

BY-LAW NO. 1

A By-law relating generally to the affairs of:

HEALTH CLAIMS FOR AUTO INSURANCE PROCESSING (the “Corporation”)

DEFINITIONS

1. In these By-laws and in all other By-laws of the Corporation hereafter passed unless the context otherwise requires:
 - (a) “Act” means the Corporations Act, R.S.O. 1990, c. C-38 and any act that may be substituted therefor, as from time to time amended;
 - (b) “Board” means the Board of Directors of the Corporation;
 - (c) “By-laws” means the By-laws of the Corporation;
 - (d) “CPA/IBC Agreement” means the compliance agreement between the Corporation and Insurance Bureau of Canada, in the form attached as Schedule “A” to this By-law No. 1;
 - (e) “Chair” means the Chair of the Board;
 - (f) “Corporation” means Health Claims for Auto Insurance Processing, incorporated as a corporation without share capital under the Act by Letters Patent;
 - (g) “Directors” means the Insurer Directors and the Independent Directors, collectively;
 - (h) “Extra Ordinary Resolution” means a resolution passed at a board meeting by not less than 51% of the votes cast with respect thereto and with respect to which all Insurer Directors vote in favor;
 - (i) “FSCO” means the Financial Services Commission of Ontario;
 - (j) “Health Care Provider” means a provider of health services in the Province of Ontario;
 - (k) “Independent Directors” means the directors appointed pursuant to paragraph 33 (b) and 36(a);
 - (l) “Initial Members” means the applicants for incorporation of the Corporation;

- (m) “Insurer User Agreement” means the standard user agreement between the Corporation and the Insurer Member, in the form attached as Schedule “B” to this By-law No. 1;
- (n) “Insurer Directors” means the directors appointed pursuant to paragraph 33(a) and 36;
- (o) “Insurer Member” means the Members admitted as members of the Corporation pursuant to paragraph 6 (iii) and (iv) unless the context otherwise requires;
- (p) “Letters Patent” means the Letters Patent incorporating the Corporation, as from time to time amended and supplemented by supplementary letters patent;
- (q) “Member” means any of the Independent Directors, Insurer Directors and insurers licensed in Canada to carry on the business of general automobile insurance and admitted as members of the Corporation pursuant to paragraph 6, unless the context otherwise requires;
- (r) “Provider User Agreement” means the standard user agreement between the Corporation and the Health Care Provider, in the form attached as Schedule “C” to this By-law No.1;
- (s) “Resolution” means a resolution passed at a Board or Members meeting by not less than 51% of the votes cast with respect thereto or, in lieu of a meeting, a resolution in writing signed by all of the persons entitled to vote with respect thereto which shall be as valid and effective as if it were passed at a meeting duly called, constituted and held for that purpose;
- (t) “SABS” means the Statutory Accident Benefits Schedule – Accidents On or After November 1, 1996 as amended from time to time, and includes any successors thereto;
- (u) “Secretary” means the Secretary of the Corporation; and
- (v) “Special Resolution” means a Resolution passed at a Board or Members meeting by not less than 66-2/3% of the votes cast with respect thereto or, in lieu of a meeting, a resolution in writing signed by all of the persons entitled to vote with respect thereto which shall be as valid and effective as if it were passed at a meeting duly called, constituted and held for that purpose.

INTERPRETATION

2. In these By-laws and in all other By-laws 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 individuals, firms and corporations. The division of these By-laws into

articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation hereof.

CORPORATE SEAL

3. The seal of the Corporation shall be in such form as shall be prescribed by the Board of Directors from time to time and shall bear the name of the Corporation. The custody of the seal shall be the responsibility of the Secretary.

FINANCIAL YEAR

4. Unless otherwise determined by the Board, the financial year-end of the Corporation shall be December 31.

HEAD OFFICE

5. The Head Office of the Corporation shall be in the City of Toronto, in the Province of Ontario and the Corporation may have such other offices in Canada as may be deemed by the Board to be appropriate from time to time.

CONDITIONS OF MEMBERSHIP

6. Membership in the Corporation shall be limited to:
- (a) (i) the Initial Members;
- (ii) the current Independent Directors and Insurer Directors from time to time;
- (iii) Insurer Members licensed in Canada to carry on the business of general automobile insurance in the Province of Ontario whose application for admission, in a form approved by Resolution of the Board, and has been accepted by a Resolution of the Board; and
- (iv) it is a condition of membership or continuing membership in the Corporation by an Insurer member that it has duly executed the Insurer User Agreement (User Terms and Conditions).
- (b) A person or entity shall become a Member:
- (i) in the case of an Independent Director or an Insurer Director, as of the effective date of such Director's appointment to the Board, or
- (ii) in the case of an Insurer Member as of the date of the Board's approval of its application for membership.

7. No membership fees or dues shall be levied by the Corporation in respect of those Members who are Directors. No membership fees or dues shall be levied by the Corporation in respect of Insurer Members except as determined by Extra Ordinary Resolution of the Board.
8. A Director ceases to be a Member when such individual ceases to be a Director.
9. Membership in the Corporation and all rights and privileges associated therewith are not assignable or transferable.
10. Each Insurer Member shall select one individual from amongst its officers or employees (a "Designated Representative") to receive notices and to vote at any meeting of Members on its behalf. An Insurer Member may change its Designated Representative at any time by giving notice of the change to the Corporation and providing the Corporation with whatever documentation the Corporation may reasonably require.
11. The number of votes each Insurer Member is entitled to cast, through its Designated Representative, at any meeting of Members, shall be calculated as one vote per Member.

The Corporation shall calculate the number of votes capable of being cast by each Designated Representative prior to the date of meeting.

12. Membership in the Corporation shall be terminated only by:
 - (a) resignation in writing of a Member, provided that the Corporation receives such written resignation at least 60 (sixty) days before the effective date of the termination, or,
 - (b) a Special Resolution of the Board to that effect.
13. A resigning Member shall remain liable to the Corporation until there has been full payment and satisfaction of all obligations owing by it to the Corporation, whether or not the same are provided for in the By-laws of the Corporation.

MEETINGS OF MEMBERS

14. The annual or any special general meeting of the Members shall be held at the head office of the Corporation or at any place in Ontario as the Board may determine and on such day as the Board shall appoint.
15. An annual meeting of the Members of the Corporation shall be held not later than eighteen (18) months after the incorporation of the Corporation and thereafter at least once in every calendar year and not more than fifteen

(15) months after the holding of the last preceding annual meeting. At every annual meeting, in addition to any other business that may be transacted:

- (a) the audited financial statements, the report of the Directors and the report of the auditors shall be presented to the Members;
 - (b) the Directors shall be appointed in accordance with paragraph 33, 34 and 36; and
 - (c) the auditor shall be appointed for the ensuing year and the remuneration of the auditor shall be fixed or the Board shall be authorized to fix such remuneration.
16. The Board or the Chair shall have power to call at any time any meeting of the Members of the Corporation. In addition, the Board shall call a special general meeting of the Members on written requisition of not less than twenty-five (25) percent of the Insurer Members.
17. Three (3) Insurer Members and three (3) Members who are Independent Directors present in person or by proxy shall constitute a quorum for a meeting of Members. No business shall be transacted at any meeting of the Members unless a quorum is present at the commencement of and throughout the meeting.
18. Twenty-one (21) days' written notice shall be given to each Member of any annual or special general meeting of Members if notice is sent by mail. Such notice may also be sent by electronic means, such as e-mail or facsimile provided that such notice generates a record of notice sent. Notice 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 day preceding the day on which the notice is given, is entered in the register of Members. Notice of any meeting where special business will be transacted shall contain sufficient information to permit the Member to form a reasoned judgment on the decision to be taken. Notice of each meeting of Members must remind each Member that he or she or it has the right to appoint and, where applicable, to vote by proxy. The auditor of the Corporation is entitled to receive all notices and other communications relating to any meetings of Members that any Member is entitled to receive. The statutory declaration of the Secretary or Chair that notice has been given pursuant to these By-laws shall be sufficient and conclusive evidence of the giving of such notice.
19. A meeting of Members may be held at any time and place without notice if all Members entitled to vote are present or if not present, either before or after the meeting, waive notice or otherwise consent to such meeting being held, and at such meeting any business may be transacted which the Corporation may transact at a meeting of Members.

20. Each Insurer Member may, by means of a written proxy, appoint a proxyholder to attend and act at any meeting of Members in the manner and to the extent authorized by the proxy. Any person may be a proxyholder and a proxyholder need not be a Member.
21. If all the Members consent thereto generally or in respect of a particular meeting, a Member may participate in any meeting or any adjourned meeting of the Members by such conference telephone facilities as permit all persons participating in the meeting to hear or otherwise communicate with each other, and a Member participating in such a meeting by such means is deemed to be present at the meeting. Any such consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the Members. Quorum shall be established and votes shall be recorded by voice or televisual identification of each Member by a roll-call of Members participating in the Meeting.
22. The Members may meet by any other electronic means that permits each Member to communicate adequately with each other, provided that the Board has passed a resolution addressing the mechanics of holding such a meeting, including how security issues should be handled, the procedure for establishing quorum and recording votes. Each Member must have equal access to the specific means of communication to be used and each Member must consent in advance to meeting by electronic means using the specific means of communication proposed for the meeting.
23. Any meeting of the Members may be adjourned to any time and from time to time and such business may be transacted at such adjourned meeting as might have been transacted at the original meeting from which such adjournment took place. No notice shall be required of any such adjournment. Such adjournment may be made notwithstanding that no quorum is present.
24. No error or omission in giving notice of any annual or special general meeting or any adjourned meeting of the Members shall invalidate such meeting or make void any proceedings taken there at and any Member may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat. For the purpose of sending notice to any Member, Director or officer for any meeting or otherwise, the address shall be the last address recorded on the books of the Corporation for the Member, Director or officer.
25. A Resolution or Special 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 Members, provided that matters which are required by the Act to be dealt with at a meeting are excluded from this provision.

VOTING OF MEMBERS

26. At any meeting of the Members, every question shall, unless otherwise required by the Act or the By-laws be determined by Resolution.
27. Unless the Act or the By-laws otherwise provide, each Member present in person or by proxy shall, at all meetings of Members, be entitled to vote in accordance with paragraph 11.
28. All votes at any such meeting shall be decided by a show of hands unless:
 - (a) prior to a show of hands, a majority of the Members present resolve to vote on the matter by secret ballot, in which case the Chair of the meeting shall distribute and collect ballots for such purpose and the result of the vote by secret ballot shall be the decision of the Members upon the said question; or
 - (b) After a show of hands, a poll thereon is required or demanded by the Chair of the meeting or any Member on the question, in which case the procedures set forth hereinafter shall be followed.
29. Whenever a vote by secret ballot or show of hands shall have been taken upon a question, (unless in the latter case a poll thereon is so required or demanded), a declaration by the Chair of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be *prima facie* evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of the Members upon the said question.
30. If a poll is required or demanded, the poll shall be taken in such manner as the Chair of the meeting shall direct. A demand for a poll may be withdrawn at any time prior to the taking of the poll. The result of the poll shall be the decision of the Members upon the said question.
31. In the case of an equality of votes of Members at any meeting of Members, either upon a show of hands or upon a poll, the Chair of the meeting shall have a second or casting vote.

BOARD OF DIRECTORS

32. The applicants for Letters Patent shall be the first directors of the Corporation to hold office for a term expiring at the close of the first special general meeting of the Initial Members or until their successors are appointed.

33. From and after the close of the first special general meeting of the Initial Members the Board shall consist of (2) two Insurer Directors and (3) Independent Directors of whom:
- (a) the Insurer Directors shall be appointed by the Insurer Members. The number of votes each Insurer Member is entitled to cast, through its Designated Representative, at a meeting called for the purpose of appointing Insurer Directors, shall be calculated as one vote per one million dollars of total direct written Ontario automobile premiums. Total direct written Ontario automobile premiums means those premiums for such business which has been reported to the Financial Services Commission of Ontario in respect of a particular Member's fiscal year preceding the date of the meeting of Members;
 - (b) the Independent Directors shall be appointed by current Independent Directors and meet the eligibility criteria described in paragraph 34, provided that the first Independent Directors shall be those persons appointed by the Initial Members for terms described in paragraph 36 or until their successors are appointed, and thereafter their successors shall be appointed by the Independent Directors;
 - (c) all Directors must be individuals of at least 18 (eighteen) years of age with power under law to contract. No person who becomes bankrupt or suspends payment or makes an arrangement with his or her creditors shall be a Director; and
 - (d) the number of Directors may only be changed by amendment of this By-law combined with the written consent of FSCO.
34. The Initial Members, in appointing the first Independent Directors, and the Independent Directors in recommending the Independent Directors for appointment thereafter, shall apply the following eligibility criteria for the Independent Directors and may make any necessary determinations with respect to those criteria:
- (a) individually, no Independent Director shall be:
 - (i) a current director, officer or employee or, in the three (3) years prior to appointment as an Independent Director, a director, officer or employee of Insurance Bureau of Canada or its successors
 - (ii) a current director, officer or employee or, in the three (3) years prior to appointment as an Independent Director, a director, officer or employee of an insurer.
 - (iii) a person who has a significant interest, as that term is defined by legislation governing federally regulated financial institutions, in a class of shares of an Insurer or

- (iv) is the spouse or common law partner of any person described in this paragraph 34(a);
 - (b) collectively, the Independent Directors shall, to the greatest extent possible, represent a diversity of experience and interests, including:
 - (i) persons with significant backgrounds in privacy, financial management, technology and health care research.
35. The powers of the Directors may be exercised by Resolution passed at a meeting of the Board at which a quorum is present. The presence of a majority of the number of Directors in office from time to time – provided that no less than four (4) Directors are present and such majority is comprised of a total number of Independent Directors that is greater than the total number of the Insurer Directors present at the meeting – shall be necessary to constitute a quorum for the transaction of business at meetings of the Board. No business shall be transacted at any meeting of the Board unless a quorum is present at the commencement of and throughout the meeting. The Directors may not appoint proxyholders or other persons to attend and act on their behalf at any meeting of the Directors. Where there is a vacancy on the Board, a majority of the remaining Directors may exercise all the powers of the Board, provided that no less than three (3) Directors are present and such majority is comprised of a total number of Independent Directors that is greater than the total number of the Insurer Directors present at the meeting.
36. The Insurer Directors shall be appointed in the manner described in paragraph 33(a) and shall retire in rotation. At the first special general meeting of the Initial Members, one of the Insurer Directors shall be appointed to hold office until the close of the second annual meeting of Members after that date, and the second Insurer Director shall be appointed to hold office until the close of the third annual meeting of Members after that date. At every annual meeting at which an Insurer Director's term expires, the Insurer Members may reappoint the retiring Insurer Director or appoint another Insurer Director, and each Insurer Director so appointed shall hold office until the close of the second annual meeting after such Insurer Director's appointment.
- (a) The Independent Directors shall be appointed in the manner described in paragraph 33(b) and shall retire in rotation. At the first special general meeting of the Initial Members, the Initial Members shall appoint one (1) person as an Independent Director to hold office until the close of the second annual meeting of Members after that date, and shall appoint two (2) persons as Independent Directors to hold office until the close of the third annual meeting of Members after that date. At every annual meeting at which the term of an Independent Director expires, there shall be appointed by the Independent Directors present at the meeting a number of Independent Directors equal to the number of

Independent Directors whose term of office expires at the close of such meeting so that the total number of Independent Directors shall be a number totaling greater than the total number of Insurer Directors, and each Independent Director so appointed shall hold office until the close of the third annual meeting after such Independent Director's appointment or for such shorter term as the Board shall determine. An Independent Director whose term has expired shall be eligible for reappointment as an Independent Director.

37. The office of Director shall be automatically vacated:

- (a) if the Director shall resign as such by delivering a written resignation to the Secretary;
- (b) if the Director is found by a court to be of unsound mind;
- (c) if the Director becomes bankrupt or suspends payment or makes an arrangement with the Director's creditors;
- (d) if the Director shall die;
- (e) if the Director fails to attend three (3) consecutive meetings of the Board, unless the Board passes a resolution permitting such Director to remain in office as a Director notwithstanding such absences; and
- (f) in the case of an Independent Director, where the Board by Resolution passed by a majority of not less than two-thirds (2/3) of the votes of Directors present at a meeting determines that such Independent Director no longer meets the eligibility criteria described in paragraph 34.

38. If any vacancy shall occur for any reason pursuant to paragraph 37, a person may be appointed to fill the vacancy for the remainder of the term of the vacating Director by:

- (a) the Insurer Members at a meeting duly called for that purpose if the vacating Director was an Insurer Director; and
- (b) all the remaining Independent Directors present at the Board meeting, if the vacating Director was an Independent Director.

39. The office of Director shall also be automatically vacated if a Director is removed from office for cause other than that described in paragraph 37 at a special general meeting of Members by a Special Resolution. In the event that a vacancy so occurs, a person shall be appointed to fill the vacancy for the remainder of the term of the vacating Director in accordance with the manner of appointment of the vacating Director set out in paragraph 38.

MEETINGS OF THE BOARD

40. Meetings of the Board may be held at any time and place to be determined by the Directors or the Chair provided that five (5) business days notice of such meeting shall be given by electronic means, such as e-mail or facsimile, or by another means other than by mail to each Director provided that such notice generates a record of the notice sent. If notice is given by mail, it shall be sent at least fourteen (14) days prior to the meeting. There shall be at least two (2) meetings of the Board in each financial year of the Corporation. No error or omission in giving notice of any meeting of the Board or any adjourned meeting of the Board 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.
41. A meeting of the Board may be held at any time and place without notice if all Directors who are present or if those who are not present, either before or after the meeting, waive notice or otherwise consent to such meeting being held, and at such meeting any business may be transacted which the Corporation may transact at a meeting of the Board, provided that a quorum of the Board is present.
42. Any meeting of the Board may be adjourned to any time and from time to time and such business may be transacted at such adjourned meeting as might have been transacted at the original meeting from which such adjournment took place and such adjournment may be made provided a quorum is present.
43. Subject to the Act, the Letters Patent and the By-laws and paragraph 54 and 56, any question arising at any meeting of the Board shall be decided by Resolution. Each Director is entitled to exercise one (1) vote. All votes at any such meeting shall be taken by a show of hands. Whenever a vote by show of hands shall be taken upon a question, a declaration by the Chair of the meeting that a resolution has been carried and an entry to that effect in the minutes shall be admissible in evidence as *prima facie* proof of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution, and the result of the vote so taken shall be the decision of the Board upon the question. Voting by proxy is prohibited.
44. In the case of an equality of votes at any Board meeting, the Chair of the meeting shall have a second or casting vote.
45. If all the Directors consent thereto generally or in respect of a particular meeting, a Director may participate in a meeting of the Board or of a committee of the Board by means of such conference telephone facilities as permit all persons participating in the meeting to hear or otherwise communicate with each other, and a Director participating in such a meeting

by such means is deemed to be present at the meeting. Quorum shall be established and votes shall be recorded by voice or televisual identification of each Director by a roll-call of Directors participating in the meeting.

46. The Board may meet by any other electronic means that permits each Director to communicate adequately with each other Director provided that the Board has passed a resolution addressing the mechanics of holding such a meeting, including how security issues should be handled, the procedure for establishing quorum and recording votes. Each Director must have equal access to the specific means of communication to be used and each Director must consent in advance to meeting by electronic means using the specific means of communication proposed for the meeting.
47. A retiring Director shall remain in office until the dissolution or adjournment of the meeting at which the retirement of the Director is accepted and the successor to the Director is appointed.
48. The Board may by Extra Ordinary Resolution engage such consultant groups as the Board shall deem necessary from time to time and such persons shall have such authority and shall perform such duties as shall be prescribed by the Board at the time of such appointment.
49. The Independent Directors shall be paid such remuneration as may be decided by the Initial Members at the first special general meeting following incorporation, or as may be decided, from time to time, by Special Resolution of the Members at any annual or special general meeting of the Members.
50. It shall be the duty of every Director who is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Corporation to declare such interest and to refrain from voting thereon in accordance with the Act.

POWERS AND DUTIES OF THE BOARD

51. The Board shall supervise the management of the property, business and affairs of the Corporation and may administer the affairs of the Corporation in all things. The Board may make or cause to be made for the Corporation, in its name, any kind of contract which the Corporation may lawfully enter into, subject to paragraph 54 and 56 and, save as hereinafter provided, generally may exercise all such other powers and do all such other acts and things as the Corporation is by its Letters Patent authorized to exercise and do.

52. The Board shall:

- (a) approve by Special Resolution business plan for the Corporation and update such plan at least annually; and
- (b) adopt, implement and oversee procedures to encourage compliance with the terms of the CPA/IBC Agreement.

53. The Board shall have power to authorize expenditures on behalf of the Corporation from time to time and may delegate by resolution to an officer or officers of the Corporation the right to authorize payment of the day-to-day expenditures of the Corporation, to enter into any contract on behalf of the Corporation, that has a monetary value of less than Ten Thousand Dollars (\$10,000.00), in the usual and ordinary course of the Corporation's business. Any contract that has a monetary value in excess of Ten Thousand Dollars (\$10,000.00) must be authorized by Extra Ordinary Resolution, unless the contract relates to additional resources required by the Corporation to meet its obligations as Central Processing Agency as referred to in the Letters Patent, arising as a result of changes that are made to the SABS or as otherwise necessary to enable the Corporation to comply with applicable laws, in which case such contract may be authorized by Resolution. The Board has the power to appoint and engage such agents and employees as the Board shall deem necessary from time to time.

54. The Board is prohibited from entering into, authorizing or ratifying any new contract or agreement that materially alters the Insurer User Agreement or the Provider User Agreement without confirmation by Extra Ordinary Resolution.

55. The Board is entrusted with the primary responsibility of ensuring the proper and faithful fulfillment of the duties and obligations set out in the Insurer User Agreement, Provider User Agreement and the CPA/IBC Agreement.

56. The Board is prohibited from entering into, authorizing or ratifying any new contract or agreement that materially alters the CPA/IBC Agreement without confirmation by Extra Ordinary Resolution combined with the written consent of FSCO.

57. The Board shall ensure that no data is collected, used, or disclosed by the Corporation except:

- (i) as required by law;
- (ii) as required by the SABS;

- (iii) as described in the Insurer User Agreement, Provider User Agreement or the CPA/IBC Agreement; or
 - (iv) as required by insurers for the purpose of providing FSCO with information required by s. 101.1 of the *Insurance Act*.
- 58. The Board shall ensure that the Corporation does not engage in any data analysis or reporting of data analysis.
- 59. The Board 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 promoting the interest of the Corporation in accordance with such terms as the Board may prescribe.
- 60. The Board shall see that all necessary books and records of the Corporation required by the By-laws of the Corporation or by any applicable statute or law, including without limitation, the minutes of meetings of the Board and of committees of the Board, are regularly and properly kept and made available for viewing to all Members and Directors.
- 61. The Board shall approve by Extra Ordinary Resolution an annual budget for the Corporation.
- 62. The Board may from time to time:
 - (a) borrow money upon the credit of the Corporation;
 - (b) limit or increase the amount to be borrowed;
 - (c) issue debentures or other securities of the Corporation;
 - (d) pledge or sell such debentures or other securities for such sums and at such prices as may be deemed expedient;
 - (e) secure any such debentures, or other securities, or any other present or future borrowing or liability of the Corporation, by mortgage, hypothec, charge or pledge of all or any currently owned or subsequently acquired real and personal, movable and immovable property of the Corporation and the undertaking and rights of the Corporation; and
 - (f) delegate to one or more of the officers or Directors of the Corporation as may be designated by the Board, all or any of the powers conferred by the foregoing clause of this paragraph 62 to such extent and in such manner as the Board shall determine by Extra Ordinary Resolution at the time of each such delegation.

OFFICERS

63. The officers of the Corporation shall be a Chair, a Secretary, and any such other officers as the Board may determine. Any two officers may be held by the same person, who need not be a Director, except as otherwise specifically provided in the Corporation's By-laws.
64. The Chair shall be appointed by the Board, from among its members, at the first meeting of the Board following the special general meeting of the Initial Members and thereafter following each annual meeting of Members at which the Directors are appointed.
65. The Secretary shall be appointed by the Board at the first meeting of the Board following the special general meeting of the Initial Members and thereafter following each annual meeting of Members at which the Directors are appointed. The Secretary shall be subject to removal by the Board at any time with or without cause.
66. The officers of the Corporation, other than the employees of the Corporation, shall hold office for one (1) year from their date of appointment or until their successors are appointed in their stead.

DUTIES OF OFFICERS

67. The Chair shall preside at all meetings of the Members and the Board. The Chair shall see that all orders and Resolutions of the Board are carried into effect. The Chair shall have such other powers and shall perform such other duties as may from time to time be assigned to the Chair by resolution of the Board or as are incidental to the office.
68. In the event of the absence or disability of the Chair, the Board may appoint a Director to preside at any meeting of the Members, and the Board and to perform such other duties of the Chair as the Board may direct.
69. The Secretary may be empowered by the Board to carry on the affairs of the Corporation generally under the supervision of the officers thereof and shall attend all meetings and act as clerk thereof and record all votes and minutes of all proceedings in the books to be kept for that purpose. The Secretary shall give or cause to be given notice of all meetings of the Members, of the Board and of committees, and shall perform such other duties as may be prescribed by the Board or the Chair under whose supervision the Secretary shall be.
70. The duties of all other officers of the Corporation shall be such as the terms of their engagement call for or the Board requires of them.

INDEMNITIES TO DIRECTORS AND OTHERS

71. No Director or officer of the Corporation shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or employee, or for joining in any receipt or other act for conformity, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by order of the Board for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Corporation shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or corporation with whom or which any of the monies, securities or effects of the Corporation shall be lodged or deposited, or for any loss occasioned by any error of judgment or oversight on such Director or officer's part, or for any other loss, damage or misfortune whatever, which may happen in the execution of the duties of such Director's or officer's office or in relation thereto unless the same are occasioned by such Director's or officer's own willful neglect or default.
72. Every Director and officer of the Corporation and his or her heirs, executors, administrators, and estate and effects, respectively, shall from time to time and at all times, be indemnified and saved harmless out of the funds of the Corporation, from and against:
- (a) all costs, charges and expenses whatsoever that such Director or officer sustains or incurs in or about any action, suit or proceeding that is brought, commenced or prosecuted against him or her, for or in respect of any act, deed, matter or thing whatever, made, done or permitted by him or her, in or about the execution of the duties of his or her office; and
 - (b) all other costs, charges and expenses that he or she sustains or incurs, in or about or in relation to the affairs of the Corporation, except such costs, charges or expenses as are occasioned by his or her own willful neglect or default.
73. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of the action, suit, or proceeding as authorized by the Board in the specific case upon receipt of an undertaking by or on behalf of the Director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he or she is entitled to be indemnified by the Corporation.
74. The indemnification herein provided shall not be deemed exclusive of any other rights to which a person seeking indemnification may be entitled under the Letters Patent or these By-laws or any agreement, vote of the Members or disinterested Directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding any office with the Corporation, and shall continue as to a person who has

ceased to be a Director, officer, employee or agent and shall enure to the benefit of the heirs, executors and administrators of such a person.

75. The Board may authorize the purchase of such directors' and officers' insurance or any other insurance as it deems necessary or advisable to be paid for out of the funds of the Corporation.

EXECUTION OF DOCUMENTS

76. The following are the only persons authorized to sign any document on behalf of the Corporation, other than in the usual and ordinary course of the Corporation's business:
- (a) any one (1) Director or officer of the Corporation, provided that no individual shall execute, acknowledge, or verify any instrument in more than one capacity; or
 - (b) any individual or individuals appointed by resolution of the Board to sign a specific document or type of document or generally on behalf of the Corporation.

Any document so signed may, but need not, have the corporate seal applied.

77. The signatures of any person authorized to sign documents on behalf of the Corporation may, if specifically authorized by the Board, be written, printed, stamped, engraved, lithographed or otherwise mechanically reproduced. Anything so signed shall be as valid as if it had been signed manually, even if that person has ceased to hold office when anything so signed is issued or delivered, until revoked by the Board.
78. The banking business of the Corporation shall be transacted with such banks, trust companies or other financial institutions as may from time to time be designated by or under the authority of the Board. Such banking business or any part of it shall be transacted under such agreements, instructions and delegations of powers as the Board may, from time to time, prescribe or authorize.
79. The securities of the Corporation may be deposited, from time to time, for safekeeping with one or more banks, trust companies or other financial institutions selected by the Board or, if so authorized by the Board, with such other depositories or in such other manner as may be determined from time to time by the Board. Any and all securities so deposited may be withdrawn, from time to time, only upon the written order of the Corporation signed by such Director or Directors, officer or officers, agent or agents of the Corporation, and in such manner as shall from time to time be determined by the Board and such authority may be general or confined to specific instances. Any institution so selected as custodian by the Board

shall be fully protected in acting in accordance with the directions of the Board and shall in no event be liable for the due application of the securities so withdrawn from deposit or the proceeds thereof.

AUDITOR

80. At the first special general meeting of the Initial Members following incorporation, the Initial Members shall appoint an auditor to hold office until the close of the first annual meeting and, if the Initial Members fail to do so, the Board shall forthwith make such appointment. Thereafter, the Members, at each annual meeting, shall appoint an auditor to hold office until the close of the next annual meeting and, if an appointment is not so made, the auditor in office will continue in office until a successor is appointed. The Directors may fill any casual vacancy in the office of auditor, but while the vacancy continues, the surviving or continuing auditor, if any, may act. A person other than a retiring auditor is not capable of being appointed auditor at such a meeting unless the notice requirements of the Act have been met.
81. The responsibilities of the auditor shall be:
- (a) to audit the financial statements of the Corporation; and
 - (b) to report to the Members at each annual general meeting on whether the financial statements of the Corporation are fairly presented in accordance with generally accepted accounting principles.
82. No Director, officer or employee of the Corporation or of an affiliated corporation or associated with that Director, officer or employee may be appointed as auditor, unless all the Members have unanimously consented to such appointment.
83. The remuneration of an auditor appointed by the Members shall be fixed by the Members or by the Board if it is authorized to do so by the Members, and the remuneration of an auditor appointed by the Board shall be fixed by the Board.

ASSETS

84. No Member, former Member or anyone claiming by, through or under a Member or former Member shall have, or claim to have, any individual right, title or interest in or to any of the assets of the Corporation, or to any part or portion thereof, and such assets shall be held, managed and administered by the Board for the Members of the Corporation and for those who become Members thereafter and for as long as membership continues and no longer.

AMENDMENT OF BY-LAWS

85. The By-laws of the Corporation and the Letters Patent may be enacted, repealed, or amended by By-law enacted by Extra Ordinary Resolution of the Board and sanctioned by two thirds of the Members present at a meeting duly called for the purpose of considering the said By-law combined with the written consent of FSCO.