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NAV CANADA

CONSOLIDATED BY-LAW NO. 19

RECITALS

WHEREAS the Corporation has been established for the purposes stated in the articles of the Corporation;

AND WHEREAS the activities of the Corporation, in carrying out its purposes will, without limitation, include:

- (i) developing and implementing procedures, programmes and initiatives required to maintain and promote the safety of the ANS;
- (ii) subject to services mandated by law or as agreed upon by the Corporation, determining the actual services to be provided and facilities to be maintained and operated in support of the ANS;
- (iii) operating and managing the ANS, including services mandated by law or as agreed upon by the Corporation, as a cost recoverable independent enterprise in accordance at all times with generally accepted commercial business practices;
- (iv) establishing and amending fees and other charges for ANS services and imposing and collecting such fees and charges and otherwise raising such other revenues as the Corporation may determine appropriate in such a manner as to ensure that such fees and charges for the use of the ANS contribute to the recovery of all costs of the ANS, including all debt service costs and provide for the Corporation's future operations including the establishment of a contingency fund which may be deemed necessary in the commercial management of its affairs;
- (v) consulting and negotiating with its employees or their representatives on matters relating to labour relations or other issues agreed upon by the parties to such negotiations including providing such wages and benefits for its employees as may be mutually agreed upon;
- (vi) engaging, directly or indirectly, in the design and development of equipment, systems, facilities or services by or for the Corporation for utilization within the ANS and the sale thereof to other air navigation service providers and customers; and
- (vii) to the extent that it is fiscally practicable, fostering and supporting research and education, discourse and the exchange of information and collaboration among the various users of the ANS including, without limitation:

- (a) sponsoring and supporting technical assistance, training programs and advisory services;
- (b) establishing, maintaining and supporting information in data centres and facilities for research and other activities relevant to its purposes;
- (c) fostering and funding research; and
- (d) sponsoring and supporting seminars, workshops and other meetings.

AND WHEREAS the Board of Directors and the Members wish to enact the following by-law with respect to the management of the activities and affairs of the Corporation;

BE IT THEREFORE ENACTED as By-law No. 19 of the Corporation:

DEFINITIONS

Definitions. In this by-law, as amended, from time to time:

“**Act**” means the *Canada Not-for-profit Corporations Act*, S.C. 2009, c. 23 as amended or any successor legislation under which the Corporation is continued;

“**Advisory Committee**” means the committee of the Corporation described in Article VII(e);

“**affiliate**” means an affiliate as defined in the Act;

“**Aircraft**” means any machine capable of deriving support in the atmosphere from reactions of the air and includes a rocket;

“**Air Transport Association of Canada**” means a national trade association representing certain Canadian aviation interests;

“**ANS**” means the Canadian civil air navigation system and service owned and operated by the Corporation;

“**associate**” when used to indicate a relationship with a person means:

- (i) a body corporate of which that person beneficially owns or controls, directly or indirectly, shares or securities currently convertible into shares carrying more than one percent of the voting rights under all circumstances or by reason of the occurrence of an event that has occurred and is continuing or a currently exercisable option or right to purchase such shares or convertible securities;
- (ii) a partner of that person acting on behalf of the partnership of which they are partners;

- (iii) a trust or estate in which that person has a substantial beneficial interest or in respect of which he serves as a trustee or in a similar capacity;
- (iv) a spouse or child of that person; or
- (v) a relative of that person or of his spouse if that relative has the same residence as that person;

“Associate” means any person whose application as an Associate has been approved by the Board of Directors and includes, but is not restricted to, regional aviation interests, Canadian consumer interests, representatives of manufacturers of aerospace products, airport operator interests, organizations representing owners of Aircraft used for recreational or private purposes and professional pilot associations;

“Audit & Finance Committee” means the committee of the Corporation described in Article VII(f);

“Board of Directors” means the board of directors of the Corporation, comprising the individuals described in Article III(a);

“Canadian” for the purposes of the term “Canadian commercial air carriers” has the meaning ascribed by the *Canada Transportation Act*, S.C. 1996, c. 10, as amended;

“Canadian citizen” has the meaning ascribed by the *Citizenship Act*, R.S.C. 1985, c. C-29, as amended;

“CANSCA” means the *Civil Air Navigation Services Commercialization Act*, S.C. 1996, c. 20, as amended;

“CBCA” means the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended;

“Chairperson” means the chairperson of the Corporation described in Article VI(a);

“Code of Conduct” means the Code of Conduct and Conflict of Interest Guidelines for Directors and Officers, as established by the Board of Directors from time to time;

“commercial air carrier” means any person who operates a commercial air service;

“commercial air service” means any use of Aircraft for hire or reward;

“Commercial User Association” means the National Airlines Council of Canada or such other national trade association which represents those Canadian

commercial air carriers and whose members account for the greatest percentage of the annual gross revenues of the Corporation received from such Canadian commercial air carriers in the preceding financial year of the Corporation;

“Commercial User Member” means the Member described in Article II(a)(iv);

“Committees” mean the committees of the Corporation described in Article VII, including, without restriction, the Executive Committee, the Advisory Committee, the Audit & Finance Committee, the Corporate Governance Committee and the Safety Committee;

“Corporate Governance Committee” means the committee of the Board of Directors described in Article VII(g);

“Corporate Governance Manual” means the manual approved by the Board of Directors setting forth, among other things, the mandates of the Committees as amended by the Board of Directors from time to time;

“Corporation” means NAV CANADA;

“Director” means a member of the Board of Directors;

“Director Member” means the Member described in Article II(a)(v);

“Executive Committee” means the committee of the Board of Directors described in Article VII(d);

“Foreign Air Operators Associations” means the national trade association in the United States of America which represents United States of America commercial air carriers and whose members account for the greatest percentage of the annual gross revenues of the Corporation received from such commercial air carriers in the preceding financial year of the Corporation, and the international trade association which represents commercial air carriers world-wide and whose members account for the greatest percentage of the annual gross revenues of the Corporation received from such commercial air carriers in the preceding financial year of the Corporation;

“Government Member” means the Member described in Article II(a)(i);

“material interest” means the interest of any person whose annual use of the ANS, purchase of goods or services from the ANS or sales to the ANS in any one financial year of the Corporation are in excess of or are reasonably projected to be in excess of \$3.0 million;

“Members” means the members of the Corporation, comprising the persons described in Article II(a);

“Minister of Transport” means the minister of the Government of Canada

designated by the Governor-in-Council as responsible from time to time for air transportation or his designated representative, which representative shall have been designated on notice to the Corporation;

“National Airports Association” means the national trade association with members from at least seven of Canada’s provinces and territories representing Canadian airports and, in the opinion of the Chairperson, acting reasonably, representing those members with the greatest number of passengers transiting through such airports;

“National Helicopter Association” means the national trade association which represents those Canadian commercial helicopter operators and whose members account for the greatest percentage of the annual gross revenues of the Corporation received from such helicopter operators in the preceding financial year of the Corporation;

“nominating associations” has the meaning set forth in Article VII(e);

“Non-Commercial User Association” means the Canadian Business Aviation Association or such other national trade association which represents those persons, other than Canadian commercial air carriers, which operate their own Aircraft in a business enterprise and whose members account for the greatest percentage of the annual gross revenues of the Corporation received from all such persons using the ANS in the preceding financial year of the Corporation;

“Non-Commercial User Member” means the Member described in Article II(a)(iii);

“Officer” means an officer of the Corporation including the Chairperson, President, Vice-Presidents, Secretary, Treasurer and such other officers as may be appointed pursuant to Article IV;

“person” includes an individual, partnership, unincorporated association, body corporate, trade union, trustee, executor, administrator or legal representative;

“President” means the president and chief executive officer of the Corporation described in Articles IV and VI(b);

“Professional Pilots Associations” means the two unions or associations which have been certified as the bargaining agents for professional pilots in Canada which two unions or associations have in the opinion of the Chairperson, acting reasonably, the largest number of professional pilots as members;

“Recreational, Non-Commercial Aviation Association” means that association representing pilots and owners of privately registered Aircraft in Canada which association has, in the opinion of the Chairperson, acting reasonably, the largest number of such pilots and owners;

“Regional Airports Associations” means those trade associations other than a national airport association representing Canadian airports and representing at least ten airports in any Canadian province or territory;

“Regional Aviation Associations” means any trade association representing aviation interests other than a national trade association whose members are engaged in either commercial or non-commercial activities;

“representatives of manufacturers of aerospace products” means organizations representing manufacturers in the aerospace industry, including but not limited to, manufacturers of airframes, propulsion, avionics, electronics or simulation equipment;

“Safety Committee” means the committee of the Board of Directors described in Article VII(h);

“Secretary” means the secretary of the Corporation described in Articles IV and VI(d);

“Treasurer” means the treasurer of the Corporation described in Articles IV and VI(e);

“Union Association” means the association to which the majority of Unions belong which has as one of its objects the election of the Union Member;

“Union Member” means the Member described in Article II(a)(ii);

“Unions” means those unions or associations which have been certified or have been deemed to have been certified as the bargaining agents for employees of the Corporation;

“unrelated” when used to indicate a relationship with any person, means that such person is not an associate or affiliate of such person; and

“Vice-Presidents” means the vice-presidents of the Corporation described in Articles IV and VI(c).

ARTICLE I: CORPORATE SEAL

Corporate Seal. The seal, an impression of which is stamped in the margin hereof shall be the seal of the Corporation.

ARTICLE II: MEMBERS

(a) **Classes of Membership.** Membership in the Corporation shall be limited to persons interested in furthering the purposes of the Corporation and shall consist of the following five classes of membership:

- (i) **Government Member**, comprising one individual appointed by, and upon the consent of, the Minister of Transport;
 - (ii) **Union Member**, comprising one individual appointed by, and upon the consent of, the Union Association;
 - (iii) **Non-Commercial User Member**, comprising one individual appointed by, and upon the consent of, the Non-Commercial User Association;
 - (iv) **Commercial User Member**, comprising one individual appointed by, and upon the consent of, the Commercial User Association; and
 - (v) **Director Member**, comprising a Director who is appointed by the Board of Directors from time to time.
- (b) **Appointment/Removal.**
- (i) The Minister of Transport shall forward to the Corporation a written notice appointing the individual described in Article II(a)(i). The Minister of Transport may at any time, on ten days notice to the Corporation, remove the individual described in Article II(a)(i) and shall notify the Corporation of the individual appointed to fill the vacancy created by such removal at the same time that he notifies the Corporation of the removal.
 - (ii) The Union Association shall forward to the Corporation a copy of a certified resolution of the board of directors of the Union Association appointing the individual described in Article II(a)(ii) to act on behalf of such Union Association in respect of all matters relating to the Corporation. The board of directors of the Union Association may at any time, on not less than ten days notice to the Corporation, remove the individual appointed to act on behalf of such Union Association and shall notify the Corporation of the individual appointed to fill the vacancy created by such removal at the same time that it notifies the Corporation of the removal.
 - (iii) The Non-Commercial User Association shall forward to the Corporation a copy of a certified resolution of the board of directors of the Non-Commercial User Association appointing the individual described in Article II(a)(iii) to act on behalf of the Non-Commercial User Association in respect of all matters relating to the Corporation. The board of directors of the Non-Commercial User Association may at any time, on not less than ten days notice to the Corporation, remove the individual appointed to act on behalf of the Non-Commercial User Association and shall notify the Corporation of the individual appointed to fill the vacancy created by such removal at the same time that it notifies the Corporation of the removal.
 - (iv) The Commercial User Association shall forward to the Corporation a copy of a certified resolution of the board of directors of the Commercial User Association appointing the individual described in Article II(a)(iv) to act on

behalf of the Commercial User Association in respect of all matters relating to the Corporation. The board of directors of the Commercial User Association may at any time, on not less than ten days notice to the Corporation, remove the individual appointed to act on behalf of the Commercial User Association and shall notify the Corporation of the individual appointed to fill the vacancy created by such removal at the same time that it notifies the Corporation of the removal.

- (v) The Director Member ceases to be a Member when such individual ceases to be a Director, or a successor is appointed.
- (c) **Voting.** Each Member shall be entitled to one vote, at each meeting of Members, subject to the Members' entitlement to vote separately pursuant to the articles, this by-law, or the Act.
- (d) **Membership Fees.** There shall be no membership fees or dues payable by the Members.
- (e) **Resignation.** Any Member may withdraw from the Corporation by delivering a written resignation to the Chairperson or Secretary.
- (f) **Membership Not Transferable.** The interest of a Member in the Corporation is not, directly or indirectly, transferable.
- (g) **Rights of Members Exercised By Representative.** Any Member which is a partnership, unincorporated association or body corporate shall designate an individual to act on behalf of such Member in respect of all matters relating to the Corporation and shall provide notice of the identity of such individual to the Corporation forthwith upon designation thereof.

ARTICLE III: BOARD OF DIRECTORS

- (a) **Number and Qualification.** The activities and affairs of the Corporation shall be managed by the Board of Directors, which shall comprise 15 Directors, a majority of whom shall be resident Canadians as defined in the CBCA, consisting of the following individuals, at least two-thirds of whom, including the President, shall be Canadian citizens, at least 18 years of age, shall have power under law to contract, shall execute, deliver and abide by the Code of Conduct, and shall possess such other qualifications as required under the Act:
 - (i) three individuals elected by the Government Member;
 - (ii) one individual elected by the Non-Commercial User Member;
 - (iii) four individuals elected by the Commercial User Member;
 - (iv) two individuals elected by the Union Member;

- (v) the President, upon election by the Director Member; and
 - (vi) four individuals elected by the Director Member, provided that such individuals shall be unrelated to the Corporation or to any other Director, Member or any of the Unions.
- (b) **Election.** The Members shall notify the Corporation of the identity of their respective nominees to the Board of Directors as follows:
- (i) the Government Member shall forward to the Corporation, not less than 30 days prior to each annual meeting of the Corporation, and, as soon as practicable in the case of any vacancy in respect of a Director described in Article III(a)(i), a written notice identifying the individuals described in Article III(a)(i) for election under Article III(c), or for the purposes of filling vacancies under Article III(g), as the case may be;
 - (ii) the Union Member shall forward to the Corporation, not less than 30 days prior to each annual meeting of the Corporation, and, as soon as practicable in the case of any vacancy in respect of a Director described in Article III(a)(iv), a written notice identifying the individuals described in Article III(a)(iv) for election under Article III(c), or for the purposes of filling vacancies under Article III(g), as the case may be;
 - (iii) the Non-Commercial User Member shall forward to the Corporation, not less than 30 days prior to each annual meeting of the Corporation, and, as soon as practicable in the case of any vacancy in respect of a Director described in Article III(a)(ii), a written notice identifying the individual described in Article III(a)(ii) for election under Article III(c), or for the purposes of filling vacancies under Article III(g), as the case may be;
 - (iv) the Commercial User Member, after consultation with *bona fide* regional trade associations recognized by the Board of Directors as representing Canadian commercial air carriers, shall forward to the Corporation, not less than 30 days prior to each annual meeting of the Corporation, and, as soon as practicable in the case of any vacancy in respect of a Director described in Article III(a)(iii), a written notice identifying the individuals described in Article III(a)(iii) for election under Article III(c), or for the purposes of filling vacancies under Article III(g), as the case may be; and
 - (v) the Director Member shall forward to the Corporation, not less than 30 days prior to each annual meeting of the Corporation, and, as soon as practicable in the case of any vacancy in respect of a Director described in Article III(a)(v) or Article III(a)(vi), a written notice identifying the individual described in Article III(a)(v) or Article III(a)(vi), respectively, for election under Article III(c), or for the purposes of filling vacancies under Article III(g), as the case may be.

(c) **Timing and Terms of Election to Board of Directors.** The persons described in Article III(a) shall be elected as described therein for a term not to exceed three years, commencing at the close of the annual meeting at which the election of such individuals to the Board of Directors is to be effective and expiring at the close of the annual meeting coincident with the end of the term. No Director, other than the President, may serve as a Director for more than twelve years in total. For the purposes of this Article III(c), “year” shall mean any period between an annual meeting and the next following annual meeting of Members during which an individual serves as a Director.

(d) **Extension of Term of Office.** In the event that a Member has not elected a Director to fill a vacancy created by an expiring term of a current Director, then despite the limitations in Article III(c) with respect to term, only, and subject to Articles III(a), (f) and (g)(v), the current Director will remain in office until the Member has notified the Corporation of the identity of the current Director’s successor. For greater certainty, no Director, other than the President, may serve as a Director for more than twelve years in total.

(e) **Further Qualifications of Directors.** Members shall ensure that their respective nominees to the Board of Directors possess demonstrated experience and capacity in appropriate disciplines including, but not restricted to, air transportation, industry, aviation, business, commerce, finance, administration, law, government, engineering, the representation of the interests of employees or of consumers, and possess such business acumen and experience as will assist the Corporation in conducting its activities in furtherance of its purposes. Members shall ensure that their respective nominees to the Board of Directors are willing and able to devote sufficient time to their duties as Directors. A Director need not be a Member.

(f) **Exclusions as a Director.** No individual shall be elected as a Director if such individual is, at the effective time of election:

- (i) any person elected to the Parliament of Canada or any provincial legislature or territorial legislative assembly;
- (ii) an employee of the government in Canada, or any provincial or territorial government;
- (iii) a director, officer, trustee or employee of a bargaining agent which represents employees of the Corporation or an entity which has a material interest as a supplier, client or user of the ANS unless the Board of Directors, with the concurrence in writing of a majority of the Members, unanimously determines that such material interest would not be likely to adversely affect in a material way the individual’s ability to discharge his obligations as a Director; or
- (iv) a person who is a director, officer or employee of one of the Members.

(g) **Vacation of Office.** Subject to Article III(d), a Director shall cease to hold office when:

- (i) a Director dies or resigns;
- (ii) a Director is declared incapable by a court in Canada or in another country;
- (iii) a Director has the status of a bankrupt;
- (iv) a Director is removed under Article III(h); or
- (v) a Director otherwise ceases to be qualified under Article III(a) or (f);

provided that if any vacancy on the Board of Directors occurs, the Director appointed to fill such vacancy shall hold office for the balance of the unexpired term of his predecessor as follows:

- (vi) in the case of a Director elected under Articles III(b)(i)-(iv), such vacancy shall be filled by the Member which elected the predecessor to the vacant position;
- (vii) in the case of a Director elected pursuant to Article III(b)(v), such vacancy shall be filled as soon as practicable by the Director Member upon the recommendation of the Corporate Governance Committee; and
- (viii) in the case of the President, such vacancy shall be filled as soon as practicable by the Director Member in accordance with Article III(b)(v) following appointment of a successor President by the Board of Directors pursuant to Article IV.

If a vacancy occurs, the Directors remaining in office may exercise all the powers of the Board of Directors provided that a quorum of Directors remains in office.

(h) **Removal from Office.** A Director may be removed in the case of a Director elected under Articles III(b)(i)-(iv), if he is removed by written notice to the Corporation from the Member which elected such Director.

(i) **Resignation.** A resignation of a Director becomes effective at the time it is sent to the Corporation, or at the time specified in the resignation, whichever is later, and a resignation specified to be effective at a certain meeting of the Board of Directors or Members shall be deemed to be effective upon the dissolution or adjournment of such meeting or upon the appointment of his successor during such meeting, whichever occurs first.

(j) **Remuneration.** Directors, other than the President who shall be remunerated as described in Article IV(b), may be paid such reasonable remuneration and expenses as follows:

- (i) a Director may, if determined by the Board of Directors, be paid reasonable remuneration for:

- (A) attendance at each meeting of the Board of Directors and of any Committee to which the Director is appointed; and
 - (B) the performance of such duties and responsibilities as may, from time to time, be delegated to such Director by the Board of Directors; and
- (ii) Directors shall be reimbursed for reasonable expenses incurred by them in the performance of their duties as a Director or in their capacity as a member of any Committee;

provided that, no Director shall directly or indirectly receive any profit from his position as such. However, any Director may serve the Corporation in any other capacity and may receive remuneration therefor if his retention in any such capacity is approved by a resolution passed by not fewer than 12 Directors.

ARTICLE IV: OFFICERS

(a) **Officers.** The Officers shall be the Chairperson, President, Vice President(s), Secretary, Treasurer and any such other Officers as the Board of Directors may by resolution determine. Any two or more offices, except for the offices of the Chairperson and President, may be held by the same person. No Officers, other than the Chairperson, shall be appointed from among the Directors.

(b) **Appointment.** Officers other than the Chairperson and the President shall be appointed by resolution of the Board of Directors from time to time. The Chairperson shall be appointed from among the Directors by resolution passed by a vote of not fewer than two-thirds of all Directors, other than the President, who shall not be entitled to vote in respect of the appointment of the Chairperson. The President shall be retained as an employee of the Corporation by resolution, which resolution shall approve the terms of such retention, passed by a vote of not fewer than two-thirds of all Directors, other than the President who shall not be entitled to vote in respect of the appointment of the President.

(c) **Term.** The Chairperson shall hold office for a term expiring at the close of the next annual meeting following appointment or until his successor as Chairperson is appointed. All Officers, other than the Chairperson, shall be appointed by the Board of Directors for such period of time as the Board of Directors determines. Officers shall be removable in accordance with applicable law and by resolution of the Board of Directors at any time.

ARTICLE V: POWERS OF BOARD OF DIRECTORS

(a) **Management.** The Board of Directors shall supervise the management of the activities and affairs of the Corporation in all things and make or cause to be made for the Corporation, in its name, any kind of contract which the Corporation may lawfully enter into and, except as otherwise specifically provided herein, shall exercise all such other powers and do all such other acts and things as the Corporation is by its articles or otherwise authorized to exercise and do. Without restricting the generality of the foregoing, the Board of Directors shall have power to authorize expenditures on behalf of the Corporation

from time to time. The Board of Directors shall act in the best interests of the Corporation and be accountable for the stewardship of the Corporation, including, but not limited to, overseeing the conduct and operation of the Corporation, reviewing and approving corporate strategies, plans and financial objectives, appointing, training, monitoring, advising and supervising senior management, assessing the performance and results of management and the Corporation, ensuring effective corporate communications with Members and the public as contemplated herein, ensuring integrity of internal control and management/financial information systems, exercising their duty of care and preserving the Corporation's assets.

(b) **Finances.** The Board of Directors shall take such steps as they may deem requisite to enable the Corporation to acquire, accept, solicit or receive legacies, gifts, grants, settlements, bequests, endowments, payments and donations of any kind whatsoever for the purpose of furthering the purposes of the Corporation. The Board of Directors shall have the power to enter into a trust arrangement with a trust company for the purpose of creating a trust fund in which the capital and interest may be made available for the benefit of furthering the purposes of the Corporation.

(c) **Employees.** The Board of Directors may appoint such agents and hire such employees as it shall deem necessary from time to time and such persons shall have such authority and shall perform such duties as determined by the Board of Directors. The Board of Directors may delegate by resolution to an Officer or Officers the right to hire and pay salaries to employees.

(d) **Remuneration.** The Board of Directors may directly, or indirectly through its delegates, fix a reasonable remuneration for all Officers, agents and employees of the Corporation.

(e) **Borrowing.** The Board of Directors may from time to time:

- (i) borrow money on the credit of the Corporation;
- (ii) issue, reissue, sell, pledge or hypothecate debt obligations of the Corporation, including in more than one class or series;
- (iii) give a guarantee on behalf of the Corporation to secure performance of an obligation of any person; and
- (iv) mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Corporation, owned or subsequently acquired, to secure any obligation of the Corporation.

The Board of Directors may delegate such powers to such Officers or Directors or to the Executive Committee, if any, to such extent and in such manner as the Board of Directors may determine. Nothing herein limits or restricts the borrowing of money by the Corporation on bills of exchange or promissory notes made, drawn, accepted, or endorsed by or on behalf of the Corporation.

(f) **Changes in User Charges, Facilities and Levels of Service.** The Corporation shall give not less than 60 days notice: (i) of any proposed increases in fees or other charges established and imposed for the use of the ANS by any Aircraft; or (ii) of any proposed material reduction of any facilities operated by the Corporation directly related to the provision of air navigation services provided by the Corporation; or (iii) of any proposed material reduction in any levels of service provided by the Corporation directly related to the provision of air navigation services provided by the Corporation. Such notice shall: (a) set out the particulars of the proposal; (b) specify that a document containing more details about the proposal, including a justification for the proposal in relation to the charging principles set out in Section 35 of the CANSCA can be obtained from the Corporation on request; and (c) specify that persons interested in making representations in writing to the Corporation about the proposal may do so by writing to the address set out in the notice. The Corporation shall: (a) send, by mail or by electronic means, a copy of the notice to (i) representative organizations of users whose members will, in the opinion of the Corporation, be affected by the increased charge, the material reduction in facilities or the material reduction in service, as the case may be, and (ii) every user and other person who has, at least ten days before, notified the Corporation of their desire to receive notices or announcements under the CANSCA; and (b) post an electronic version of the notice in a location that is generally accessible to persons who have access to what is commonly referred to as the Internet. The Corporation shall also consult with such persons as are reasonably appropriate prior to the implementation of such proposals, and such consultation shall include the provision by the Corporation to those persons of justification for the implementation of such proposals.

ARTICLE VI: DUTIES OF OFFICERS

(a) **Chairperson.** The Chairperson shall preside at all meetings of the Board of Directors and at the annual and any special meetings of the Members and shall exercise general supervision over the affairs of the Board of Directors and the Committees. The Chairperson shall not have a casting vote at meetings of Members or meetings of the Board of Directors.

(b) **President.** The President shall perform all such duties as are customary for a chief executive officer of a corporation similar in size and operation to the Corporation. He shall have the general and active management of the business and affairs of the Corporation. He shall see that all orders and resolutions of the Board of Directors are carried into effect and shall perform such other duties as may be determined by the Board of Directors from time to time.

(c) **Vice-Presidents.** A Vice-President designated by the Board of Directors shall, in the absence or disability of the President, perform the duties and exercise the powers of the President. Each Vice-President shall perform the duties as may be determined by the Board of Directors from time to time.

(d) **Secretary.** The Secretary shall carry on the affairs of the Corporation generally under the supervision of the Officers and shall attend all meetings of the Board of Directors and Committees (except the Advisory Committee and except those meetings of the Board

of Directors and its Committees which are meeting *in camera*, in which case the chair of the Committee shall appoint a committee member or some other person to act as secretary of that meeting) and act as clerk thereof and record all votes and minutes of all proceedings in the books to be kept for that purpose. He shall give or cause to be given notice of all meetings of the Members and of the Board of Directors and Committees (except the Advisory Committee), and shall perform such other duties as may be specified by the Board of Directors or President, under whose joint supervision he shall be. He shall be custodian of the seal of the Corporation, which he shall deliver only when authorized by a resolution of the Board of Directors to do so and to such person or persons as may be named in such resolution. In the absence of the Secretary, the Board of Directors or Committee shall appoint another person to act in his stead.

(e) **Treasurer.** The Treasurer shall have the custody of the funds and securities of the Corporation and shall keep full and accurate accounts of all assets, liabilities, receipts and disbursements of the Corporation in the books belonging to the Corporation and shall deposit all monies, securities and other valuable effects in the name and to the credit of the Corporation in such chartered bank or trust company, or, in the case of securities, with such registered dealer in securities, as may be determined by the Board of Directors from time to time. He shall disburse the funds of the Corporation as may be directed by proper authority taking proper vouchers for such disbursements, and shall render to the President and Board of Directors at regular meetings of the Board of Directors, or whenever they may require it, an accounting of all the transactions and a statement of the financial position of the Corporation.

(f) **Other Officers.** The duties of all other Officers shall be such as the terms of their appointment require or as may be determined by the Board of Directors from time to time.

ARTICLE VII: COMMITTEES

(a) **Additional Committees.** In addition to the Committees described in Articles VII(d), (e), (f), (g) and (h), the Board of Directors may by resolution establish additional Committees on such terms and conditions as the Board of Directors deems appropriate, whose members will hold office at the discretion of the Board of Directors or as otherwise determined by the Board of Directors. Additional Committees established by the Board of Directors shall have no more than six members not counting the President or Chairperson, if they are members, and shall have at least one Director from each of the groups of Directors described in Articles III(a)(i), (ii) or (iii), (iv), and (vi), inclusive; provided, however, that the Committee which has responsibility for collective bargaining shall not include any Director described in Article III(a)(iv).

(b) **Corporate Governance Manual.** The mandates, membership and procedures of all Committees shall be contained in the Corporate Governance Manual, provided that in the event of any conflict between the Corporate Governance Manual and this by-law, the by-law shall prevail. The Corporate Governance Manual may only be amended by the Board of Directors.

(c) **Procedure for Committee Meetings.** Meetings of the Committees may be held at any time and place to be determined by the members of the Committee. Forty-eight hours written notice of such meeting shall be given to each member thereof if the notice is given other than by mail. If notice is given by mail, it shall be sent at least 14 days prior to the date of the meeting. No error or omission in giving a notice of any meeting of any Committee or any adjourned meeting of any Committee (provided that such error or omission is not material) shall invalidate such meeting or make void any proceedings taken thereat and any member thereof may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat. A majority of members of the Committee shall constitute a quorum. Articles VIII(d) and (e) apply, with the necessary changes, to meetings of Committees. The Chairperson shall be entitled to receive notice of and materials for all Committee meetings, and shall be entitled to attend all Committee meetings, but shall not by virtue only of this provision be considered a member of the Committee. In the event of an equality of votes, any member of a Committee may request that a second vote be conducted. The chair of a Committee will decide when a vote is to be repeated. If the second vote also results in an equality of votes, the chair of the Committee will have an additional casting vote.

(d) **Executive Committee.** The Board of Directors may establish by resolution an Executive Committee of the Board of Directors which subject to the provisions of the Act shall exercise such powers and have the responsibilities as are set forth in its mandate in the Corporate Governance Manual provided that the Executive Committee shall not have the power to repeal, vary, add to or amend the by-laws of the Corporation or the Corporate Governance Manual nor the power to amend user fees charged by the Corporation in respect of the ANS. The Executive Committee shall be composed of up to six Directors comprising at a minimum one Director from each of the groups described in each of Articles III(a)(i), (a)(ii) or (a)(iii), (a)(iv), and (a)(vi) plus the Chairperson. Members of the Executive Committee shall be subject to removal by the Board of Directors at any time, provided that any vacancy shall be filled by the Board of Directors in accordance with the composition of the Executive Committee as described herein.

(e) **Advisory Committee.** There shall be an Advisory Committee of the Corporation which shall conduct such activities as may be determined by the Board of Directors or as it shall, in its sole discretion, determine, including, without restriction, study, report and make recommendations to the Board of Directors on such matters relating to the ANS as may be determined by the Board of Directors or such other matters as it shall, in its sole discretion, determine. The Advisory Committee shall conduct its activities within a budget established annually in advance by the Board of Directors. Members of the Advisory Committee shall not be paid any remuneration for serving in their position as such but shall be reimbursed for reasonable expenses incurred by them in the performance of their duties. The Advisory Committee shall consist of 20 persons, including one member-at-large. Members of the Advisory Committee shall be elected at each annual meeting of the Corporation by the Members and the Associates who shall, for the sole purpose of electing individuals to the Advisory Committee, be entitled to one vote at each annual meeting of the Corporation. Members of the Advisory Committee shall be elected for a term terminating at the third annual meeting following such election. Any Associate may nominate one individual to be a candidate for member-at-large on the Advisory Committee

and each of the following organizations (the “nominating associations”) may nominate one candidate for its sector. The number of persons to be elected to the Advisory Committee representing each of the sectors the nominating associations represent is as follows:

- Air Transport Association of Canada	1
- Foreign Air Operators Associations	2
- National Airports Association	1
- National Airlines Council of Canada	1
- National Helicopter Association	1
- Non-Commercial User Association	1
- Professional Pilots Associations	2
- Recreational, Non-Commercial Aviation Association	1
- Regional Airports Associations	1
- Regional Aviation Associations	5
- Unions	3
- Member-at-Large	1

The following process for nominating candidates and electing members to the Advisory Committee shall apply:

- (i) The nomination of candidates to be Advisory Committee members shall be made in writing by an authorized officer of the nominating association (or, in the case of the member-at-large, by an authorized officer of the Associate), and must be received by the Secretary at least 60 days prior to the date of the annual meeting of the Corporation. Nominations shall be accompanied by a brief summary of the qualifications and background of the nominated person.
- (ii) With the exception of those individuals nominated by the Foreign Air Operators Associations, all members of the Advisory Committee shall be Canadian citizens.
- (iii) The Secretary shall provide each nominating association, Associate and Member with a list of persons nominated for the current vacancies on the Advisory Committee not less than 30 days prior to the annual meeting.
- (iv) In exercising their respective vote, each Associate and Member shall be entitled to vote for the election of up to 20 members of the Advisory Committee at the annual meeting of the Corporation.
- (v) Voting shall be by secret ballot conducted at the annual meeting. The ballot will reflect the vacancy(s) to be filled, the sector(s) from which such vacancy(s) has occurred, and the nominations received from the nominating associations. Members or Associates who are unable to be present in person may complete a proxy form designating the Chairperson, the Secretary, or any other Officer to vote their proxy, however such form of proxy must

specify their vote on the candidates for each sector. No “open” or “blanket” proxies will be accepted.

- (vi) Should a member of the Advisory Committee be unwilling or unable to complete his term, the chair of the Advisory Committee, with the agreement of the Chairperson, shall proceed in the following order to replace the member:
 - (A) call upon the nominating association which originally nominated the individual to elect another qualified representative of that organization to fill the remaining term, or failing that;
 - (B) replace the individual by election for the remainder of the term with a representative from the same sector, or, failing that;
 - (C) leave the position vacant until the next election.

Members of the Advisory Committee may, subject to the foregoing, be any person interested in aeronautics and furthering the purposes of the Corporation. Members of the Advisory Committee shall hold their offices at the discretion of the Members and the Associates who shall, for the sole purpose of removing individuals elected to the Advisory Committee, be entitled to one vote each in respect of such removal. The members of the Advisory Committee shall select a chair, vice-chair and secretary from amongst themselves. Meetings of the Advisory Committee may be held at any time and place to be determined by the members of the Advisory Committee, provided that, 48 hours written notice of such meeting shall be given, other than by mail, to each member thereof. If notice of any such meeting is given by mail, it shall be sent at least 14 days prior to the meeting. A majority of members of the Advisory Committee shall constitute a quorum. No error or omission in giving notice of any meeting of the Advisory Committee or any adjourned meeting of the Advisory Committee (provided that such error or omission is not material) shall invalidate such meeting or make void any proceedings taken thereat and any member thereof may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat. Articles VIII(d) and (e) apply, with necessary changes, to meetings of the Advisory Committee.

An Associate may be removed by a resolution passed by not less than a majority of the Board of Directors. Such Associate shall be granted an opportunity to be heard at the meeting of the Board of Directors at which such resolution is considered.

Fees or dues, if any, payable by an Associate, shall be determined by the Board of Directors. For greater certainty, Associates are not Members.

(f) **Audit & Finance Committee.** There shall be an Audit & Finance Committee of the Corporation which shall, subject to Article XVII, have responsibility for reviewing the

financial statements of the Corporation before such financial statements are approved by the Board of Directors and which shall have general responsibility for reviewing the financial and internal controls, the accounting, audit and reporting activities of the Corporation, for reviewing annually the qualifications and objectivity of the Corporation's public accountant, for making recommendations to the Members and the Board of Directors, in the case of any vacancy in the office of public accountant as to the selection of the Corporation's public accountant and their fees, for reviewing the scope, results and findings of the Corporation's public accountant's audit and non-audit services and for reviewing annually the status of significant current and potential legal matters. The Audit & Finance Committee shall be composed of up to six Directors comprising at a minimum one Director described in Article III(a)(i), one Director described in Article III(a)(ii) or Article III(a)(iii), one Director described in Article III(a)(iv), and one Director described in Article III(a)(vi), a majority of whom, collectively, are not Officers or employees of the Corporation or any of its affiliates. Members of the Audit & Finance Committee shall be appointed by the Board of Directors from time to time. Neither the Chairperson nor the President shall be appointed to the Audit & Finance Committee. Members of the Audit & Finance Committee shall be subject to removal by the Board of Directors at any time, provided that, any vacancy shall be filled by the Board of Directors in accordance with the composition of the Audit & Finance Committee as described herein.

(g) **Corporate Governance Committee.** There shall be a Corporate Governance Committee of the Corporation which shall be responsible for matters of corporate governance generally, including providing a list of nominees to the Board of Directors in respect of the election, re-election or replacement of the Directors described in Article III(a)(vi). The Corporate Governance Committee shall be composed of up to six Directors comprising at a minimum one Director described in Article III(a)(i), one Director described in Article III(a)(ii) or Article III(a)(iii), one Director described in Article III(a)(iv), and two Directors described in Article III(a)(vi).

(h) **Safety Committee.** There shall be a Safety Committee of the Corporation which shall be generally responsible for overseeing the safety of the ANS. The Safety Committee shall be composed of up to six Directors comprising at a minimum the President, one Director described in Article III(a)(i), one Director described in Article III(a)(ii) or Article III(a)(iii), one Director described in Article III(a)(iv), and one Director described in Article III(a)(vi), provided that one of such foregoing Directors shall be the Chairperson. Members of the Safety Committee shall be appointed by the Board of Directors from time to time. Members of the Safety Committee shall be subject to removal by the Board of Directors at any time, provided that, any vacancies shall be filled by the Board of Directors in accordance with the composition of the Safety Committee as described herein.

(i) Notwithstanding the membership requirements for Committees of the Board of Directors set forth above in Articles VII(a), (d), (f), (g) and (h), any Committee need not have any Director from one or more of the groups of Directors described in Articles III(a)(i), (ii) or (iii), (iv), and (vi) if, in the case of Articles III(a)(i), (ii) or (iii), or (iv), the consent of the respective Member or, in the case of Article III(a)(vi), the Board of Directors, is obtained.

ARTICLE VIII: MEETINGS OF THE BOARD OF DIRECTORS

(a) **Meetings: Number and Notice.** Meetings of the Board of Directors may be held at any time and place to be determined by the Board of Directors not less than once in each financial quarter of the Corporation. Seventy-two hours written notice of such meeting shall be given, other than by mail, to each Director. If notice is given by mail, such notice shall be mailed at least 14 days prior to the meeting. A notice of a meeting of the Board of Directors shall specify any matter referred to in Section 138(2) of the Act that is to be dealt with at the meeting. A Director may waive notice of a meeting of the Board of Directors and the attendance of a Director at a meeting of the Board of Directors is a waiver of notice of the meeting, except if the Director attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called. No error or omission in giving notice of any meeting of the Board of Directors or any adjourned meeting of the Board of Directors (provided that such error or omission is not material) shall invalidate such meeting or make void any proceedings taken thereat and any Director may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat. The statutory declaration of the President or Secretary that notice has been given shall be sufficient and conclusive evidence of the giving of such notice. The President may, and the Secretary shall, upon written requisition of not less than nine Directors delivered to the President or Secretary, call a meeting of the Board of Directors.

(b) **Quorum.** Nine of the Directors shall constitute a quorum at any meeting of the Board of Directors provided that a quorum shall not exist unless:

- (i) one Director elected under Article III(a)(vi); and
- (ii) two of any of those Directors elected under Article III(a)(i), (ii) or (iii), or (iv), provided that each such Director is elected by a different class of Member;

are present at such meeting.

(c) **Voting.** Each Director shall be entitled to exercise one vote at each meeting of the Board of Directors. Except as expressly provided herein and unless otherwise expressly provided by the Act, at all meetings of the Board of Directors, every question shall be determined by a majority of votes cast at the meeting. Unless a ballot is demanded, an entry in the minutes of a meeting of the Board of Directors to the effect that the chair of the meeting declared a resolution to be carried or defeated is, in the absence of evidence to the contrary, proof of that fact without proof of the number or proportion of the votes recorded in favour or against the resolution.

(d) **Teleconference Calls.** If all members of the Board of Directors consent thereto generally or in respect of a particular meeting, a Director may participate in a meeting of the Board of Directors by means of a telephonic, an electronic or other communication facility that permits all participants to communicate adequately with each other during the

meeting, and a Director participating in such a meeting by such means is deemed to be present at the meeting.

(e) **Resolution in Writing.** A resolution in writing, signed by all of the members of the Board of Directors entitled to vote on that resolution at a meeting of the Board of Directors, is as valid as if it had been passed at a meeting of the Board of Directors.

ARTICLE IX: MEETINGS OF THE MEMBERS

(a) **Meetings.** Meetings of Members shall be either an annual meeting or a special meeting. The annual meeting or any special meeting of Members shall be held at the registered office of the Corporation or at any place in Canada and on such date as the Board of Directors may determine provided that the annual meeting of the Corporation shall be held not (i) more than 15 months after the holding of the last preceding annual meeting, and (ii) later than six months after the end of the most recently completed financial year end of the Corporation. The Members may resolve that a particular meeting of Members be held outside Canada.

(b) **Quorum.** Seventy-five percent of the Members present in person or by proxy at any meeting of the Members shall constitute a quorum at any such meeting.

(c) **Business at Annual Meeting.** Every annual meeting of the Members shall be open to the public. At every annual meeting of the Members, in addition to any other business that may be transacted, the report of the Board of Directors, the financial statements and the report of the public accountant shall be presented and public accountant appointed to hold office until the next annual meeting. At every annual meeting, the Chairperson shall allot a reasonable portion of such meeting during which members of the public and Associates may ask questions of management of the Corporation. Subject to the provisions of this by-law, the Members may consider and transact any business which the Members under applicable law are so authorized to transact, at any meeting of the Members. Without restricting the generality of the foregoing, the Board of Directors shall ensure that at least a majority of the Directors, including the Chairperson and President, are present at each annual meeting of the Corporation and shall present to the annual meeting copies of the annual report of the Corporation for the most recently completed financial year. The annual report of the Corporation shall include the annual audited financial statements of the Corporation for the most recently completed financial year of the Corporation and the public accountant's report thereon and contain a summary of the affairs of the Corporation during the most recently completed financial year containing, at least:

- (i) a report on the performance of the Corporation relating to the business plan and objectives of the Corporation for the most recently completed financial year and, as applicable, for the most recently completed five financial years prior thereto;
- (ii) provide a presentation for the next following financial year, of a summary of the Corporation's business plan including specific objectives relating to the purposes of the Corporation;

- (iii) a report on the remuneration of each of the Directors and the salary ranges of each of the five highest compensated employees of the Corporation; and
- (iv) a report on the compliance and/or non-compliance of Directors and Officers with the Code of Conduct.

The foregoing annual report shall be provided to each Member and the Minister of Transport prior to the annual meeting and to members of the public, on request, in both official languages.

(d) **Special Meeting.** The Board of Directors shall have power to call, at any time, a special meeting of the Members. The Board of Directors shall call a special meeting of the Members on written requisition delivered to the President and/or Secretary by not less than seventy-five percent of the Members.

(e) **Notice.**

- (i) Notice of the time and place of a meeting of Members shall be given to each Member who, at the close of business on the record date for notice or if no record date for notice is fixed, at the close of business on the preceding day on which the notice is given, is entitled to receive notice, by the following means:
 - (A) by mail, courier or personal delivery to each such Member, during a period of 21 to 60 days before the day on which the meeting is to be held; or
 - (B) by telephonic, electronic or other communication facility to each such Member, during a period of 21 to 35 days before the day on which the meeting is to be held.
- (ii) Notice of any annual meeting shall include a statement informing the Members that the comparative financial statements, report of the public accountant, and any other documents required by the Act, are available at the registered office of the Corporation and that the Members may, upon request, obtain a copy of those financial statements and other documents free of charge at the registered office or by prepaid mail.
- (iii) Notice of any meeting where special business will be transacted shall (A) state the nature of that business in sufficient detail to permit a Member to form a reasoned judgment on the business, (B) state the text of any resolution to be submitted to the meeting requiring an affirmative vote of not less than two-thirds of the Members, and (C) contain a notice that Members have the right to vote by proxy. For purposes of this section, all business transacted at a special meeting or annual meeting of Members, except consideration of the financial statements, public accountant's report, election of Directors and re-appointment of the incumbent public accountant, is "special business". The Directors, the President, the public

accountant and any other person or persons designated by the Board of Directors, will be entitled to receive notice of every meeting of the Members, and to attend and be heard thereat, but except as provided herein, will not be entitled to vote at any such meeting.

- (iv) Without restricting the generality of the foregoing, notice of any annual or special meeting of the Members shall be published by the Corporation in the largest circulation English language daily newspaper and the largest circulation French language daily newspaper in Canada and an electronic version of the notice shall be posted in a location that is generally accessible to persons who have access to what is commonly referred to as the Internet. Associates shall also be advised of each annual meeting. No error or omission in giving notice of any annual or special meeting or any adjourned meeting (provided that such error or omission is not material), whether annual or special, shall invalidate such meeting or make void any proceedings taken thereat and the Members may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat. The statutory declaration of the President or Secretary that notice has been given shall be sufficient and conclusive evidence of the giving of such notice.

(f) **Proxies.** Each Member shall have the right to exercise one vote on each matter which properly comes before the Members at each meeting of the Members. The Members shall be entitled to appoint a proxyholder. The Secretary shall forward with each notice of meeting of the Members, a form of proxy which shall have been approved by the Board of Directors. A proxy may be in such form as the Board of Directors prescribes from time to time or in such other form as the chair of the Members' meeting may accept as a valid proxy provided that no proxy shall be valid unless it is executed in writing. Proxies shall be deposited with the Secretary not less than 48 hours preceding any meeting or adjourned meeting of the Members, or such other time as may be fixed by the Board of Directors, provided that, such time shall be not less than 48 hours preceding the meeting at which the proxy is to be exercised. A proxy shall be valid only if the Member purporting to grant such proxy shall have complied with the requirements of this section.

(g) **Resolution in Writing.** Subject to Section 166(1) of the Act, a resolution in writing, signed by all of the Members entitled to vote on that resolution at a meeting of Members, is as valid as if it had been passed at a meeting of the Members.

(h) **Voting.** Except as expressly provided herein and unless otherwise expressly provided by the Act, at all meetings of the Members, every question shall be determined by a majority of votes cast at the meeting. Unless a ballot is demanded, an entry in the minutes of a meeting of the Members to the effect that the chair of the meeting declared a resolution to be carried or defeated is, in the absence of evidence to the contrary, proof of that fact without proof of the number or proportion of the votes recorded in favour or against the resolution.

- (i) **Expenses.** Members shall be reimbursed by the Corporation for reasonable expenses incurred for attendance at annual or special meetings of Members.

ARTICLE X: MINUTES OF BOARD OF DIRECTORS AND COMMITTEES

Minutes. The minutes of meetings of the Board of Directors and the Committees shall be available to the Directors and subject to Section 22(1) of the Act, the Members may examine such minutes. In addition, the minutes of the Advisory Committee shall be available to the Members and the Associates.

ARTICLE XI: NOTICE

Address for Notice. For the purpose of sending notice to the Members, a Director, an Officer or a nominating association, for any meeting or otherwise, the address of the Members, Director, Officer or nominating association shall be their last address recorded on the books of the Corporation.

ARTICLE XII: INDEMNITY AND INSURANCE

(a) **Indemnity.** Subject to the provisions of the Act and to Article XII (d), the Corporation shall indemnify a Director or Officer of the Corporation, a former Director or Officer or another individual who acts or acted at the Corporation's request as a director or officer, or an individual acting in a similar capacity, of another entity, and his heirs and legal representatives against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgement, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative or other proceeding in which the individual is involved because of that association with the Corporation or other entity.

(b) **Advance of Costs.** Subject to the provisions of Article XII (d), the Corporation shall advance moneys to a Director, Officer or other individual for the costs, charges and expenses of a proceeding referred to in Article XII (a). The individual shall repay the moneys if the individual does not fulfil the conditions of Article XII (c).

(c) **Limitation.** The Corporation may not indemnify an individual under Article XII (a) unless the individual

(i) acted honestly and in good faith with a view to the best interests of the Corporation, or, as the case may be, to the best interests of the other entity for which the individual acted as director or officer or in a similar capacity at the Corporation's request; and

(ii) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the individual had reasonable grounds for believing that their conduct was lawful.

(d) **Indemnification in Derivative Actions.** The Corporation shall with the approval of a court, indemnify an individual referred to in Article XII (a), or advance moneys under Article XII (b), in respect of an action by or on behalf of the Corporation or other entity to

procure a judgement in its favour, to which the individual is made a party because of the individual's association with the Corporation or other entity as described in Article XII (a) against all costs, charges and expenses reasonably incurred by the individual in connection with such action, if the individual fulfils the conditions set out in Article XII (c).

(e) **No Restriction.** The Corporation will also indemnify the individuals referred to in Article XII (a) in any other circumstances that the Act permits or requires. Nothing in this by-law will limit the right of any person entitled to indemnity to claim indemnity apart from the provisions of this by-law.

(f) **Directors and Officers Liability Insurance.** The Corporation shall, at all times, maintain in force such directors and officers liability insurance as may be approved by the Board of Directors.

ARTICLE XIII: EXECUTION OF DOCUMENTS

Execution of Contracts. Contracts, documents or any other instruments in writing requiring the signature of the Corporation, shall be signed by the President and the Secretary and all contracts, documents and instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. The Board of Directors shall have power from time to time by resolution to appoint any individual who shall be empowered on behalf of the Corporation to sign specific contracts, documents and instruments in writing, or to designate by resolution a general designation of signing authorities setting forth the officers who may execute contracts, documents and instruments in writing. The Board of Directors may give the Corporation's power of attorney to any registered dealer in securities for the purposes of the transferring of and dealing with any securities owned by the Corporation. The seal of the Corporation when required may be affixed to contracts, documents and instruments in writing signed as aforesaid or by any Officer or Officers appointed by resolution of the Board of Directors.

ARTICLE XIV: REGISTERED OFFICE

Registered Office. The registered office of the Corporation shall be in the National Capital Region, as defined in the *National Capital Act*, R.S.C., 1985, c. N-4, Sch. s.2, as amended.

ARTICLE XV: FINANCIAL YEAR

Financial Year. Unless otherwise determined by the Board of Directors, the financial year-end of the Corporation shall be August 31.

ARTICLE XVI: AMENDMENT OF ARTICLES AND BY-LAWS

Amendment of Articles and By-laws. The by-laws of the Corporation not embodied in the articles of the Corporation may be repealed or amended by by-law enacted by the Board of Directors by not less than two-thirds of all Directors and, subject to the Act, sanctioned by a vote of not less than two-thirds of the Members present and voting at a meeting duly called for the purpose of considering the said by-law, provided that the repeal or amendment of such by-laws shall not be enforced or acted upon until the approval of the

Minister of Transport is received in respect of any proposed amendment to the articles of the Corporation or, the recitals, definitions and Articles II(a), (b), (c) and (g), III, IV(a) and (b), V(f), VI(a), VII(b)-(h), VIII(a), (b) and (c), IX(a), (b), (c) and (e), XVI and XVII of the by-laws of the Corporation has been obtained.

ARTICLE XVII: PUBLIC ACCOUNTANT

Public Accountant.

The Members shall at each annual meeting appoint a public accountant to audit the accounts of the Corporation for report to the Members at the next annual meeting. The public accountant shall hold office until the next annual meeting provided that the Board of Directors shall immediately fill any vacancy in the office of public accountant. The remuneration of the public accountant shall be fixed by the Board of Directors.

ARTICLE XVIII: BOOKS AND RECORDS

Books and Records. The Board of Directors shall ensure that all necessary books and records of the Corporation required by the by-laws of the Corporation or by applicable law, are regularly and properly kept.

ARTICLE XIX: RULES AND REGULATIONS

Rules and Regulations. The Board of Directors may prescribe such rules and regulations not inconsistent with these by-laws relating to the management and operation of the Corporation as they deem appropriate, provided that such rules and regulations shall have force and effect only upon confirmation by the Members at the next annual meeting of the Members.

ARTICLE XX: BILINGUAL NAME AND LOGO: OFFICIAL LANGUAGES ACT

Bilingual Name and Logo: Official Languages Act. The Corporation shall maintain a name and, if adopted, any logo with a linguistic component that has the same meaning in French and English. Without restricting the generality of the foregoing, the Corporation shall comply with the Department of Transport practices and procedures with respect to bilingualism in respect of the Canadian air navigation system and service, in effect as of the date of incorporation of the Corporation and shall comply with any provision of the *Official Languages Act* R.S.C. 1985, c. 31(4th Supp.), as amended from time to time, imposed on the Corporation by any and all applicable legislation.

ARTICLE XXI: INTERPRETATION

Interpretation. In these by-laws and in all other by-laws of the Corporation hereafter passed unless the context otherwise requires, words importing the singular number or the masculine gender shall include the plural number or the feminine gender, as the case may be, and vice versa, and references to persons shall include firms and corporations.