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MotoCanada.com

## INTRODUCTION

Welcome to MOTO CANADA. As a member of MOTO CANADA, you will become part of Canada's leading powersport industry organization, representing a culture that is respected and valued across the country and around the world.

Founded in 1971, MOTO CANADA was created as a not-for-profit organization representing the interests of the manufacturers and distributors of motorcycles, scooters, all-terrain vehicles, side-by-sides and related industries in Canada. We work every day to promote the positive and responsible sale and use of these vehicles in every jurisdiction in Canada and we welcome new members to join our organization. In short, we exist so Canadians can ride. We look forward to working with you. Thank you for your interest in our industry.

Sincerely,

Landon French President MOTO CANADA

October 28, 2024 MotoC



## PURPOSE OF THE ORGANIZATION

#### **MOTO CANADA**

We exist so Canadians can ride.

### At MOTO CANADA, our mission is to represent the interests of powersports in Canada.

We do this by complementing members activities to enhance ridership, helping members responsibly and successfully operate in Canada and we provide objective industry thought leadership and information.

**How We Work** We work directly with member companies to help Canadians ride every day though government advocacy at all levels, public communications and marketing, technical standards and reporting, collaboration with other like-minded organizations, market statistics and research, and support for rider communities.

What We Represent Our members produce and distribute the world's leading brands of motorcycles, scooters, ATVs and Side by Sides. We also understand that these vehicles come in a variety of sizes, formats and features and we work to pave the way for these vehicles and the vehicles of the future.

**Membership** Moto Canada has two membership classes, Tier I and Tier II. Tier I is designed for established manufacturers and distributors, while Tier II members are emerging industries and other industry partners.





## **TIER I MEMBERS**



































## NOT-FOR-PROFIT, FOR-PROFIT & THE COMPETITION ACT

#### Not-For-Profit v. For-Profit

MOTO CANADA is a not-for-profit entity with two classes Members, Tier 1 Members and Tier 2 Associate Members. The organization is not a registered charity and can conduct business activities like for-profit corporations. The proceeds from activities are re-invested in the organization.

## Relationship to MOTO CANADA CONNECT (8061246 Canada Inc.)

MOTO CANADA has a wholly owned subsidiary, 8061246 Canada Inc., also known as MOTO CANADA CONNECT. MOTO CANADA Connect is a for-profit corporation that is largely responsible for the MOTO CANADA Motorcycle and Powersport Shows across Canada each year. MOTO CANADA Connect also enters various joint ventures and other partnerships to grow the industry and generate revenue for MOTO CANADA to help keep membership fees low.

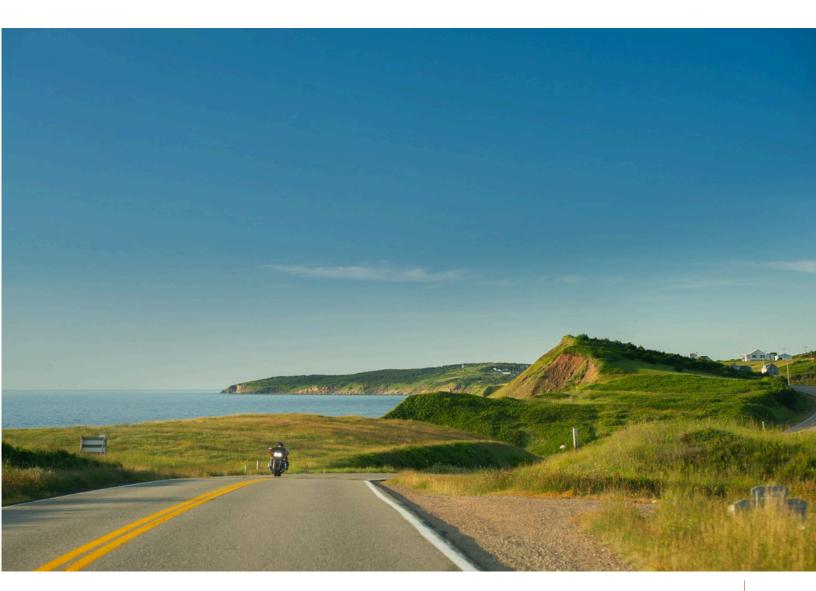
#### **Abiding by the Competition Act**

MOTO CANADA is a trade association subject to the Canadian Competition Act. Trade associations bring together people working for or owning businesses with common goals and interests. This allows association members to discuss industry challenges and business development ideas. Because of this, trade associations and their members must be aware of how these discussions risk violating the Competition Act, including provisions that prohibit activities such as bid-rigging, price-fixing, and other anti- competitive practices.

Violations of the Act can have severe consequences for associations and members, which is why everyone involved in MOTO CANADA is responsible for ensuring compliance with the Act.



## TIER I MEMBERSHIP







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## MOTO CANADA TIER I MEMBER BENEFITS

MOTO CANADA provides a wide range of services and benefits to Tier I Members who manufacture and distribute on-road motorcycles plus ATVs, off-road motorcycles, and ROV side-by-side vehicles in Canada (collectively called OHVs). MOTO CANADA provides direction, policies, benefits, and services not available from any other source and at significantly reduced costs to member companies.

#### Tier I Services and Benefits Include:

- 1. Monthly wholesale and retail motorcycle/scooter/ATV & Side x Side sales statistics. The organization collects and collates data, providing it to members in an agreed-upon format for easy mapping and analysis.
- 2. A seat as a Director of the Corporation, helping to shape the direction and future of the industry in Canada. Also includes seats on the Finance, Technical and Marketing committees.
- 3. Annual comparative and trending sales data for members the Motorcycle and OHV Industry Statistics Report.
- 4. On-going federal and provincial government relations on behalf of the member companies on policy and legislative initiatives across Canada.
- 5. Tracking and reporting national and international powersport equipment manufacturing standards, test procedures and compliance regulations.
- 6. In-house expert guidance and education on compliance issues to member companies.
- 7. Tracking and reporting national and provincial environmental requirements for powersports and their parts.
- 8. Federal and provincial policy and regulatory submissions on issues affecting the industry on member companies' behalf.
- 9. Regular updates on operator licensing, equipment, and insurance requirements for street legal vehicles in each province and territory.
- 10. Distribution of safety materials while working with stakeholder groups to positively influence the image of riders.
- 11. Promoting a positive image of the industry and MOTO CANADA member companies.
- 12. Exclusive use of the Moto Canada brand and inclusion in public campaigns.
- 13. Discounts on show exhibit space at the industry-owned Motorcycle and Powersports Shows in cities such as Toronto, Calgary, Vancouver and Montreal.





## TIER I MEMBER PARTICIPATION

**Committees, Meetings and Time Commitment** 

Each Tier I member company appoints a senior executive as a Director and Board member. MOTO CANADA hosts board meetings quarterly, and Members can attend in-person meetings at the Markham Office or by video call. One meeting per year will be in person to discuss strategic direction and progress. Other meetings may be scheduled as required.

Board members may be called upon to sit on subcommittees or act as chair, vice-chair, or secretary of the board from time to time. To fulfil their fiduciary responsibilities to the organization, board members must act in the best interests of MOTO CANADA.

Other employees from member organizations may be invited to participate in organization projects or committees such as the Technical Committee or Marketing Committee.

### Sales Data

Each month Moto Canada collects sales data, collates the data and shares it with Tier I members.

This data includes the product VIN, manufacturer, model, engine type and size, city sold, customer's postal code, and dealer's postal code. Further basic information is captured like model year, group (e.g., sport touring), seating, and other relevant information.

On an annual basis, Moto Canada collects the total value of the units sold at wholesale and retail by each OEM for the previous year.

Prospective TIER I members will receive sales data for the previous year shortly after they share their sales data with Moto Canada.



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## TIER I MEMBERSHIP FEES

Eachyear, the MOTO CANADA Board of Directors determines the amount required to operate the organization for the upcoming year. Once this amount is determined, the total annual fees for Tier I Members is determine total annual fees for Tier 1 MOTO CANADA members based on annual dues and a per-unit wholesale amount.

The Fee Assessment Model is as follows:

#### **Annual Dues + Market Share = Total Annual Fees**

The Fee Assessment Model divides Members into three groups based on the total number of units they sell at wholesale in Canada in the previous year.

Group	Units Sold Annually	Annual Dues
Α	0-4,000	\$20,000
В	4,000-10,000	\$30,000
С	10,000 +	\$50,000

## Fee Assessment Example - Member XYZ

- 1.Total MOTO CANADA Budget for 2024 = \$1,800,000
- 2.Amount collected from Annual Dues = \$460,000
- 3.Amount collected from Revenue Fee Assessments = \$1,340,000
- 4. Member XYZ Wholesale Sales Volume in 2024 = 1,500 units
- 5. Total units sold at wholesale in Canada 2024 = 75,000
- 6.Member XYZ Total Market Share in 2024 1,500 x 75,000 = 2%

## Therefore:

- 7.Member XYZ Annual Dues = \$20,000
- 8.Member XYZ Revenue Fee Assessment: \$1,340,000 x 2% = \$26,800
- 9.TOTAL Member XYZ Fees for 2024 = \$46,800



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## PROCEDURE FOR MEMBERSHIP

### Tier I Membership is Available Under the Following Terms

- 1. A prospective member must be a corporation regularly engaged in the Canadian manufacturing, importing and/or distributing on-road motorcycles, mopeds, scooters, ATV/ROV/side-by-side/UTV in Canada.
- 2. New members must have operated in the Canadian motorcycle/ATV/ROV/side-by-side/ UTV business for at least two years.
- 3. New members must demonstrate a history of good and ethical business practices with a current or future financial interest in the Canadian motorcycle/ATV/ROV/side-by-side/ UTV industry.
- 4. To protect the investment and interest of current members, new members must commit to submit industry sales data for one year before having access to the sales data of all members.
- New members must submit a bond of \$50,000 for one year to ensure integrity and compliance with confidentiality policies.



# TIER II ASSOCIATE MEMBERSHIP







## TIER II ASSOCIATE MEMBER BENEFITS

MOTO CANADA offers comprehensive services and benefits to a wide range of companies in the Canadian powersport industry as Tier II Associate Members. We provide unique direction, policies, benefits, and services unmatched by any other source.



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#### Tier II Services and Benefits Include:

- 1. Quarterly high-level motorcycle/scooter/ATV & Side x Side sales statistics.
- Annual comparative and trending sales data for members the Motorcycle and OHV Industry Statistics Report.
- 3.On-going federal and provincial government relations on behalf of the member companies on policy and legislative initiatives across Canada.
- 4. Tracking and reporting national and international powersport equipment manufacturing standards, test procedures and compliance regulations.
- 5.Federal and provincial policy and regulatory submissions on issues affecting the industry on member companies' behalf.
- 6.Regular updates on operator licensing, equipment, and vehicle insurance requirements in each province and territory.
- 7. Distribution of safety materials while working with stakeholder groups to positively influence the image of riders
- 8. Exclusive use of the Moto Canada Associate Member brand and inclusion in certain public campaigns.
- 9. Promoting a positive image of the industry and MOTO CANADA member companies.
- 10.Discounts on show exhibit space at the industry-owned Motorcycle and Powersports Shows in cities such as Toronto, Calgary, Vancouver and Montreal.



## **TIER II PAYMENTS AND FEES**

The fee structure for MOTO CANADA Tier II Associate Members is grouped by annual global revenue for the prospective Associate Member.

Group	2024	Description	
A	25,000	\$50M or greater global revenue	
В	20,000	\$20M to \$50M or greater global revenue	
С	10,000	Under \$20M Global Revenue	

Associate member company fees are reviewed and approved annually by the Board of Directors during the budget process. MOTO CANADA's fiscal year runs from January 1st to December 31st. Dues are paid annually, with the first payment due January 31st.



Name:

2025 MEMBERSHIP PACKAGE

## MEMBERSHIP APPLICATION

## TIER I & II MEMBERS

### **Prospective Members Follow These Steps to Apply**

- 1. Review membership package and select a membership tier.
- 2. Complete and sign the Membership Application
- 3. Complete and sign the Confidentiality & Non-Disclosure Agreement
- 4. Submit the Confidentiality & Non-Disclosure Agreement and Membership Application (Appendix A) by email to: Lfrench@motocanada.com
- 5 Tier I applications are submitted to the Moto Canada board of directors for approval.
- 6. Tier II applications are submitted to the Board Executive Committee for approval.

## Applicant Profile

Name and company who referred you to MOTO CANADA:

Company Name:				
Tier of Membership	Tier I	Tier II		
Primary Contact:				
Title:				
Street Address:			City:	
Province/State:			Postal / Zip:	
Office Phone:			Mobile Phone:	
Company Web Site(s)				
Address of Corporate I	Head Office			
Mailing Address (if diffe	erent)			
Accounting Contact				

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Accounting Email:





## **MEMBERSHIP APPLICATION**

## TIER I & II MEMBERS

Type of Business (check primary business and others that apply):
☐ Motorcycle Manufacturer / Distributor
☐ Aftermarket Manufacturer / Distributor
☐ Investment Analyst Insurance / Finance
☐ Publication / Media
☐ Advertising or Public Relations Agency
☐ Professional Services / Consulting
☐ Dealer / Retailer
☐ Other (please specify)
Which Best Describes Your Company?  Publicly Traded Corporation  Closely Held Corporation  Limited Liability Company (LLC)  Partnership  Sole / Individual Ownership  Other (please specify)
$\Box$ By checking this box the prospective member gives Moto Canada permission to conduct a credit check if required.



## **MEMBERSHIP APPLICATION**

## TIER I MEMBERS ONLY

Attach a list of your motorcycle/moped/scooter/ATV/ROV/side-by-side/UTV products/services provided in Canada. Please include marketing information on these vehicles.

Years in motorcycle/moped/scooter/ATV/ROV/side-by-side/UTV related business in Canada:

Approximate number of employees in Canada:

Percentage of your total Canadian business revenue is from motorcycle/moped/ scooter/ ATV/ROV/side-by-side/UTV related sales and services:

Percer	ntage of your motorcycle/ATV/ROV/side-by-side/UTV related revenue is from sales to:
	Motorcycle/ATV/ROV/side-by-side/UTV Wholesale Distributors%
	Motorcycle/ATV/ROV/side-by-side/UTV Retail Outlets %
	Direct to Consumers%
	Other (Please describe)
Where	are your motorcycle/ATV/ROV/side-by-side/UTV related products manufactured or imported from?
(Checl	k all that apply)
	No. America
	So. America
	Europe
	Australia/Pacific
	Asia
	Africa



## **MEMBERSHIP APPLICATION**

## TIER I MEMBERS ONLY

To the best of your knowledge, is	your company in substantive compliance with applicable federal and
provincial standards and requirem	nents?
□ <sub>Yes</sub>	□ <sub>No</sub>
ls your company willing to submit	therequired sales data for the previous year?

Is your company willing to submit abond of \$50,000 for one year to guarantee compliance with MOTO

CANADA by-laws and policies?

 $\square_{\mathsf{Yes}}$ 

□<sub>Yes</sub> □<sub>No</sub>

 $\square_{No}$ 



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## **MEMBERSHIP APPLICATION**

## TIFR I & II MEMBERS

<u>PleasetelluswhyyouwishtojoinMOTOCANADA</u>				
all of the information prov relying on the truth and a	n, the prospective member's authorized representative is 1) representing that vided is true and accurate; and 2) acknowledging that the Board of Directors is ccuracy of this application and that membership may be denied or terminated if information provided is not true and accurate.			
AUTHORIZED BY:				
Name				
Title				
Corporation				
Signature				
Date				



2025 TIER 1 MEMBERSHIP PACKAGE

## MOTO CANADA POLICY ON DISCLOSURE OF INDUSTRY STATISTICS

#### Overview:

Industry statistical data is privileged and confidential information that Members subscribe to through their paid fees. Members provide proprietary unit sales data to MOTO CANADA under the condition of confidentiality of it's use. The reports that MOTO CANADA produces have significant value to members. Undefined disclosure could, and most likely would, reduce the value of the confidential unit sales data and result in expulsion from the organization.

## CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

THIS CONFIDENTIALITY AGREEMENT is entered into between MOTO CANADA and the Director of the corporation or an Advisor to the Board or an attendee at a corporation meeting who is identified by name and signature at the end of this Confidentiality Agreement.

### **Condition of Board Membership and or Attendance at Board Meetings:**

It is a condition of Tier 1 Membership and or attendance at a Board of Directors' meeting that all information presented by the corporation, their officers, agents, staff and independent contractors shall be regarded as privileged and strictly confidential and may not be disclosed, published, distributed or released, directly or indirectly, in whole or in part, to any person or entity other than to the employees of the Tier 1 Member without the prior express consent in writing of the Chairperson or President of the corporation.

Any breach of these requirements shall be sufficient cause for the Board of Directors to terminate the membership of a Tier 1 Member and or prohibit future attendance at Board meetings without further notice to the Director. The failure of the Board of Directors to exercise the right granted to it herein upon the occurrence of the contingencies set forth above shall not, in any event, constitute a waiver of any such rights upon the recurrence of any such contingency or contingencies.



## CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

### **Agreement**

The undersigned representative of the Tier 1 Member hereby reaffirms his/her agreement to uphold both the principle and practice of not disclosing confidential information related to the corporation and acknowledges that he/she understands the potential consequences of breaching the confidentiality provisions.

This Confidentiality and Non-Disclosure Agreement is subject to the terms and conditions in Schedule A, which is appended to and forms part hereof.

Name		
Title		
Corporation		
Signature		
Date		



## CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

## Schedule A Confidentiality and Non-Disclosure Agreement

- 1. Nothing contained herein shall in any way restrict or impair the Tier 1 Member's (Member) right to use, disclose or otherwise deal in information which:
  - a. At the time of disclosure to Member is in the public domain, as evidenced by written publication.
  - b. After disclosure to the Member becomes part of the public domain by written publication through no fault of the Member .
  - c. The Member can demonstrate was in his/her possession prior to the time of disclosure to him/her and was not acquired, directly or indirectly, from any person, firm or corporation acting on behalf of the company;
  - d. The Member can show was acquired by him/her independently, after disclosure hereunder, from a third party without breach of any agreement or violation of law;
  - e. The Member is required by law to disclose.
- 2. Disclosure of confidential information shall not be precluded if it is in response to a valid order of a court or other governmental body of Canada or any political subdivision thereof or is otherwise required to be disclosed by law; provided, however, that the Member shall first have given written notice to the company so that the company may seek an appropriate protective order.
- 3. The Member shall use at least as great a standard of care in protecting the confidential information as he/she uses to protect his/her own information of like character, but in any event not less than a reasonable degree of care; shall use such confidential information only for the purposes described by the company when the confidential information was disclosed to the Member; and shall return or destroy all such confidential information upon request of the company.
- 4. The provisions of this Confidentiality Agreement, including the obligation to protect received confidential information, shall survive and continue for five (5) years after the Member ceases to be a Tier 1 Member of the company.
- 5. No modifications of the Confidentiality Agreement or waiver of any of its terms will be effective unless set forth in writing signed by the party against whom it is sought to be enforced. Failure by the Member or the company to require the other party's performance of any of the terms of this Confidentiality Agreement or waiver by either party shall not prevent subsequent enforcement of such term or be deemed a waiver of any subsequent breach thereof.
- 6. The invalidity or unenforceability of any provision or aspect of the Confidentiality Agreement shall not affect the validity or enforceability of any other provision or aspect of this Confidentiality Agreement which shall continue in full force and affect.
- 7. This Confidentiality Agreement shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein, to whose courts and jurisdiction the Parties hereby attorn to resolve any controversy or claim of whatever nature arising out of or related to this Confidentiality Agreement or any alleged breach of it.