

## **Role of the Shareholder**

The privilege of becoming a Shareholder of the Calgary Stampede comes with great pride and responsibility. As a right earned by those most dedicated and engaged in the Calgary Stampede, it is incumbent on all Shareholders to perform our duty to the best of our abilities and in the best interests of the organization.

As many of the Calgary Stampede's Shareholders are active volunteers, it is important to differentiate between the role of a volunteer and the role of a Shareholder. As volunteers, we are engaged in the execution of operational activities within our respective areas of the organization. In contrast, as Shareholders we must focus on the direction of the organization broadly and on ensuring that the best leadership is in place for the continued success, longevity and connection to community of the organization.

We would like to take this opportunity to provide you with information on the role of the Shareholder at the Stampede.

### **Becoming a Shareholder**

The [Calgary Stampede's by-laws](#) outline the requirements around the ownership and allotment of Shares of the organization (Sections 4-6) and on becoming a Shareholder of the Stampede (Section 94).

### **Role and Responsibility of Shareholders**

The role of the Shareholder is largely defined by the activities undertaken at the Annual General Meeting of Shareholders (Section 31). These activities include receiving and considering annually, the Stampede's audited financial statements of the organization, electing Directors who best meet the requirements of the organization (and at a minimum meet the Director Qualifications as outlined in Section 43 and defined on page 1 of the by-laws), appointing auditors, and transacting any other business that may be properly presented for consideration at the meeting (i.e. potential changes to the by-laws).

The election of Directors is one of the most important roles of the Shareholder. It represents an opportunity for Shareholders to not only make a choice on new Director candidates, but also to reflect an evaluation of the performance of incumbent Directors by choosing whether to support or not support candidates for re-election. As such, Shareholders should endeavor to engage in and understand the election process to best make informed voting decisions when executing their right to elect Director candidates.

To help further explain the Director/Shareholder relationship, following is an excerpt from the Institute of Corporate Directors' overview of "Directors Responsibilities in Canada."

*The role of director is one of stewardship. Directors are responsible for overseeing the management of the corporation. Shareholders make a[n] ...investment in the corporation which entitles those with voting shares to elect the directors. If shareholders are not*

*satisfied with the performance of the directors, they may remove the directors or refuse to re-elect them. Except for certain fundamental transactions or changes, shareholders normally do not participate directly in corporate decision-making, and while, as a practical matter, boards want to know the views of the shareholders, strictly speaking, directors are not normally required to solicit or comply with the wishes of shareholders.*

If you have any questions about any of the information provided above, please contact the Nominating Committee at [nc@calgarystampede.com](mailto:nc@calgarystampede.com).