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**CONSTITUTION AND BY-LAWS
OF
THE CANADIAN GEMMOLOGICAL ASSOCIATION**

BY-LAW NO. 1

A By-law relating generally to the conduct of the affairs of The Canadian Gemmological Association. Be it enacted and it is hereby enacted as a By-law of the Canadian Gemmological Association as follows:

Article

1. NAME — the name of this society shall be The Canadian Gemmological Association, hereby referred to as CGA.

Article

2. OBJECT — the objects of the society are the education and advancement of the science and technology of gemmology and gemmological science, and the provisions associated with them by:
 - 2.1 providing a medium for communication and co-operation among those interested in any phase of gemmology and gemmological science; and the acquisition and teaching of knowledge thereof;
 - 2.2 disseminating knowledge and information through meetings, publications, discussions and other means of communications;
 - 2.3 educating members, the industry and the public about high ethical and professional standards and promoting such standards;
 - 2.4 encouraging interest and the advancement of education on gemmology and gemmological science leading to the internationally recognized distinction (FCGmA) Fellow of The Canadian Gemmological Association upon successful completion of the Professional Diploma examinations;
 - 2.5 raising funds as provided in the By-laws of the Association and to expend the funds so raised in the performance and furtherance of these objects;
 - 2.6 accepting donations, gifts, legacies and bequests.

Article

3. DEFINITIONS, INTERPRETATIONS AND PROVISIONS — In this By-law and all other By-laws of the Association, unless the context otherwise specifies or requires:
 - 3.1 "Act" means the Canada Corporations Act, R.S.C., 1970, chap.C-32 as from time to time amended, and every statute that may be substituted therefore.
 - 3.2 "Association", "Society", "Corporation" and "CGA" mean The Canadian Gemmological Association.
 - 3.3 "Proxy Vote" means a vote of a Director or member not present at a meeting of the Association and shall state in writing the motion under consideration and that Director or member's vote on the motion. Such proxy vote shall be delivered by mail or in person to the Secretary, or any person present, Director or member, of the Association prior to or at the relevant meeting.
 - 3.4 "Documents" includes deeds, mortgages, charges, conveyances, transfers and assignments of property, real or personal, immovable or movable, agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of shares, bonds, debentures or other securities, cheques, promissory notes, drafts, acceptances, bills of exchange, orders for the payment of money and any and all other paper writings.
 - 3.5 "Board" means the Board of Directors of the Association.
 - 3.6 "Chair" will mean the individual who serves as chairperson.
 - 3.7 "Director" means a person who has been elected to the office of director in accordance with Article 7.1 or appointed to fill a vacancy in the office of director in accordance with Article 6.6 (vacancies).
 - 3.8 All terms contained in the Constitution and By-laws which are defined in the Act shall have the meanings given to such terms in the Act.
 - 3.9 Words importing the singular shall include the plural and vice versa; words importing the masculine gender shall include the feminine or neuter genders; words importing persons shall include bodies corporate, corporations, companies, partnerships, syndicates, trusts and any number of aggregate or persons.
 - 3.10 All terms in the Act and in this By-law have the same meaning in all the By-laws and resolution of the Corporation.

Article

4. HEAD OFFICE — the head office of the Association shall be in the Municipality of Metropolitan Toronto in the Province of Ontario, (subject to change by special resolution) at such a place therein as the Directors may, from time to time, decide. The Directors shall have power to establish branch offices at any place or places within Canada as they may, from time to time, decide.

Article

5. CORPORATE SEAL AND/OR CREST — The corporate seal which is impressed in the margin thereof shall be the corporate seal of the Corporation.
- 5.1 The corporate seal shall reside at all times (except by special resolution) with the Secretary of the Association.

Article

6. BOARD OF DIRECTORS

- 6.1 GENERAL POWERS — The affairs of the Association shall be managed by the Directors, who may exercise all such powers and do all such acts and things as may be exercised or done by the Corporation and are not, by the By-laws of the Corporation or by Statute, expressly directed or required to be done by the Corporation at general meetings of the members.
- 6.2 ACTS OF *DE FACTO* DIRECTORS — All acts done at or in consequence of any meetings of the Directors or by any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid or that they or any of them were disqualified, be valid as if every such person had been duly appointed and was qualified to be a Director.
- 6.3 NUMBER OF DIRECTORS—The property and business of the Association shall be managed by the Board of Directors of not less than three (3) and not more than seven (7) Directors. Within the said limitations as to number, the requisite quorum of Directors then in office may, from time to time, fill in vacancy up to the maximum number or may leave vacancies unfilled until the next annual meeting of members. Directors shall be elected or re-elected as the case may be at each annual meeting of members, and Directors may be elected to fill any vacancy at other meetings of members.

- 6.4 QUALIFICATIONS—Each Director shall:
- 6.4.1 be a member of the Corporation in good standing;
 - 6.4.2 be at least 21 years of age;
 - 6.4.3 be nominated and elected as specifically provided by these By-laws;
 - 6.4.4 be required to perform work and services for the Corporation in accordance with the condition which the Board of Directors may decide from time to time;
 - 6.4.5 not be an undischarged bankrupt nor a mentally incompetent person;
 - 6.4.6 not be a compensated employee of the Corporation earning greater than fifteen thousand dollars (\$15000) per annum in wages or salary;
 - 6.4.7 not be compensated by the Corporation for more than ten (10) hours per week, based on the average of the preceding twelve months.
- 6.5 VACATION OF OFFICE—The office of a Director of the Association shall be vacated:
- 6.5.1 if the Director becomes bankrupt or suspends payment to his creditors or makes an assignment in bankruptcy or is declared insolvent;
 - 6.5.2 if the Director is found to be mentally incompetent or becomes of unsound mind;
 - 6.5.3 if the Director is convicted of any offense specified in the Criminal Code;
 - 6.5.4 if by notice in writing to the Secretary of the Association the Director resigns his office;
 - 6.5.5 if the Director ceases to be qualified as such;
 - 6.5.6 if the Director, without prior approval of the Board, fails to meet the attendance requirements in Article 6.11.
- 6.6 VACANCIES—So long as a quorum of the Directors remains in office, a vacancy of the Board may be filled by the Directors from among the

qualified members of the Association. If no quorum exists, the remaining directors shall forthwith call a general meeting of members to fill vacancies on the Board.

- 6.7 REMOVAL OF DIRECTORS—The members of the Association may, by resolution passed by at least 50% plus one of the votes cast at a general meeting of which notice specifying the intention to pass such a resolution has been given, remove any Director before the expiration of his term of office and may, by a majority of the votes cast at such a meeting, elect any qualified person in his stead for the remainder of his term.
- 6.8 QUORUM—The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors, and, unless so fixed, shall be 50% of the Directors plus one.
 - 6.8.1 For general member meetings and all other membership meetings the quorum necessary is 25% of members or 15, whichever is lesser.
- 6.9 MEETINGS —Meetings of Directors shall be held at least six (6) times a year and may be held at such a place as the Directors, from time to time, determine. Meetings of the Board of Directors may be held at any time or place without formal notice if all the Directors who are then within Canada are present or if those who are absent have waived notice of such meetings or have signified their consent to the meeting being held in their absence. Meetings of Directors may be called at any time by the President, the Secretary, or by any two Directors.
- 6.10 NOTICE OF MEETINGS—Notice of such meetings shall be delivered or mailed or faxed or telephoned to each Director seven (7) days (exclusive of the day on which the notice is delivered or mailed or telephoned, but inclusive of the day for which the notice is given) before the meeting is to take place. Notice of any meeting or any irregularity in a meeting or the notice thereof may be waived by any Director or Directors. At the first meeting of the Directors after their election or in the case of a Director appointed to fill a vacancy on the Board, no notice of such meeting shall be necessary to the newly elected Director or Directors in order legally to constitute the meeting, provided that a quorum of Directors be present. The statutory declaration of the Secretary or designated official that notice has been given pursuant to this By-law shall be sufficient and conclusive evidence of giving such notice.
- 6.11 ATTENDANCE—Each member of the Board is expected to attend all meetings. If a member is unable to attend, the member is to send her/his regrets prior to the meeting. Within any calendar year a director who

misses three consecutive meetings or attends less than one-third (1/3) of the meetings will be removed from the Board unless said member obtains prior approval from the Board.

6.12 MINUTES

6.12.1 All minutes must be completed and circulated one week prior to the next regular Board meeting.

6.12.2 Minutes from each Board meeting must be approved at the next Board meeting following the previous meeting.

6.13 SPECIAL MEETINGS—Special meetings of the Board may be called by the President, Chair, Secretary or any two (2) Directors.

6.14 REMUNERATION OF DIRECTORS—The Directors of the Association shall serve without remuneration and no Director shall directly or indirectly receive any profit from his position as such provided that a Director may be paid reasonable expenses incurred by him in the performance of his duties in the form of an annual honorarium not to exceed One Hundred and Fifty Dollars (\$150.00) per year per director, payable at the end of May.

6.15 VOTING PROCEDURE—Questions arising at any meetings of the Board shall be decided by a majority vote. In case of an equality of votes, the President shall cast the deciding vote. At all meetings of the Board, every question shall be decided by a show of hands unless a poll on the questions is required by the Chair, Past-President or requested by any Director. A declaration by the Chair that a resolution has been carried and an entry to that effect in the minutes is conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour or against the resolution.

6.16 STANDARDS OF CARE—Every Director and executive member of the Association shall exercise the powers and discharge the duties of his office honestly, in good faith and in the best interests of the Association, and in connection therewith shall exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

6.17 INDEMNITIES TO DIRECTORS—Every Director and executive member of the Corporation and the heirs, executors and administrators, and estate and effects of the Director, respectively shall from time to time and at all times be indemnified and saved harmless, out of the funds of the Association, from and against:

6.17.1 all cost, charges and expenses whatsoever which the Director or

executive member sustains or incurs in or about any action, suit or proceeding which is brought, commenced or prosecuted against such Director for or in respect of any act, deed, matter or things whatsoever made, done or permitted by such Director in or about the execution of the duties of the office; and

- 6.17.2 all other costs, charge and expenses which the Director sustains or incurs in or about or in relation to the affairs thereof, except the costs, charges or expenses occasioned by the willful neglect or default of the Director.
- 6.17.3 No Director or executive member shall be indemnified by the Corporation in respect of any liability, costs, charges or expenses that he sustains or incurs in or about any action, suit or other proceeding as a result of which he is adjudged to be in breach of any duty or responsibility imposed upon him under the Act or under any other statute unless, in an action brought against him in his capacity as Director or executive member, he has achieved substantial success as a defendant.
- 6.17.4 The Corporation may purchase and maintain insurance for the benefit of a Director thereof, except insurance against a liability, cost, charge or expense of the Director incurred as a result of a contravention of 6.16.
- 6.18 RESPONSIBILITY FOR ACTS—The Directors for the time being of the Corporation shall not be under any duty or responsibility in respect of any contact, act or transaction whether or not made, done or entered into in the name or on behalf of the Corporation, except such as shall have been submitted to and authorized or approved by the Board.
- 6.19 OTHERS PRESENT—The Past President and Appointed Chairman shall be entitled to all privileges of members of the Board but shall not be entitled to vote thereat.
- 6.20 OBSERVERS—By a 50% plus 1 vote of the Directors, observers may be excluded from the Board meetings.
- 6.21 ASSISTANTS—Each Director may appoint assistants as required to carry out the duties for which they are responsible. However, this will not relieve the Directors of their responsibilities. Such appointments must be approved by the Board and noted in the minutes of the meetings.
- 6.22 HONORARY DIRECTORS—The Directors may appoint not less than three (3) and not more than eight (8) Honorary Directors who shall be Directors in name only. Honorary Directors shall not vote nor have

active management of the Association. Honorary Directors are appointed for a life term or a specified term as the Directors may from time to time decide at the appointment of said Honorary Director, except for removal by Article 6.5.

- 6.23 DIRECTORS ON SUBCOMMITTEES—Each member of the Board must belong to at least one (1) subcommittee and not more than three (3) subcommittees.

Article

7. DIRECTORS OF THE ASSOCIATION—The voting Directors of the Association shall be:
1. President;
 2. Vice-President;
 3. Secretary;
 4. Treasurer;
 5. Director of Education.

- 7.1 **Election of Directors** - The Directors of the Association shall be elected by the members of the Association at the annual meeting of the members, and may be members of the Board. The Directors of the Association shall hold office from the date of their appointment until their successors are appointed in their stead, provided that in the default of such appointment the then incumbent Director shall hold office until their successors are appointed.

7.1.1 On taking office, each Director shall agree to perform the duties of the office to the best of his ability and to uphold the Constitution, By-laws, rules and regulations of the Association.

7.1.2 The Directors shall take such steps as they may deem requisite to enable the Association to acquire, accept, solicit or receive legacies, gifts, grants, settlements, bequests, endowments and donations of any kind whatsoever for the purpose of furthering the objects of the Association.

- 7.2 **Terms of Office** – President 2 years; Vice-President 2 years; Secretary 2 years; Treasurer 2 years; Director of Education 2 years.

Article

8. DUTIES OF DIRECTORS AND MEMBERS OF THE BOARD

- 8.1 PRESIDENT

The President shall be the Chairman of the Association but may by his

own appointment (or Board of Directors 50% plus one (1), designate an alternate Chair who must be a member of the Association but not necessarily a member of the Board.

The President shall have one vote on all questions where the vote is by ballot or proxy, but otherwise, in show of hand votes, the President votes only in case of a tie vote.

The President shall ask for the minutes of the previous meeting, and when these are approved, shall sign the permanent record of minutes. The President shall ask for a Treasurer's report, and for a report from all committee chairmen who have asked for the privilege of reporting. The President shall give members of the assembly an opportunity to ask questions, or to bring items to the attention of the assembly. The President shall see that new members and visitors are welcomed to the meetings of the Association, and may ask for special guests to be made corresponding members of the Association for the evening, thus giving them the right to speak on items which may be brought up for discussion. The President shall prepare a written report for the Annual Meeting of the Association, which may then be printed (or summarized) for inclusion in *The Canadian Gemmologist* . The President shall assist members of the executive in the fulfillment of their responsibilities. The President or Chairman shall ensure that all motions approved by the executive or by the Association are acted upon, and carried through to a conclusion. The President shall ensure that the Department of Consumer and Commercial Relations is notified of changes of Directors and Officers of the Association.

8.2 VICE-PRESIDENT

The Vice-President shall be a member of the Board of Directors of the Association.

The Vice-President, at the discretion of the Board, shall, in the absence or disability of the President and Chairman, perform the duties and exercise the powers of the President and Chairman and shall perform such other duties as shall from time to time be imposed upon him by the Association.

The Vice-President shall have one vote.

8.3 TREASURER

The Treasurer shall be a member of the Board of Directors of the Association.

The Treasurer shall have the custody of the funds and securities of the

Association and shall keep full and accurate accounts of all assets, liabilities, receipts and disbursements of the Association in the books belonging to the Association and shall deposit all monies, securities and other valuable effects in the name and to the credit of the Association in such chartered bank or trust company, or, in the case of securities, in such registered dealer in securities as may be designated by the Association from time to time. He shall disburse the funds of the Association as may be directed by proper authority taking proper vouchers for such disbursements, and shall render to the Association at the Annual Meeting, or whenever they may require it, an accounting of all the transactions and a statement of the financial position of the Association.

The Treasurer shall have one vote.

8.4 SECRETARY

The Secretary shall be a member of the Board of Directors of the Association.

The Secretary may be empowered by the Association, to carry on the affairs of the Association generally under the supervision of the Directors thereof and shall attend all meetings and act as clerk thereof and record all votes and minutes in the books to be kept for that purpose. The Secretary shall record for transcription accurate minutes of all proceedings of the regular meetings and the executive meetings of the Association. These minutes shall be approved and signed by the President at the next regular meeting of the Association or of its executive. He shall give or cause to be given notice of all meetings of the Association and compile the agenda and a list of motions for such meetings. He shall be the custodian of the seal of the Association, which he shall deliver only when authorized by a resolution of the Directors to do so and to such person or persons as may be named in the resolution.

The Secretary has custody of all papers belonging to the Association, not especially under the charge of any other officer. The Secretary shall type or cause to have typed the minutes of the Board meetings in order that these may be reproduced and sent out (from the CGA office one week ahead of the next Board meeting.

The Secretary shall have one vote.

8.5 DIRECTOR OF EDUCATION

The Director of Education shall be a member of the Board of Directors of the Association.

The Director of Education shall form committees and through committees direct the education program, ensuring that exams, and courses are run on time. He shall review or cause for review teachers and tutors at least once a year. He shall produce the Education budget for approval by the Board including running courses, purchasing equipment, and the remuneration of teachers and tutors.

The Director of Education shall have one vote.

8.6 THE PAST PRESIDENT

The Past President shall be a non-voting member of the Board of Directors of the Association and shall give counsel and help to the current executive guiding them in proper procedures and assisting them in the fulfillment of their duties and responsibilities.

8.7 APPOINTED CHAIRMAN

The Appointed Chairman shall be a non-voting member of the Board of Directors of the Association. He shall have the general and active management of the affairs of the meeting. He shall call the meetings to order at the announced time, shall announce the business before the assembly in its proper order, shall preserve order and decorum, and shall state and put to the vote all questions properly brought before the assembly in accord with accepted Parliamentary Authority. He shall decide all questions involving the interpretation of this Constitution in line with the requirements of the Association.

Article

9. ELECTION OF THE BOARD

9.1 **Rotational**—Subject to the provisions of the Act and of Article 9.6 (Transitional), directors, other than ex-officio directors, if any, shall be elected by members entitled to vote, and shall retire in rotation and they shall be elected at the first annual meeting and at each subsequent annual meeting. At each annual meeting three (3) directors shall be elected to fill the positions of directors whose term of office has expired.

9.2 **Re-Election**—A Director whose term of office has expired shall, if otherwise qualified, be eligible to be re-elected.

9.3 ELECTION OF DIRECTORS

9.3.1 At the annual meeting each individual voting member shall have

the right to vote for any or all directors positions whose term of office has come up for election, provided that each member shall exercise his vote only once per directorial position.

9.3.2 Election shall be held by secret ballot and shall include all returned proxies.

9.3.3 Where the number of candidates is equal to the number of offices to be filled, the Secretary of the meeting shall cast a single ballot electing the number of candidates for the offices.

9.3.4 Where the number of candidates nominated is greater than the number of offices to be filled, the election shall be by ballot.

9.4 NOMINATION PROCEDURE FOR OFFICERS

Not less than forty-five (45) days prior to the Annual General Meeting (AGM) a nomination form will be sent to all full voting members. Any full member can be nominated for any and all offices. These forms should be returned within fourteen (14) days to the Association head office, at which time the nominations will be tabulated and a list of those members who consent to the nomination(s) will be forwarded by mail to all full members not less than twenty-one (21) days prior to the AGM. In addition, any full member may, from the floor at the AGM, nominate any other full member, at such annual meeting to stand as nominee for any or all of the offices of the Association. No person shall be nominated from the floor unless the nominee is present to accept the nomination or has furnished in writing prior acceptance.

9.5 FORMS

The Board may prescribe the form of nomination and the form of ballot and/or proxy.

9.6 TRANSITIONAL

At the first meeting of the members for the election of directors following the issue of Supplementary Letters Patent authorizing the election and retirement of directors in rotation:

9.6.1 three (3) directors elected for a one-year term;

9.6.2 two (2) directors elected for a two-year term.

Article

10. COMMITTEES

10.1 **Standing Committees**—There shall be such Standing Committees and for such purposes as the Board may determine from time to time by resolution.

10.1.1 Provided, however, that until otherwise determined by the Board, there shall be the following Standing Committees:

10.1.1.1 Executive Committee

10.1.1.2 Education Committee

10.1.2 Provided further that the Board shall have the power to define the terms of reference of any Standing Committee, and to rename any Standing Committee.

10.2 **Ad Hoc Committees**—There may be such *Ad Hoc* Committees and for such purposes as the Board may determine from time to time by resolution. The existence of any such *Ad Hoc* Committee shall be terminated automatically upon the earlier of:

10.2.1 the delivery of its report;

10.2.2 the completion of its assigned task;

10.2.3 where article 10.2.3 might otherwise apply, the Board may, by resolution, continue such *Ad Hoc* Committee.

10.2.4 a resolution to that effect of the Board by which it was constituted, whichever occurs first.

10.2.5 Provided, however, that in the case of termination pursuant to s. 10.2.3, the Board may by resolution continue such *Ad Hoc* Committee.

10.3 **Combined and Inactive Committees**—From time to time the Board may, by resolution, combine the work of two or more committees under such name as the Board shall select; and may permit any committee to be inactive.

10.4 **Committee Chairmen**—Each committee shall have as its Chairman such member as shall be appointed by the Board of Directors, from time to time.

10.4.1 Duties of the Committee Chairman

The Committee Chairman, in respect to each committee established by the Board of Directors, shall:

organize with such assistance as is required, a complete program of

events for the calendar year of the Association and conduct, or cause to be conducted, such events and activities to further the purposes of the Association as may be recommended by their respective Committee and deemed advisable and approved by the Board of Directors;

- 10.4.2 instruct the Committee to meet independently, as needed, and report at the request of the Board.
- 10.5 **Committee Powers**—No such Committee shall have the power to act for or on behalf of the Association or otherwise commit or bind the Association to any course of action. Committees shall only have the power to make recommendations to the Board of Directors, or to the members as the Board may, from time to time direct.
- 10.6 **Qualifications**—Members of Committees shall be appointed by, and hold office at the pleasure of the Board. Committee members shall meet the qualification requirements set out in Article 6.4.
- 10.7 **Removal of Committee Members**—Any or all Committee members may be removed by a fifty per cent (50%) plus one (1) vote of the Board of Directors or by a majority vote of the remaining members of the Committee.
- 10.8 **Submissions to the Board**—Such Committees shall submit to the Board, and if requested by the Board, present in person at a Board meeting, such reports as the Board may, from time to time request, but, in any event, such Committee shall submit an annual report to the Board at such time as the Board may, from time to time, determine.
- 10.9 **Executive Committee**
 - 10.9.1 Executive Committee shall consist of the Directors plus the immediate Past-President, and Committee members appointed by the Directors. It is the governing body of the Association and transacts the Association's business, subject to the wishes of the membership.
 - 10.9.2 The Executive Committee shall consist of those four (4) to fifteen (15) persons appointed by the Board. The Board of Directors, including immediate Past-President and appointed Chairman may choose to attend Executive Committee meetings.
 - 10.9.3 The Executive Committee shall meet at regular intervals and shall generally consider and deal with the day to day activities and operations of the Association. The Executive Committee shall keep minutes of all meetings which will be presented upon request at

Directors meetings, and available to all Directors upon request at any time, and shall report to the Directors at designated Directors' meetings as to all significant decisions of the Committee. The Executive Committee shall not have the power to:

- 10.9.3.1 appoint officers and Directors,
- 10.9.3.2 change the terms or conditions of any type of membership,
- 10.9.3.3 approve fiscal statements,
- 10.9.3.4 approve annual budgets and plans.

10.10 Education Committee

The Education Committee shall consist of the Director of Education, Program Director, Chief Examiner, Teachers, Tutors, Stone Curator, Registrar, and other members recommended to be part of the committee and appointed by the Director of Education, and they shall be responsible for the tasks outlined in Article 8.5.

10.11 Duties of all Other Officers

The duties of all other officers of the Association shall be such as the terms of their engagements call for or the Board requires of them. They will report at the request of the Board.

10.12 Rules Governing Committees

Except as otherwise provided by the By-Laws of the Corporation, all Committees are subject to the following:

- 10.12.1 one or more members shall be appointed by the Board from among the members of the Corporation who are qualified to hold office;
- 10.12.2 in addition to the members of a Committee appointed pursuant to Article 10.12.1, the Board may appoint to any Committee, one or more persons who are not members of the Corporation who are qualified to hold office; provided that such number shall at all times remain less than one-third (1/3) of the total number of persons who are members of such Committee;
- 10.12.3 a member of a Committee shall serve for a term ending at the annual meeting of members following appointment, and is eligible for re-appointment for one or more additional terms;
- 10.12.4 each Committee shall meet at least annually, and more frequently at the call of the Chair or as required by its terms of reference, and as requested by the Board;
- 10.12.5 each Committee shall be responsible to, and report at the request of

the Board;

10.12.6 subject to any rules established by the Board, each Committee may establish its own rules of procedure and may appoint sub-committees.

Article

11. MEMBERSHIP

11.1 **Membership Eligibility**—Membership is restricted to corporations and individuals, who

11.1.1 have an interest in gemmology or gemmological science;

11.1.2 have filled out and submitted application for membership and have paid the prescribed dues.

11.2 Membership terms and dues

11.2.1 The Board of Directors shall set the terms and conditions of each category of membership including, without limitation, the qualification, the fees, if applicable, and the rights, privileges and requirements of each category of membership.

The Directors in setting the terms and conditions shall be guided by the following:

11.2.2 Fellow:

FCGmA (Fellow of The Canadian Gemmological Association).
This title is applicable to persons who have:

a) passed the Diploma Examinations of The Canadian Gemmological Association (or who have already been accepted as Fellows)

AND

b) have been admitted as Fellows by the Board, and paid the dues for the current year.

This category carries voting privileges.

11.2.3 Associate:

Holders of one or more of the following titles, obtained by successful completion of the appropriate exams, are eligible for Associate Membership.

1) F.G.A.—Fellow of the Gemmological Association and Gem Testing Laboratory of Great Britain

- 2) F.G.A.A.—Fellow of the Gemmological Association of Australia
- 3) G.G.-G.I.A.—Graduate Gemologist, Gemological Institute of America
- 4) C.G.-A.G.S.—Certified Gemologist, American Gem Society
- 5) F.G.G.—Deutsche Gemmologische Gesellschaft
- 6) A.G.-A.I.G.S.—Asian Institute of Gemological Sciences

Membership is granted following

- a) approval of application AND
- b) payment of dues for the current year.

This category carries voting privileges.

11.2.4 **General:**

General Membership is open to anyone interested in the science of gemmology upon

- a) approval of application AND
- b) payment of dues for the current year.

This category does not carry voting privileges.

11.2.5 **Student:**

Student membership is limited to students currently enrolled in The Canadian Gemmological Association Professional courses. The Student Membership fee is included in the course fee—an additional membership fee is not necessary.

This category does not carry voting privileges.

11.2.6 **Sustaining:**

A major financial supporter of the Association is granted one year's membership in this category, providing acceptance of the contribution is approved.

This category does not carry voting privileges.

11.2.7 **Corporate:**

Memberships made in this category will be acknowledged in *The Canadian Gemmologist*.

11.2.8 **Honorary:**

A member appointed by the Board of Directors for a life term. If previously qualified as a Fellow or Associate, the Honorary member may continue to vote. No dues are payable in this category.

11.3 **Voting Members**—The Board determines voting members as persons so defined in Article 11.2 (membership) subject to the objects of the Corporation. Each qualified individual shall be permitted one vote.

11.4 **Voting Ineligibility**—No person who is a non-voting member shall be entitled to vote in any proceeding of the Corporation.

11.5 **Holding Office**—No person who is a non-voting member shall be qualified to hold office in the Corporation as a Director.

11.6 **Lapse of Membership**

Membership in the Association will automatically lapse and be terminated upon the non-payment of membership dues for each category or member sixty (60) days after January 2 in each year. In the event of such automatic lapse by reason of non-payment of dues, such lapsed member shall be required to apply as if he was a new member to restore his membership privileges.

11.7 **Termination of Membership**

Failure to comply with the requirements of membership may result in the withdrawal of membership in the organization subject to the following:

- 11.7.1 Membership may be terminated by a fifty percent (50%) plus one (1) vote of the Board, but not until the member has been given the opportunity to address the Board.

11.8 **Resignation of Membership**

The interest of a member in the Corporation is not transferable and lapses and ceases to exist upon the member's death or when the period of membership expires or when the member ceases to be a member by resignation. Any member may resign from membership upon notice in writing to the Corporation Directors.

11.9 **Membership Dues**

Membership dues in the Association, as are established by the Board of Directors, shall be payable in the first week of January in each year or not later than sixty (60) days thereafter, and within five (5) days after any new member is advised by the Executive Committee of approval of membership. Dues shall be determined by the Board of Directors. Membership cards in such form as is approved by the Board of Directors shall be issued each year upon payment of dues and will be

signed by the member.

11.10 Application for Membership

All applications for membership shall be provided to any prospective member of any category, and shall be delivered to the membership secretary, or his duly appointed delegate, on such form as is approved from time to time by the Board. All members of the Board are to be notified of applications received and all such applications are to be read at the next Board meeting for their decision on the application for membership.

11.11 Liability of Members

Members shall not, as such, be held answerable or responsible for any act, default, obligation, or liability of the Corporation or any engagement, claim, payment, loss, injury, transaction, matter or thing relating to or connected with the Corporation.

11.12 Annual Meeting of Members

The annual meeting of the members shall be held at the head office, or such other place within Canada as the Directors may by resolution otherwise appoint. Annual meetings may not be required to be at a fixed date but the time lapse between meetings must not be less than ten (10) months or more than fourteen (14) months subject to Article 11.13 (Transitional). The AGM is presided over by the President or at the President's request, the appointed Chair for the purpose of

- 11.12.1 electing such Directors as are to be elected at such annual meeting;
- 11.12.2 appointing the auditor and fixing or authorizing the Board to fix the remuneration of the auditor; and
- 11.12.3 the transaction of any other business properly brought before the meeting.

11.13 Transitional

For the first annual meeting of members following the enactment of said By-Laws the meeting may be within a time lapse of six (6) months to fourteen (14) months.

11.14 Quorum

For all members meetings a quorum is defined as twenty-five percent (25%) of the members or fifteen (15) members, whichever is the lesser.

11.15 Voting by Members

- 11.15.1 Unless otherwise required by the provisions of the Act or the By-Laws of the Corporation, all questions proposed for consideration at a meeting of members shall be determined by a majority of votes cast by members entitled to vote. Proxy votes are not permitted at meetings other than the annual general meeting.
- 11.15.2 All questions, except those pertaining to the Constitution, will be decided by simple majority vote of the number of full members present. The vote may be by show of hands, roll call or ballot, as decided by the presiding officer. Only full members may vote. Constitutional matters are to be acted upon as follows:
 - 11.15.2.1 Notice of motion is given at a regular meeting or by at least fifteen (15) days written notice to all members.
 - 11.15.2.2 The motion is made at the next annual meeting.
 - 11.15.2.3 The vote is by ballot which may be taken at the meeting that the motion is made, or by ballot sent out by mail after this meeting.
 - 11.15.2.4 A two-thirds (2/3) majority vote is required to carry a motion for change of the Constitution. The majority is based on the number of full members present at the meeting, or, in the case of mailed ballots, two-thirds (2/3) of the total returned ballots, provided that such total makes up a quorum.
 - 11.15.2.5 Mailed ballots are to be given at least fifteen (15) days from date of mailing to date of opening.
 - 11.15.2.6 By-law changes will be decided by simple majority of full members present at a regular meeting after at least fourteen (14) days written notice.

11.16 Regular Meeting

Regular meetings of the Association shall be held monthly, or as may be decided by the Executive Committee, provided that a minimum of six (6) such regular meetings shall be held in each year. Advance notice shall be provided to all members of the Association and such notice may be served by the Association on any member personally or may be sent to any member through the post addressed to such member at his address as the same appears on the books of the Association, or, if no address be given therein, to the last address, if any, of such member

known to the Secretary of the Association. With respect to every notice sent by post, it shall be sufficient to prove that the envelope or wrapper containing the notice was properly addressed and put into the post-office or into post-office boxes. Any notice or document delivered or sent by post or left at the address of any member as the same appears in the books of the Association shall be deemed to have been duly served upon such member and be deemed to be sufficient service of such notice or document. In the case of the annual meeting of the Association, the notice shall be mailed out at least fourteen (14) days prior to such annual meeting.

11.17 Notice

11.17.1 Fourteen (14) days notice, at the least, specifying the place, the day and the hour of the meeting, and, in case of special business, the general nature of such business, shall be given or sent in a manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Association in general meeting, to such persons as are, under the By-Laws of the Association and the Act under which it is incorporated, entitled to receive the same.

11.17.2 Omission of Notice

The accidental omission to give notice of any meeting of members to any member or members shall not invalidate any resolution passed or any proceedings taken at any meeting.

11.18 Chair

In the absence of the Chair, President, or the Vice-President, the members entitled to vote present at any meeting of members shall choose another Director as Chair and if no Director is present or if all the Directors present decline to act as Chair, the members present shall choose one of their number to be Chair.

11.19 Polls

If at any meeting a poll is requested on the election of a Chair or on the question of adjournment, it must be taken forthwith without adjournment. If a poll is taken on any other question, it shall be taken in the manner and either at once, or later at the meeting or after adjournment as the Chair directs. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was requested. A request of a poll shall be deemed to be the resolution of the meeting at which the poll was requested. A request for a poll may be withdrawn at any time prior to the taking of the poll.

11.20 Adjournment of Meeting

Any meeting of members may be adjourned to any time and from one time to another time, and any business may be transacted at the original meeting from which the adjournment took place. No notice is required of any adjourned meeting.

Article

12. EXECUTION OF DOCUMENTS

Contracts, documents or any instruments approved by the Board in writing requiring the signature of the Corporation shall be signed by any two (2) Directors of the Association and all contracts, documents and instruments in writing shall be binding upon the Association without any further authorization or formality. The Association shall have power, from time to time, by resolution, to appoint an officer or officers on behalf of the Association to sign specific contracts, documents and instruments in writing. The Association may give a power of attorney to any registered dealer in securities for the purposes of transferring of and dealing with any stocks, bonds and other securities of the Association. The seal of the Association, when required, may be affixed to contracts, documents and instruments in writing signed as aforesaid or by any Director or Directors appointed by resolution of the Board.

Article

13. BORROWING BY THE CORPORATION

13.1 Borrowing Generally

Subject to the limitations set out by the By-Laws in the Letters Patent of the Corporation, the Board may:

- 13.1.1 Borrow money on the credit of the Corporation;
- 13.1.2 issue, sell or pledge securities of the Corporation; or
- 13.1.3 charge, mortgage, hypothecate or pledge all or any of the real or personal property of the Corporation, including books, debts, rights, powers, franchises and undertakings, to secure any securities or any money borrowed, or other debt, or any obligation or liability of the Corporation.

13.2 Special Signing Authorities

From time to time the Board may authorize any director, officer or employee of the Corporation or any other person to make arrangements

with reference to the money so borrowed or to be borrowed and as to the terms and conditions of the loan thereof, and as to the security as the Board may authorize, and generally to manage, transact, and settle the borrowing of money by the Corporation.

Article

14. FINANCIAL YEAR

The financial year of the Association shall be the calendar year or as the Board of Directors may decide.

Article

15. BANKING

15.1 **Bank Account**

The Association bank account shall be kept in the name of the Association at a bank or banks to be selected by the Board, and no money shall be withdrawn there from except as directed by the Board, by By-Law or resolution.

15.2 **Cheques, Drafts, Etc.**

All cheques, bills, notes, drafts, commercial papers or papers from the payment of monies shall be signed as the Board of Directors may, from time to time, resolve.

Article

16. RIGHTS AS TO INSPECTION OF BOOKS

No member shall have the right of inspection of any account, book, or document of the foundation, except as prescribed by statute or authorized by the Directors or by resolution of the members in general meeting.

Article

17. PARLIAMENTARY AUTHORITY

The rules contained in Herb Perry's Call to Order shall govern the Association in all cases to which they are applicable and in which they are not inconsistent with these By-Laws and any special rules of order the Association may adopt.

Article

18. CONSTITUTION AND BY-LAWS

Each Director and each member of the Education and Administrative Committees is to have a copy of the Constitution and By-Laws, which is to be signed for and a record of members' signatures kept, which will signify his submission to the Constitution and By-Laws. A copy of the Constitution and By-laws shall be available at all meetings and in the head office for members' reference.

Article

19. AUDITOR

19.1 The Directors shall, at each annual meeting, appoint an auditor to audit the accounts of the Association, to hold office until the next annual meeting.

19.2 The President or Chairman, with the assent in writing of any two (2) additional members of the Board, may fill any vacancy in the office of auditor.

Article

20. AMENDMENT OF BY-LAWS

These By-Laws can be amended at any regular meeting of the Association by a two-thirds (2/3) vote either by a show of hands, ballot or proxy.

Article

21. RULES AND REGULATIONS

Fifty percent plus one (50% + 1) of the Directors may prescribe such rules and regulations not inconsistent with the Constitution and By-Laws relating to the management and operation of the Association as they deem expedient, provided that such rules and regulations shall have force and effect only until the next annual meeting of the members of the Association when they shall be ratified, and failing such ratification at such annual meeting, shall, at and from that time, cease to have any force and effect.

Article

22. DISCIPLINE

- 22.1 In addition to previously enumerated disciplinary powers, if the actions of any Director, Committee Member or member shall bring disrepute to the Association or to the field of gemmology, disciplinary action shall be taken.
- 22.2 A written complaint of any such actions shall be delivered to a Director, who shall within two (2) weeks of receipt of such a complaint:
 - 22.2.1 call a Directors meeting; and
 - 22.2.2 advise the Director, Committee Member or member against whom the complaint was made, of the complaint; and
 - 22.2.3 the person against whom the complaint was made shall be entitled to attend the disciplinary meeting and shall be entitled to respond to the complaint; and
 - 22.2.4 the Directors shall then, in the absence of the person against whom the complaint was made, make a determination as to the outcome of the complaint and may terminate membership and/or executive privileges and/or Directorship or restrict or impose terms or conditions (or both) on said person.

Article

23. OBLIGATION AND OATH OF OFFICE

The installation of officers or Directors shall be conducted by any other Director or representative authorized or designated by the President of the Association.

The Oath of Office shall be: Installing Director: "Do you accept the office to which you have been elected?" Officer-elect: "I do."

Installing Director: "Raise your right hand and repeat after me—I solemnly promise on my most sacred word of honour, before these members and Directors present, that I will faithfully perform all the duties of the office to which I have been elected, to the best of my ability. I will turn over all property of the Association that may have been entrusted to me, for my successor. I do further promise that I will never defraud this organization of anything whatever or allow it to be defrauded of anything if it is in my power to prevent it. To all the foregoing, I do hereby promise."

Article

24. CONSTITUTIONAL MATTERS

Constitutional matters are to acted upon as follows:

- 24.1 The notice of the Constitutional matter to be considered shall be given at a regular meeting of the members or upon the delivery of fourteen (14) days written notice to all members.
- 24.2 The Constitutional matter and any motions made with respect thereto shall be taken up and dealt with at the next regular or special meeting scheduled and for which notice has been given.
- 24.3 The vote in respect of such Constitutional matter shall be by written ballot which may be taken at the meeting held for such purpose, or by ballot sent out by mail within forty-eight (48) hours after such meeting provided that mail ballots to all members is the procedure to be followed as determined by the Board of Directors.
- 24.4 A vote of two-thirds percent (2/3%) of all votes taken by ballot at such meeting is required to carry a motion for change of the Constitution. In the event of mail ballots, if mailed ballots are to be taken, then such Constitutional matters shall be determined by a two-thirds percent (2/3%) majority vote of the total of returned ballots, provided that such total is a quorum, and provided that there is a fourteen (14) day period between the date of the mailing of such mailed ballots and the date of their being opened for counting.

Article

25. RATIFICATION

By this Constitution, the Association ratifies all previous motions and orders of the Association, except where, by resolution, such motion or order dies.

ENACTED the 19th day of October, 1996

BE IT RESOLVED THAT By-law No. 1 being the general organization by-law of the Corporation, be and the same is hereby made a By-law of the Corporation and the President be and he is hereby authorized to sign the By-law and to apply the corporate seal thereto.

THE UNDERSIGNED being all of the Directors of the Corporation, hereby sign the foregoing resolution pursuant to the provision of The Business Corporation Act, 1989.

DATED the 19th day of October, 1996.

The original document was signed by Heida Mani, Helmut Koenig, A. Barcados and Mary Ellis.

During the course of preparing this document for distribution, it became clear that some amendments need to be made:

Article 7.1.2 would be more appropriate under article 8.

Article 10.2.3: the reference to article 10.2.3 should refer to article 10.2.1.

Article 10.2.5: the reference to article 10.2.3 should refer to article 10.2.2.

Any amendments will be put to the vote, as required, at a later date.

Included in this draft are ammendments enacted by vote, signed and sealed by the President of the Canadian Gemmological Association, November 5, 2005