, and clubs and reference to the "Club" are intended as reference to the Company, and vice versa. References to "Members" includes all classes of members, unless the context otherwise requires. References to "meetings" of the club import meeting of the voting members, unless the context otherwise requires.

5. VOTING MEMBERS (MEMBER CLUBS): The Voting Members of the Club shall consist of the subscribers to the Letters Patent, until their resignations, and every other persons, association, club, society or corporation admitted to the Club as a Voting Member pursuant to the Letters Patent and the By-Laws, as they may exist from time to time. Any permanently organized automobile or motor sport club having objectives similar in whole or in part to those of the Club, and having a regular paid up membership of twenty (20) or more individuals may be admitted to the Club as Voting Members. Each Voting Member shall have the right to one vote at any and all meetings of the Club, whether general or special, and shall be entitled to notice of all such meeting of the Club. All applications for membership and status as a Voting Member shall be submitted directly to the Board of Directors for approval, however, no such membership shall be finally granted until approved, ratified, and confirmed by the Voting Members of the Club for the time being at an Annual General Meeting or Special General Meeting of the Club called for such purpose, at which quorum and simple majority requirements are observed. Any Voting Member which may be a firm, corporation, society, association, club or other organization, shall be represented by proxy at all meetings of the Club by such person or persons as the executive or directing mind of that particular Voting Member shall so instruct; this instruction shall be made in writing to the Secretary of the Club at least once in every year, preferably at least even (7) days prior to the Annual General Meeting of the Club. The Club shall not be bound to look past such written instruction other than to be assured as to its authenticity, and it shall operate as a valid discharge to all concerned.

6. HONOURARY LIFE MEMBERS: The Honourary Life Members of the Club shall consist of every person who, in the opinion of the Board of Directors, has rendered conspicuous service to the Club and to automobile sport, and who is so designated by the Board of Directors from time to time and at any time; an Honourary Life Member is not entitled to vote at or receive notice of meetings of the Club, and may hold his membership in the Club until terminated by resolution of the Board of Directors.

7. SUSTAINING MEMBERS: The Sustaining Members of the Club shall consist of every person who, in the opinion of the Board of Directors, exhibits an interest motor sport, or in the Club, and who is so designated by the Board of Directors from time to time and at any time; a Sustaining Member is not entitled to vote at or receive notice of meetings of the Club.

8. MEMBERS OF RECORD: The Members of Record of the Club shall consist of every person who, in the opinion of the Board of Directors, exhibits an interest motor sport, or in the Club, and who is so designated by the Board of Directors from time to time and at any time; a Member of Record is not entitled to vote at or receive notice of meetings of the Club.

9. NON-TRANSFERABILITY: The interest of a member is not transferable under any circumstances.

10. RESIGNATION: A member may resign by notification, and the resignation shall become effective upon acceptance thereof by the Board of Directors; a member remains liable for payment of any assessment or other sum levied or which became payable by him to the Club before acceptance of his resignation. Any member who resigns or is expelled from the Club forthwith forfeits all rights and interest arising from or associated with membership in the Club.

11. SUSPENSION: The Board of Directors may expel or suspend any member, whose conduct has been determined by the Board of Directors to be improper, unbecoming, or likely to endanger or discredit the interest or reputation of the Club, or who willfully commits a breach of the By-Laws or Code of Conduct (at Appendix A of these by-laws) of the Club. No member shall be expelled or suspended without having first been given an

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opportunity to be heard by the Board of Directors at a meeting of the Board of Directors called for the purpose. In all matters pertaining in any way to expulsion, suspension, or discipline in any form, of a member, the Board of Directors shall be guided by the rules, regulations and procedures adopted by the National body, ASN Canada FIA, (l'Autorite Sportive Nationale du Canada de la Federation Internationale de l' Automobile Inc.)

12. MEMBERSHIP FEES: There shall be membership fees in such amount and fro such class of membership in the Club as may be determined from time to time by the Board of Directors, and in the case of any one class or category of members, different rates of fees may be fixed for any member within that class; provided always, however, that no resolution of the Board respecting fees to be levied against or charged to a Voting Member shall be effective until confirmed a an Annual General Meeting or Special Meeting of the Club, at which quorum and simple majority requirements are observed. Fees and dues shall be payable to the Club and delivered to the Treasurer at such place and in such manner as may be determined by the Board, and shall become due and payable on the first day of July of each year or upon the lapse of thirty (30) days from the date of mailing notice, whichever occurs first. Any member with dues in arrears at October 1st shall not be entitled to representation or a vote at the A.G.M., or any other meeting of the Club. Member levies shall be paid to ARMS on a regular basis.

13. ANNUAL GENERAL MEETING: An Annual General Meeting of the Club call for the purpose of election and appointment of new Directors, considering the reports of the outgoing Board and the financial statements of the Club, appointing the auditors for the ensuing year, and transacting such other business as is required by law and as may properly come before an Annual General Meeting, shall be held once in each calendar year, preferably in the fall or winter season, at such time and place as may be specified in the notice of meeting, which shall be given by mail to each Voting Member at least three (3) weeks before the time fixed for the holding of such meeting.

14. SPECIAL GENERAL MEETING: A Special or Special General Meeting of the Club may be held at any place and time upon notice duly given to each Voting Member, and upon the call of the President or a majority of the Board of Directors, and at such meeting any business may be transacted which the Club may lawfully transact. Any Voting Member, as represented by proxy pursuant to the provisions of article five (5), may at any time waive notice of such meeting.

15. QUORUM AND MAJORITY VOTE: Two thirds (2/3) of the Voting Members of the Club represented by proxy shall constitute a quorum for the transaction of any business at a General Meeting of the Club, and unless otherwise by law or these By-Laws directed, all matters to be decided thereat shall be so decided by simple majority vote. The number of votes to be accorded a Voting Member, in pursuance of the provisions of article five (5) of these By-Laws, is to be determined by the Secretary of the Club by reference to the membership rolls as at October 1st of each year.

16. CHAIRMAN AND SECRETARY: The President of the Club shall chair all General Meetings of the Club, however, shall refrain from voting thereat on any question, except in the event of a tie, in which case he shall cast the deciding vote. The Secretary of the Club shall act as the Secretary at all General Meetings.

17. PROCEDURE: All questions of parliamentary practice at General Meetings of the Club shall be determined in accordance with the rules, by-laws and usual procedures adopted from time to time by the Club, and all questions of parliamentary practice not herein or otherwise provided for shall be determined in accordance with Roberts' Rules of Order.

18. NOTICES: Notice specifying the place, day and hour of each Annual General Meeting and of each Special General Meeting of the Club shall be given or mailed, postage prepaid or by electronic means to each Voting Member at his or its address as it appears on the books of the Club, at least three (3) weeks before the date fixed for the Meeting. The Notice of any Special or Special General Meeting of the Club shall state in general terms the purpose of the meeting. Any meeting of the Club may be held at any time and for any purpose, without notice, if all Voting Members are present or represented by proxy or have waived notice of the meeting in writing or by telegram or by electronic means either before or after the meeting.

19. DIRECTORS: The affairs of the Club shall be managed by a Board of Directors. The President, Vice President, Secretary, Treasurer and License Registrar shall be elected at an Annual General Meeting of the Club. The Race, Rally, SoloSport, Karting, Performance Solo and Performance Rally Discipline Directors shall be elected by their peers at the Discipline Committee Workshops held in conjunction with the Annual General Meeting of the Club and each of whom at the time of his election and throughout his term of office should within ten (10) days of his election become a Member of Record, in good standing. The peer appointments shall be ratified by the vote on the actions of the Executive at the Annual General Meeting. The Board shall be composed of ~~eleven (11)~~ twelve (12) regular Officers of the Club, and shall consist of the following:

1. President	7. Race Director
2. Vice President	8. Rally Director
3. Secretary	9. Performance Rally Director
4. Treasurer	10. SoloSport Director

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5. License Director	11. Performance SoloSport Director
6. Karting Director	<u>12. Executive Past President</u>

19.1. Executive Past President: The Immediate Past President will normally hold this position. Should they choose not to serve, not be capable of serving, or if they have been subject to removal according to Article Twenty Three (23), the current President may propose another former President for approval by the Executive Committee to the position of Executive Past President. The Executive Past President remains subject to the removal provisions of Article Twenty Three (23). In the absence of a person to fill this position, the Executive Committee will select members to serve ex officio as Chair of the Nominating and Awards committees, leaving the office of Executive Past President vacant.

20. TERMS: Each Director shall hold office for a term of two (2) years or until his successor has been duly elected or appointed, or he resigns or his office becomes vacant by death, removal or other cause.

21. POWERS: The Board of Directors of the Club shall administer the affairs of the Club, in all things, and make or cause to be made for the Club, in its name, any description of contract which the Club may lawfully enter into and generally may exercise all other powers and do all other things which the Club is by its charter or otherwise authorized to exercise and do not except those things specifically required to be done by the Club in all General Meetings.

22. REMUNERATION: The Directors of the Club shall serve without remuneration, provided always that out of pocket expenses may be reimbursed by the Club in a manner and to such extent as may be determined from time to time by the Board of Directors. (a) The "Club Presidents" shall be reimbursed travel expenses as a result of their requirement for attendance at Presidents Meetings of the Club. This reimbursement shall be in a manner and such extent as may be determined from time to time by the Board of Directors.

23. REMOVAL: The Voting Members of the Club may by Resolution, duly made and carrying two thirds (2/3) of the votes cast at any Special General Meeting of the members of the Club, of which notice, specifying the intention to pass such resolution has been given, remove any Director or Directors of the Club before the expiration of his or their term, and the Board of Directors itself shall have the same power by resolution carrying three quarters (3/4) of the votes cast at any duly convened meeting of the Board, subject to confirmation by the Club in general meeting, which said general meeting shall take place not more than eight (8) weeks following the decision of the Board.

24. SUBSTITUTES: Save as otherwise provided herein, in the case of a vacancy occurring on the Board of Directors through death, resignation, disqualification, or other cause, the Directors in office, by the affirmative vote of a majority of the remaining Directors, although the majority may be less than a quorum, have power, at any time and from time to time, to appoint any other duly qualified person as a Director, and any Director so appointed shall hold office until the next General Meeting of the Club; provided, however, that should any vacancy occur in the office of President, the Vice President shall be appointed in his place, and his former position shall be filled as hereinbefore provided.

25. DIRECTOR'S MEETING: Meetings of the Board of Directors may be called at any time by order of the President or Vice President or any two (2) Directors or by the written request of any three (3) Voting Members and notice specifying the place, day and hour of such meeting shall be given to each of the Directors, or left at, or mailed to, postage prepaid, or sent by telegram or cable or by electronic means, addressed to each of the Directors at his address as it appears on the books of the Club, at least seven (7) days prior to the time fixed for the meeting. Any meeting of the Directors may be held at any time and at anyplace and for any purpose, without notice, if all Directors are present or have waived notice of the meeting in writing or by telegram or by electronic means either before or after the meeting. A Board Meeting may also be held, without notice, immediately following the Annual General Meeting of the Club, and at the same place.

26. QUORUM: A simple majority of the existing Director present at any meeting of the Board shall constitute a quorum for the transaction of business thereat.

27. MAJORITY VOTE: When not otherwise specified, all questions to be decided at meetings of the Board of Directors shall be decided by simple majority vote of any quorum present, and in the event of a tie vote on any question, the President may exercise, in addition to his one vote, an additional tie breaking vote. At any meeting of the Board, each Director present shall otherwise be entitled to one vote.

28. CHAIRMAN AND SECRETARY: The President shall chair all meetings of the Board of directors, and the Secretary shall act as Secretary of any and all meetings of the Board. A declaration by the chairman that a resolution has been carried and an entry to the effect by the Secretary in the minutes of the meeting is prima facie evidence of the fact without proof of the number or proportion of the votes in favour or against such resolution. A resolution in writing signed by all Directors is as valid and effectual as if it had been passed at a meeting of the Board duly convened and constituted.

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29. CONFIRMATION OF RESOLUTIONS: Any resolution of the Board of Directors shall take and have effect only until the next Annual General Meeting, or Special General Meeting called to consider same, and if any resolution should fail to be ratified and confirmed it shall cease to have effect.

30. NOMINATIONS: Nominations for the Board of Directors shall be made by a Nominating Committee, appointed for this purpose by the existing Board of Directors. Such committee shall consist of three (3) individuals who are Members of Record in good standing of the Club, and such committee shall nominate only one (1) person for each office open for succession. Nominations for the positions of President, Vice President, Secretary, Treasurer and License Registrar shall be presented at an Annual General Meeting of the Club, at which meeting nominations shall also be open from the floor by any person thereat. Nominations for the positions of Race, Rally, SoloSport, Karting, Performance Rally and Performance SoloSport Directors shall be presented at the Discipline Committee Workshop meeting at which meeting nominations will be open from the floor by any person thereat. Any nominee who is not present at such Annual General Meeting shall be disqualified as a nominee, unless his written consent has been presented to the Chairman of the Meeting. The Voting Members shall upon the Chairman of the Meeting calling nominations closed, elect any suitable nominee by ballot. The elected Discipline Committee Directors shall be presented to the Annual General Meeting and their Elections shall be ratified by their fellow Board of Directors. Such elections shall be effective upon the termination of the Annual General Meeting.

31. ELECTIONS: Each Director of the Club shall be elected for a two (2) year term of office, in the following rotational fashion: The President, Secretary, SoloSport Director, Race Director and Performance Rally Director shall be elected each *Odd Calendar Year* to serve a two (2) year term. The Vice President, Treasurer, License Registrar, Rally Director, Karting Director and Performance SoloSport Director shall be elected each *Even Calendar Year* to serve a two (2) year term. The Board of Directors shall appoint a Regional Executive Steward. The Regional Executive Steward shall be appointed each *Odd Calendar Year* to serve a two (2) year term. In the event the position of Secretary and Treasurer are combined in a single office, then the position of Secretary/Treasurer shall be filled by election in *Even Calendar Years*. Any Director may be re-elected to serve additional terms.

32. PRESIDENT: The President shall, when present, preside at all meetings of the Club and of the Board of Directors. He shall be charged with the general supervision and management of the operation and activities of the Club. He shall, with the Secretary or other officer appointed by the Board, sign all resolutions, membership certificates, and all other documents and instruments requiring his signature and shall perform all duties incidental or usually pertaining to his office and shall have such other related powers and duties as may from time to time be assigned to him by the Board of Directors.

32.1. Executive Past President: The Executive Past President will serve as a full voting member of the Executive Committee and the Board. The Executive Past President will also serve as the chair of the Nominating Committee and of the Awards Committee. He shall perform all duties incidental or usually pertaining to his office and shall have such other related powers and duties as may from time to time be assigned to him by the Board of Directors.

33. VICE PRESIDENT: The Vice President shall perform all the duties of and be subject to the same obligations as the President, whenever the President ceases to hold office for any reason or is prevented from attending to his duties, and may preside at all meetings of the Board or of the Club in the absence of, or on the request of the President. He shall generally assist the President in his duties. He shall perform all the duties incidental or usually pertaining to his office and shall have other related powers and duties as may from time to time be assigned to him by the Board of Directors.

34. SECRETARY: The Secretary shall attend and act as Secretary at all meetings of the Club and of the Board, and record all acts and minutes of the proceedings of such in a book to be kept for the purpose, and shall attend to the giving of all notices of the Club. He shall have custody and control of the Club's Corporate Seal and Corporate Minute Book, wherein shall be recorded the following: the Letters Patent of the Club; any Supplementary Letters patent; all By-Laws duly authenticated; the names, alphabetically arranged, of all the members of the Club and all who have been members; the addresses of all such members; the names of all Directors or Officers of the Club and all who have been Directors or Officers, with the dates of election and resignation; the minutes of all meetings of the Board and the Club; and all such other matters as shall properly be contained therein. He shall be the custodian of all books, papers, records, correspondence and other documents pertaining to the Club, and shall deliver up same to any person not being a Director for the time being only when so authorized by the Board. He shall perform all duties incidental or usually pertaining to his office and shall have such other related powers and duties as may from time to time be assigned to him by the Board of Directors.

35. TREASURER: The Treasurer shall have general charge of the finances of the Club. He shall deposit all monies and other valuable effects of the Club in the name of and to the credit of the Club in such banks or other depositories as designated by the Board of Directors, and shall render to the Board of Directors, whenever directed by the Board, and account of the financial condition of the Club and all his transactions as

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Treasurer, and as soon as possible after the close of each financial year, he shall make and submit to the Board a like report for such financial year. He shall have charge and custody of and be responsible for the keeping of the books of account required to be kept pursuant to the laws governing the Club. He shall perform all duties incidental or usually pertaining to his office and shall have such other related powers and duties as from time to time be assigned to him by the Board of Directors.

36. LICENSE REGISTRAR / STATISTICIAN: The License Registrar shall receive all applications for, produce and distribute Competition Licenses in accordance with the rules and regulations set by the Regional and National offices of the national body, ASN Canada FIA, (l'Autorite Sportive Nationale du Canada de la Federation Internationale de l' Automobile Inc.) and in accordance with the directions of the Board of Directors. He shall from time to time forward traffic sheets and funds to Regional Treasurer in accordance with the rules, regulations and directions aforesaid, and keep an accurate ledger of all licenses, medical forms, and funds handled. He shall receive event results from all Discipline Directors, prepare and maintain ARMS year to date competition results. He shall perform all duties incidental or usually pertaining to his office and shall have such other related powers and duties as may from time to time be assigned to him by the Board of Directors.

37. SPECIAL INTEREST DIRECTORS: The Directors of Racing, Rallying, SoloSport, Karting, Performance SoloSport and Performance Rally shall Direct the compilation of rules and regulations and policy formulation for such Special Interest areas. They shall perform, jointly or severally as may be the case, all duties incidental or usually pertaining to his office and shall have such other related powers and duties as may from time to time be assigned to him by the Board of Directors. *(Amended November 9th, 2014)*

38. APPOINTMENT OF OFFICERS, AGENTS, EMPLOYEES, MANAGER: The Board of Directors may from time to time appoint such officers and agents and authorize the employment of such other persons as is deemed necessary by the Board to carry out effectively the objects of the Club, and such officers, agents or employees shall have whatever authority and shall perform whatever duties are prescribed to them from time to time by the Board. The Board may appoint a general manager and delegate to him such authority and power as they deem fit for his effective management and direction of the affairs of the Club (except such matter as must by Law or By-Law be transacted or performed by the member in general meetings) and such general manager shall conform to all lawful orders given to him by the Board of Directors and shall at all reasonable times give to the Directors or any of them all information they may request regarding the affairs of the Club. All officers, managers, agents or employees so appointed by the Board are subject to removal from office or employment by the Board at any time with or without cause and with or without cause.

39. APPOINTMENT OF COMMITTEES: The Board of Directors may at any time appoint or constitute such Committees as it may deem necessary and for such purpose as it may in its discretion deem fit. Any such Committee shall be at all times directly responsible to the Board.

40. SPECIAL INTEREST COMMITTEES: Without limiting the generality of Article Thirty-nine (39) of this By-Law, the Board of Directors shall appoint or constitute a Regional Committee for each special interest group, such as Rallying, Racing, Solo Events, Karting, Performance Rally and Performance SoloSport, which committee shall be chaired by any existing Director of the Club in charge of the special interest group and shall also consist of any person representing a Voting Member with a similar interest and holding a valid competition license of any class ~~and those persons as may be assigned by the Board; by member of the Member Clubs in accordance with the figures reported by the Regional License Registrar as of October 1st previous.~~ The Committee shall be responsible for the organization and establishment of rules and regulations pertaining to that special interest group, and shall in all aspects be directly responsible to the Board. In meetings of the committee, each committee member shall have the right to one vote. ~~only persons representing a Voting Member shall themselves vote and shall have the right to one vote for each Competition License of any class in that discipline.~~

41. ASSOCIATIONS: Without limiting the generality of Article Thirty-Nine (39) of the By-Law, the Board of Directors shall have the power to appoint or constitute one or more Associations, consisting of one or more Voting Members, which shall act as governing bodies within any or all Provinces for the purpose of providing and realizing amateur auto sport affiliation with the various governmental amateur sports Federations; such associations shall, in carrying out their functions on behalf of the Club, be subject at all times and directly responsible to the Board of Directors of the Club, and shall be guided by the rules, regulations, By-Laws and Charter of the Club and of the National Body, ASN Canada FIA, (l'Autorite Sportive Nationale du Canada de la Federation Internationale de l' Automobile Inc.).

42. INDEMNIFICATION OF DIRECTORS: Every Director or Officer of the Club and his heirs, executors, administrators and other legal personal representatives shall from time to time be indemnified and saved harmless by the Club from and against any liability and all costs, charges and expenses that he sustains or incurs in respect of any action, suit or proceeding proposed or commenced against him in respect of the execution of the duties of his office, and all other costs, charges and expenses that he sustains or incurs in respect of the affairs of the Club; provided always, that none of the foregoing shall apply in respect of any matter occasioned by an act or omission of a Director or Officer which is willful and wrongful nor shall it apply to any liability that he may have to the Club itself for breach of any duty owing by him to the Club.

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43. INDEMNIFICATION OF MEMBERS: Without limiting the generality of the provisions concerning same contained in the Letters Patent or otherwise determined by law, every member of the Club, its or his heirs, executors, administrators, successors of assigns, shall from time to time be indemnified and saved harmless to the extent and subject to the same exception as above, in Article Forty -Two (42) of the By-Law; in respect of any liability and all costs, charges and expenses that it or he sustains or incurs in respect of any action, suit or proceeding that is proposed or commenced against him for or in respect of anything done or left undone by him while acting for or on behalf of the Club with proper authority so to do in connection with any of the activities of the Club.

44. SIGNING OFFICERS: All deeds, transfer, contracts, bonds, debentures and other documents requiring execution by the Club may be signed by the President and the Secretary or any one or more Directors as the Board may otherwise authorize, from time to time, by resolution. Save as aforesaid, or as otherwise provided in the By- Laws of the Club or as normally requisite in carrying out the activities of the Club, no Director, Officer, Agent of Employee has power or authority to bind the Club by any contract or engagement or to pledge its credit. It is the duty of a Director of the Club who is in any way, whether directly or indirectly, interested in a contract or a proposed contract with the Club to declare his interest at a meeting of the Board, and, except as permitted by the laws governing the Club, to refrain from voting in respect of any contract or proposed contract in which such Director is so interested, and otherwise to observe the provisions of such laws.

45. FISCAL YEAR: The fiscal year end of the Club shall be the last day of September in each year, or other such day determined by resolution of the Board.

46. BOOKS AND RECORDS: The Board of Directors shall cause all necessary books and records as required by law to be kept regularly and properly, and all minute books containing the minutes of meetings of the Board and of the Club shall at all times be open for inspection by any voting Member and any Director of the Club. All financial records and books of account shall at all times be open for inspection by the Auditor, if one is appointed, and any Director of the Club.

47. AUDITOR: The Auditor, if one is appointed, shall make a report to the members and to the Board on the accounts examined by them and on every balance sheet and statement of income and expenditures laid before the Club at its Annual General Meeting. The report shall state whether or not the Auditor has obtained all the information and explanations required and whether, in the Auditor's opinion, the financial statements are properly drawn up so as to exhibit a true and correct view of the state of the Club's affairs as at the date of same and the result of the Club's operations for the year ended on that date according to the best of their information and of the explanations given them, and as shown by the books of the Club.

48. BANKING: The banking business of the Club shall be transacted with such bank, trust company or other firm or corporation carrying on a banking business as the board may designate, appoint or authorize from time to time by resolution, and all such banking business or any part thereof shall be transacted on the Club's behalf by such one or more officers and/or other persons as the Board may by resolution direct, including, the operation of the Club's accounts, the making, signing, endorsing, drawing, accepting, negotiating, lodging, depositing or transferring of any cheques, promissory notes, drafts, acceptances, bills of exchange and orders for payment of money, the giving of receipts for and orders relating to any property of the Club, the execution of any agreement relating to any banking business and defining the rights and powers of the parties thereto, and the authorization of any officer of such banker to do any act or thing on the Club's behalf to facilitate such banking business.

49. EMBLEM: The following is a description of the "Emblem" used by the Atlantic Region Motor Sports Inc.: (1) a stylized "A" - represents the Atlantic Region; (2) Checkered Flag - represents Motor sport; (3) Maple Leaf - represents Canada; (4) 3 Blue Bars - symbolizes the water surrounding Atlantic Canada; (5) 4 Green Bars - symbolizes the 4 Atlantic Provinces; (6) Upper Blue Bars - symbolizes the sky. This "Emblem" shall appear on all Club stationary and reports. This "Emblem" was designed by Mr. Howard Currie of the Moncton Motor Sport Club for a contest sponsored by the Atlantic Region Motor Sports in November 1992.

50. EVENTS: All events shall be organized and conducted in accordance with the rules and regulations of the Club.

51. HANDBOOK: Each calendar year, the Board of Directors shall produce or have produced a Regional Handbook and/or supplements and Calendar, containing such rules and regulations, information to members and to the public, calendar of events, summaries of the duties, privileges and powers of Directors, Officers and Members, and such other information as the Board may deem fit, and shall distribute the said Handbook to its members desiring same, with or without charge.

52. BY-LAWS: The Board of Directors may, from time to time, enact or pass By-Laws not contrary to law or the charter of the Club, but every such By-Law (excepting such a By-Law as the provisions of the laws governing the Club require to be sanctioned, approved or confirmed by the Voting Members before becoming

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effective) and every repeal, amendment or re-enactment thereof, unless in the meantime sanctioned at a Special General Meeting of the Company duly called for that purpose, shall only have force and effect until the next Annual General Meeting of the Club, and in default of confirmation thereat shall, as and from that time only, cease to be in force. In all of the foregoing cases, and where not otherwise stipulated by law or by Letters Patent or By-Laws of the Club, a two-thirds (2/3) majority of the Club in General Meetings is required.

53. PROXY:

53.1. Every member, in person or represented by an official delegate shall have one vote and no more. A member may, by means of written Proxy, appoint a proxy holder, who must be a member of a member club, to attend and act at a specific meeting of members in the manner and to the extent authorized by the proxy. All decisions will be passed by a simple majority of all members present in person or represented by proxy and voting, unless these By-Laws indicate otherwise.

53.2. Member Clubs can be represented by Proxy. A Member Club shall not carry more than one (1) Proxy at any one (1) Meeting. Members of Member Clubs can be represented a Discipline Workshops by Proxy. A Member of a Member Club shall not carry more than three (3) Proxy Votes at any one (1) Disciplined Workshop. The Presiding Chair of any Meeting shall not be able to exercise the Proxy Voting rights in his/her possession.

53.3. PROXY WORDING: I, _____ being a Full Member in good standing of the (Club): _____ and the Atlantic Region Motor Sports Inc., (ARMS) as of October 31 _____ hereby appoints _____ a member in good standing of _____ (club) and the Atlantic Region Motor Sports Inc., (ARMS) as my (our) Proxy Holder with full power of substitution to attend, vote and act on my (our) behalf in respect to any and all items of business that may arise at the Atlantic Region Motor Sports Inc., (ARMS) Annual General Meeting and the Kart, Race, Rally and Solo Events Discipline Workshops. The undersigned has the right to delete any portion of this Proxy.

ARMS Code of Conduct

ARMS clubs, members and participants in ARMS sanctioned events shall conduct themselves according to the highest standards of behaviour and sportsmanship and in a manner that shall not be prejudicial to the interests and the reputation of ARMS or its Clubs or of motorsport generally. Failure to do so shall be considered a breach of the ARMS GCRs and may result in penalties being applied.

The following statements further define the beliefs, expectations, ideals and principles of individual conduct that ARMS believes should be exemplified:

1. Participants in ARMS sanctioned activities shall be bound by this Code of Conduct;
2. Participants in ARMS sanctioned activities shall accept that motorsports can be dangerous and entails inherent risks;
3. Participants in ARMS sanctioned activities shall be treated with consideration and respect, and shall treat fellow participants with the same consideration and respect;
4. Participants in ARMS sanctioned activities shall endeavour to portray a positive image of motorsports through their exemplary driving habits;
5. Participants in ARMS sanctioned events shall not knowingly place themselves or others in a position of undue risk. Consideration of safety shall be placed before competitive goals;
6. ARMS members shall strive to set exemplary standards of behaviour as they are all ambassadors for motorsports;
7. ARMS members shall pledge to demonstrate with their actions care and concern for the environment.