

BY-LAW NO. 1
being the General By-law of
REAL ESTATE COUNCIL OF ONTARIO

1.0 GENERAL

1.1 Definitions. In this By-law, unless the context otherwise specifies or requires:

- a) "Act" means the *Not-for-Profit Corporations Act, 2010*, S.O. 2010, c.15, and the regulations thereunder, as from time to time amended, and every statute and regulation thereunder that may be substituted therefor and, in the case of such substitution, any references in the By-laws of the Corporation to provisions of the Act shall be read as references to the substituted provisions therefor in the new statute or regulations;
- b) "Administrative Agreement" means the administrative agreement made pursuant to SCSAA between the Minister and the Corporation, as from time to time amended, and every such agreement that may be substituted therefor and, in the case of such substitution, any references in the By-laws of the Corporation to provisions of the Administrative Agreement shall be read as references to the substituted provisions therefor in the new Administrative Agreement;
- c) "Administrative Authority" means the administrative authority designated under SCSAA to administer TRESA, being the Corporation;
- d) "Administrator" means the administrator appointed under subsection 5.1(1) of SCSAA by Minister's Order dated November 28, 2025;
- e) "Articles" means the original Letters Patent of Continuation, Articles of Amendment, Restated Articles and Articles of Dissolution;
- f) "Board" means the board of directors of the Corporation;
- g) "Brokerage" has the meaning ascribed to that term in TRESA;
- h) "By-laws" means any by-law of the Corporation from time to time in force and effect;
- i) "Chair" means the Chair of the Board;
- j) "Corporation" means Real Estate Council of Ontario;
- k) "Elected Director" means a director on the Board who is elected by the members in accordance with the By-laws;
- l) "Independent Panel" means the panel of three individuals selected by the Corporation to conduct the process for nominating the three candidates to be elected as Elected Directors at the annual meeting in 2026;
- m) "Minister" means the Minister of Public and Business Service Delivery and Procurement for the Province of Ontario, and any successor thereto or the Minister responsible for the administration of TRESA or SCSAA, as the case may be;
- n) "Ministerial Director" means a director on the Board who is appointed by the Minister in accordance with SCSAA;
- o) "Nominations Committee" means the committee as described in Section 2.5 (Election of Directors) of this By-law;

- p) "person" has the meaning ascribed to it in the Act;
- q) "Registrant" means a brokerage that is registered under TRESA or a broker or salesperson who is registered under TRESA;
- r) "Registration" means registration under TRESA, or any other registration, licence, permit, certificate or other authorization required under TRESA in order to carry out an activity governed by TRESA, and "Registered" means having a Registration;
- s) "SCSAA" means the *Safety and Consumer Statutes Administration Act, 1996*, S.O. 1996 c. 19 and the regulations thereunder as from time to time amended and every statute and regulation that may be substituted therefor and, in the case of such substitution, any references in the By-laws to provisions of SCSAA shall be read as references to the substituted provisions therefor in the new statute and regulation;
- t) "TRESA" means the *Trust in Real Estate Services Act, 2002*, S.O. 2002, c. 30, Sched. C, and the regulations thereunder as from time to time amended and every statute and regulation that may be substituted therefor and, in the case of such substitution, any references in the By-laws to the provisions of TRESA shall be read as references to the substituted provisions therefor in the new statute or regulations.

1.2 Interpretation. This By-law shall be, unless this By-law stipulates otherwise or the context otherwise requires, construed and interpreted in accordance with the following:

- a) all terms contained herein and which are defined in the Act shall have the meanings given to such terms in the Act;
- b) words importing the singular number only shall include the plural and vice versa; and the headings used in the By-laws are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions thereof or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions.

1.3 Registered Office. Until changed in accordance with the Act, the registered office of the Corporation shall be in the City of Toronto, in the Province of Ontario.

1.4 Seal. The seal if its impression is stamped in the margin hereof, shall be the seal of the Corporation.

1.5 Banking Arrangements. The banking business of the Corporation shall be transacted at such bank, trust company or other firm or corporation carrying on a banking business in Canada as the Board may designate, appoint or authorize from time to time by resolution. The banking business or any part of it shall be transacted by such officer of the Corporation and/or other person as the Board may by resolution from time to time designate, direct or authorize.

1.6 No action or Proceeding, at Law or in Equity. Save as provided in the Act and in SCSAA, no action or proceeding, either at law or in equity, shall be brought by any member or former member of the Corporation against the Corporation, the Board or committees or task forces, or any officer, director, appointee, employee, task force member, panel member, committee member, or agent of the Corporation for any act done in good faith in the performance or intended performance of a duty or in the exercise or the intended exercise of a power under the By-laws, SCSAA, TRESA or for any neglect or default in the performance or exercise in good faith of the duty or power. This Section may in any

such action or proceeding be pleaded as, and shall constitute, an absolute defence and any and all claims for or by reason of any such act, matter or thing shall be conclusively deemed to have been waived by all members of the Corporation.

1.7 Execution of Instruments. Contracts, documents or any instruments in writing requiring the signature of the Corporation may be signed by

- a) any two directors; or
- b) the Chief Executive Officer,

and all contracts, documents and instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. The Board shall have power from time to time by resolution to appoint any officer or officers or any person or persons on behalf of the Corporation either to sign contracts, documents and instruments in writing generally or to sign specific contracts, documents or instruments in writing. The term "contracts, documents or instruments in writing" as used in this By-law shall include but not be limited to deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property real or personal, immovable or movable, agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of shares, share warrants, stocks, bonds, debentures or other securities and all paper writings. The seal of the Corporation may be affixed to any instruments in writing signed as aforesaid or by any officer or officers appointed by resolution of the Board.

1.8 Cheques, Drafts, Notes, Etc. All cheques, drafts or orders for the payment of money and all notes and acceptances and bills of exchange shall be signed by such officer or officers or person or persons, whether or not officers of the Corporation and in such manner as the Board may from time to time designate by resolution.

1.9 Rules and Regulations. The Board may by resolution make or prescribe such rules, regulations, codes of conduct or policies not inconsistent with the Articles, By-laws, the Administrative Agreement or applicable law relating to the management and operation of the Corporation, the admission to, suspension of and expulsion from membership for Elected Directors, the rights and obligations of members, and such other matters as in any way relate to the Corporation, its purposes or the conduct of its affairs.

1.10 By-laws. Subject to the Act, applicable law and the Administrative Agreement, the Board may from time to time enact By-laws relating in any way to the Corporation or the conduct of its affairs, including, but not limited to, By-laws providing for applications for articles of amendment, and may from time to time by by-law amend, repeal or re-enact the By-laws.

1.11 Auditors. The members shall at each annual meeting appoint an auditor to audit the

accounts of the Corporation who shall hold office until the next following annual meeting; provided, however, that the directors may fill any casual vacancy in the office of the auditor. The appointed auditor shall provide a report to the members on the audited accounts of the Corporation at the next annual meeting following the auditor's appointment. The remuneration of the auditor shall be fixed by the Board.

- 1.12 Financial Year. The financial year of the Corporation shall terminate on the 31st day of December in each year or on such other date as the directors may from time to time by resolution determine.
- 1.13 Financial Statements. The Corporation, may instead of sending copies of the annual financial statements and other documents required to be placed before the members at every annual meeting pursuant to the Act, publish a notice to its members stating that such annual financial statements and other documents are available at the registered office of the Corporation, and any member may, on request, obtain a copy free of charge at the registered office or by prepaid mail.
- 1.14 Expenditures. The Board shall have power to authorize expenditures on behalf of the Corporation from time to time. 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 furthering the purposes of the Corporation in accordance with such terms as the Board may prescribe.
- 1.15 Borrowing Power. The Board may from time to time, without authorization of the members:
- a) borrow money on the credit of the Corporation;
 - b) issue, reissue, sell, pledge or hypothecate debt obligations (including bonds, debentures, debenture stock, notes or other like liabilities whether secured or unsecured) of the Corporation;
 - c) give a guarantee on behalf of the Corporation to secure performance of an obligation of any person;
 - d) 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; and
 - e) by resolution delegate the powers conferred on the directors under this paragraph to a director, a committee of directors or such officer or officers of the Corporation and to such extent and in such manner as the directors shall determine.

The powers hereby conferred shall be deemed to be in supplement of and not in substitution for any powers to borrow money for the purposes of the Corporation possessed by its directors or officers independently of this By-law.

- 1.16 Fund Raising. The Board may take such steps as they may deem requisite to enable the Corporation to acquire, accept, solicit or receive legacies, gifts, grants, settlements, bequests, endowments and donations of any kind whatsoever for the purpose of furthering the purposes of the Corporation.
- 1.17 Registrar. The Registrar and Deputy Registrars, if any, appointed under TRESA shall be employees of the Corporation and shall not be a member of the Board, a Director or

Deputy Director under TRESA, an employee of a trade association, or a registrant under TRESA. The position and functions of the Registrar under TRESA cannot be exercised by the Board or any member or members of the Board. The Registrar appointed under TRESA, if any, shall be appointed by the Board as the chief registration or licensing officer under TRESA and any one or more Deputy Registrars appointed under TRESA shall have the powers of the Deputy Registrar for the purposes of TRESA. The Board shall not interfere with the independent exercise of the Registrar and Deputy Registrars' statutory responsibilities but may review the manner in which those responsibilities are carried out, consistent with the Board's corporate and regulatory governance responsibilities.

- 1.18 Director under TRESA. The Director or the Deputy Directors, if any, under TRESA shall not be a member of the Board unless the Board has approved guidelines providing for the independent exercise of the Director's or Deputy Directors' duties under TRESA. The Director or Deputy Directors, if any, under TRESA shall not be the Registrar or a Deputy Registrar under TRESA or hold a position in the Corporation subordinate to the Registrar or a Deputy Registrar under TRESA or be an employee of a trade association or be a registrant under TRESA. The Board shall not interfere with the independent exercise of the Director and Deputy Directors' statutory responsibilities but may review the manner in which those responsibilities are carried out, consistent with the Board's corporate and regulatory governance responsibilities.
- 1.19 Disposition of Assets upon Dissolution. Subject to the Act, upon the winding up or termination or voluntary dissolution of the Corporation and after payment of all debts and liabilities, the Corporation's remaining property shall be distributed in accordance with the provisions of its Articles.
- 1.20 Administrator: While the order appointing the Administrator dated November 28, 2025 remains in effect, notwithstanding any provision in this By-law, the Administrator has the exclusive right to exercise all the powers and perform all the duties of the Board, officers, and members of the Corporation.

2.0 DIRECTORS

- a) **Orders of the Minister** - This By-law is subject to any orders of the Minister made under SCSAA. The Corporation shall amend this By-law as necessary to comply with any orders of the Minister.
- 2.1 Duties of the Directors. The Board shall provide oversight and strategic guidance to management on the activities and affairs of the Corporation. The Board shall be responsible for the control and direction of all activities of the Corporation, its committees, the disbursement of its funds and the determination of its policies. The Board shall ensure the performance by the Corporation of its obligations pursuant to the Administrative Agreement. Every director of the Corporation, in exercising their powers and discharging their duties, shall act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Notwithstanding that a director may be a representative of another body, group or organization, such director shall not act as a delegate thereof and shall act in accordance with the director's own best judgment.
- 2.2 Number of Directors. Effective December 1, 2026, or the day immediately after the date the Administrator's appointment is terminated, whichever is earlier, the Board shall consist of five (5) directors as follows.
- a) Three Elected Directors; and
- b) Two Ministerial Directors.

2.3 Qualifications. Each director must be an individual who is at least 18 years of age and has not been found incapable under the *Substitute Decisions Act, 1992* (or its successor) or under the *Mental Health Act* (or its successor) of managing property, and has not been found to be incapable by any court in Canada or elsewhere, and does not have the status of a bankrupt. Each director must consent in writing to hold office as a director within 10 days after the election or appointment except for a director who is re-elected or re-appointed and there is no break in such director's term of office. Each director must possess a positive orientation for proactive consumer protection initiatives. The following are additional qualifications for Elected Directors:

- a) The individual must not be:
 - i. a registered broker or salesperson,
 - ii. an individual who is a director, officer, employee, member or agent of a registered brokerage,
 - iii. an individual who is a director, officer, employee, member or agent of an industry association representing the interests of registrants, or
 - iv. an individual who within the one-year period before becoming a member of the Board met the description in any of clauses i through iii;
- b) The individual must not have been found by the Discipline Committee of the Corporation to have contravened TRESA, the regulations under TRESA, including the Code of Ethics regulation, or had a similar finding by any other regulatory body or professional association in the last five (5) years;
- c) The individual must not have had a professional licence or registration refused, suspended, revoked or subject to conditions to which they did not consent in the last five (5) years;
- d) The individual must not have been found guilty of a provincial or criminal offence that is relevant to their suitability to serve on the Board, for which a pardon or record suspension has not been granted; and
- e) The individual must be resident in Ontario.

2.4 Compensation. In order to compensate them for their time and cost of service to the Corporation and to reimburse them for reasonable expenses incurred in the performance of their duties, the Elected Directors shall receive such amounts as may be set out in the remuneration policies approved by the members. In accordance with the Administrative Agreement, Ministerial Directors shall be paid by the Corporation in an amount and on a basis that is equivalent to Elected Directors. If a director is employed by the Crown, the director shall not receive any remuneration. The Board may fix the remuneration of any officers, committee members, Advisory Council members, and other persons who have been engaged by the

Board or the Corporation in accordance with the remuneration policies approved by the Board.

2.5 Election of Directors. Effective June 3, 2026 and subject to the Articles, the members shall by ordinary resolution elect the Elected Directors at each annual meeting at which an election of directors is required, and the Elected Directors shall be elected to hold office for the term set out in Section 2.6 (Term of Directors) as follows:

- a) The Corporation shall ensure that the process for recruiting candidates to be Elected Directors is structured, skills-based, and public.
- b) Prior to an annual meeting at which an election is required, the Board shall establish and publish the competencies that applicants for a Board position must meet, in addition to any qualifications and criteria set out in this By-law.
- c) The Nominations Committee shall oversee searches and identify qualified individuals for membership on the Board, except in 2026, when this shall be done by the Independent Panel. The Independent Panel shall be composed of three individuals who are not Registrants or employees of the Corporation, and the Independent Panel shall operate independently from the Administrator. Any reference in this By-law to the Nominations Committee shall be deemed to be the Independent Panel for the election in 2026.
- d) The functions of the Nominations Committee include soliciting applications for positions to be filled, establishing a process for vetting candidates against the qualifications, competencies and criteria required for election to the Board, and nominating candidates for each Elected Director office which will be vacant and for which an election will be held at the annual meeting of members. Beginning in 2027, the Nominations Committee will carry out its functions in accordance with policies approved by the Board.
- e) In order to be eligible for nomination as an Elected Director, a candidate must agree in writing that, if they are elected to the Board and hold office, they will not apply for registration under TRESA during the one-year period following the day on which the candidate last ceased to hold office as a member of the Board.
- f) In advance of the annual meeting at which an election is required, the Nominations Committee shall solicit applications for each director office which will be vacant and review the applications against the established criteria, qualifications and competencies, in accordance with policies approved by the Board. The Nominations Committee will nominate candidates as follows and in accordance with policies approved by the Board:
 - i. Where an Elected Director position will be vacant, the Nominations Committee will recommend one specific candidate for the position who best meets the needs of the Board based on the established criteria, qualifications, and competencies.
 - ii. Beginning in 2027, the candidates nominated by the Nominations Committee must be ratified by the Board in advance of the annual meeting.
 - iii. Beginning in 2027, at the annual meeting, the candidate(s) ratified by the Board will be presented to the members for election by ordinary resolution. Each member is entitled to cast one vote for each position for which an election is being held. Notwithstanding the foregoing, at the annual meeting held in 2026, the Administrator, exercising the powers of the members of the Corporation, shall elect the three

nominated candidates for Elected Director positions to the Board.

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2.6 Term of Directors.

- a) The terms of the Elected Directors elected at the annual meeting in 2026 shall commence on December 1, 2026, or the day immediately after the date the Administrator's appointment is terminated, whichever is earlier.
- b) The terms of the Elected Directors elected at the annual meeting in 2026 shall be staggered such that one Elected Director shall hold office for a term expiring at the close of the second annual meeting of the members after the election, one Elected Director shall hold office for a term expiring at the close of the third annual meeting of the members after the election, and one Elected Director shall hold office for a term expiring at the close of the fourth annual meeting of the members after the election, or until their successor has been duly elected and installed at the annual meeting of members. The individuals elected at the annual meeting of members in 2026 may participate in orientation activities between the time of their election at the annual meeting and the time they begin to hold office as directors. Individuals who receive a letter of appointment from the Minister in 2026 may participate in orientation activities between the date of their appointment letter and the time their appointment term begins, as specified in the letter.
- c) Effective starting at the next annual meeting held after 2026 at which an election is required, each Elected Director shall hold office commencing at the annual meeting at which they are elected for a term of three (3) years or until their successor has been duly elected and installed at the annual meeting of members.
- d) An Elected Director, if otherwise qualified, is eligible for re-election to the Board of Directors of the Corporation upon the expiration of such director's term, provided that an Elected Director shall not be reappointed or re-elected if the director has served an aggregate of ten (10) or more years in office.
- e) The Ministerial Directors will be appointed for terms to be determined by the Minister and are appointed pursuant to the Minister's powers under SCSAA. The Minister may reappoint such Ministerial Directors at the Minister's pleasure.

2.7 Disqualification, Withdrawal and Removal. A director ceases to hold office if they fail to be qualified in accordance with the requirements of Section 2.3 (Qualifications) of this By-law or:

- a) if the director by notice in writing to the Corporation resigns from the Board which resignation shall be effective at the time it is received by the Chief Executive Officer of the Corporation or at the time specified in the notice, whichever is later;
- b) if the director dies; or
- c) if at a special meeting of members, an ordinary resolution is passed by the members to remove any Elected Director from office, including because in the reasonable opinion of the members, an Elected Director consistently fails to perform the duties reasonably required of a director, including but not limited to failing to comply with any code of conduct or any other policies applicable to the directors.

2.8 Filling Vacancies (Elected Directors). A vacancy occurring on the Board in the office of an Elected Director shall be filled as follows:

- a) if the vacancy occurs as a result of the removal of any Elected Director by the members by ordinary resolution passed by the members at a special meeting of members, it may be filled upon the vote of a majority of the members at that special meeting of members, and the individual who is so elected, shall fill the removed director's place and shall hold office for the remainder of the removed director's term;
- b) if there is a quorum of directors, any other vacancy may be filled for the remainder of the term by the directors then in office, if the directors shall see fit to do so, if so permitted by the Act. If there is not a quorum of directors then in office, the remaining directors or, if there are no directors then in office, then any member, shall forthwith call a meeting of the members to fill the vacancy.

2.9 Nominations Committee and Other Committees.

- a) The Board shall appoint a Nominations Committee to carry out the functions set out in Section 2.5 (Election of Directors) in accordance with terms of reference approved by the Board. The Nominations Committee may retain the services of outside consultants to assist with its functions.
- b) The Board may by resolution from time to time establish and appoint any committee or any task force as it deems necessary or appropriate for such purposes and with such powers as the Board shall see fit subject to the Act and applicable law. The Board may determine the composition, mandate, powers and duties of such committees or task forces in terms of reference approved by the Board. Any committee or task force member may be removed by a majority vote on a resolution of the Board.

2.10 Industry Advisory Council. On or before January 1, 2027, the Board shall establish an Industry Advisory Council to provide guidance and advice on issues pertaining to the Corporation's consumer protection mandate and activities, its regulation of registrants, as well as other issues identified by the Corporation. The Industry Advisory Council shall be comprised of individuals representing the perspectives of registrants. The Industry Advisory Council shall include individuals who are directors, officers, employees, members or agents of industry associations representing the interests of registrants. In addition, the Industry Advisory Council may include individuals from any of the following classes of persons:

- a) Brokers.
- b) Salespersons.
- c) Individuals who are directors, officers, employees or agents of registered brokerages.

The Industry Advisory Council's role is strictly advisory and any decision made by the Industry Advisory Council shall not bind the Corporation. The Industry Advisory Council may formulate its own rules of procedure, subject to such directions as the Board of Directors may from time to time make. Any Industry Advisory Council member may be removed by resolution of the Board.

2.11 Agents; Employees. The Board may appoint such agents and engage such employees as it shall deem necessary from time to time and such agents and employees shall have the authority and shall perform such duties as shall be prescribed by the Board at the time of such appointment.

3.0 MEETINGS OF DIRECTORS

3.1 Place, Frequency and Mode.

- a) Meetings of the Board may be held at any time and place to be determined by the directors. There shall be at least three (3) meetings per year of the Board. The Board may appoint a day or days in any month or months for regular meetings of the Board at a place or hour to be named by the Board and a copy of any resolution of the Board fixing the place and time of regular meetings of the Board shall be sent in writing to each director forthwith after being passed. The notice delivered must comply with this By-law, including Section 3.2 (Notice), in respect of the first such regular meeting to occur following the resolution of the Board, but no other notice shall be required for any such regular meetings, except if the Act requires the purpose thereof or the business to be transacted to specified in the notice.
- b) Subject to the Act, a director may participate in a meeting, including regular meetings or adjourned meetings, of the Board or of a committee or task force of the Board by means of an electronic or other communication facility that permits all participants to communicate simultaneously and instantaneously with each other during the meeting. A director so participating in a meeting is deemed for the purposes of the Act to be present at that meeting. The directors shall take such reasonable precautions as may be necessary to ensure that such communications facilities are secure from unauthorized interception, tampering, or monitoring.

3.2 Notice. Notice of each meeting of the Board shall be in writing and sent to each director. If notice is given by mail, it shall be sent at least seven (7) days prior to the meeting, and if given by notice other than by mail, it shall be sent at least forty-eight (48) hours prior to the meeting. 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.

3.3 Quorum. A simple majority in the total number of directors shall form a quorum for the transaction of business and, notwithstanding any vacancy on the Board, a quorum of directors may exercise all the powers of the Board.

3.4 Adjournment. Any meeting of directors may be adjourned from time to time by the chair of the meeting, with the consent of the meeting, to a fixed time and place. Notice of any adjourned meeting of directors is not required to be given if the time and place of the adjourned meeting is announced at the original meeting. Any adjourned meeting shall be duly constituted if held in accordance with the terms of the adjournment and a quorum is present thereat. The directors who formed a quorum at the original meeting are not required to form the quorum at the adjourned meeting. If there is no quorum present at the adjourned meeting, the original meeting shall be deemed to have terminated forthwith after its adjournment. Any business may be brought before or dealt with at any adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

3.5 Voting. Each director, including the Chair, is authorized to exercise one (1) vote. No director

may vote by proxy. Questions arising at any meeting of directors shall be decided by a majority of votes. In case of an equality of votes the Chair of the Board shall not have a second or casting vote to break the tie. If the Chair is not present at a meeting of the Board, then the director who is acting as chair of that meeting shall have the authority to exercise a vote except in case of an equality of votes at that meeting, in which case the acting chair shall not have a second or casting vote to break the tie.

3.6 Resolution in Lieu of Meeting. A resolution in writing, signed by all the directors entitled to vote on that resolution at a meeting of directors or committee of directors, is as valid as if it had been passed at a meeting of directors or committee of directors.

4.0 OFFICERS

4.1 Appointment. Subject to the Act, the Articles and this By-law, the Board may designate the offices of the Corporation, appoint officers, specify their duties and delegate to them powers to manage the activities and affairs of the Corporation. The Chair may be appointed by the Minister pursuant to the SCSAA. If the Minister does not appoint a Chair from among the directors, the Chair shall be elected by the directors on an annual basis, or as may be required, from among the current directors, at the first meeting of the Board following the annual meeting of members. The Vice-Chair may be elected by the directors on an annual basis, or as may be required, from among the current directors, at the first meeting of the Board following the annual meeting of members. If deemed advisable by the Board, the Board may appoint a Secretary, and any other officer the Board deems appropriate from time to time. The Board may appoint a Chief Executive Officer from time to time. The Chief Executive Officer shall not be a Registrant. None of the said officers need be a director, except the Chair of the Board and the Vice-Chair of the Board, who shall be directors of the Corporation. Two or more of the aforesaid offices may be held by the same person.

4.2 Vacancies. Notwithstanding the foregoing, each incumbent officer shall continue in office until the earlier of:

- a) that officer's resignation, which resignation shall be effective at the time the written resignation is received by the Chair or at the time specified in the resignation, whichever is later;
- b) the appointment of a successor;
- c) that officer ceasing to be a director if such is a necessary qualification of appointment;
- d) the meeting at which the directors annually appoint the officer of the Corporation;
- e) that officer's removal; or
- f) that officer's death.

If the office of any officer of the Corporation shall be or become vacant, the directors may, by resolution, appoint a person to fill such vacancy.

4.3 Removal of Officers. Subject to the Minister's power to appoint and revoke the appointment of the Chair pursuant to section 8(5.2) of SCSAA, officers may be removed by the Board by ordinary resolution at any time, with or without cause.

4.4 Duties of Officers May be Delegated. In case of the absence or inability to act of any officer of the Corporation or for any other reason that the Board may deem sufficient, the Board may temporarily delegate all or any of the powers of any such officer to any other officer or to any director.

4.5 Powers and Duties. Every officer of the Corporation, in exercising their powers and discharging their duties, shall act honestly and in good faith with a view to the best interests

of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Notwithstanding that an officer may be a representative of another body, group or organization, such officer shall not act as a delegate thereof and shall act in accordance with the officer's own best judgment. All officers shall sign such contracts, documents or instruments in writing as require their respective signatures and shall respectively have and perform all powers and duties incident to their respective offices and such other powers and duties respectively as may from time to time be assigned to them by the Board. The duties of the following officers shall include:

- a) Chair of the Board. The Chair of the Board shall, when present, preside at all meetings of the Board and the members.
- b) Vice-Chair of the Board. In the Chair's absence, the Vice-Chair of the Board, if any, shall, when present, preside at all meetings of the Board and the members.
- c) Secretary. The Secretary shall give or cause to be given notices for all meetings of the Board, if any, and members when directed to do so and have charge of the corporate seal of the Corporation, the minute books of the Corporation and of the documents, corporate records, and registers referred to in of the Act.
- d) Chief Executive Officer.
 - i) The Board may from time to time appoint a Chief Executive Officer and may delegate to that person full power to employ and discharge agents and employees of the Corporation. The Chief Executive Officer shall supervise the day to day operations and administration of the Corporation. The Chief Executive Officer shall conform to all lawful orders given by the Board and shall at all reasonable times give to the directors or any of them all information they may reasonably require regarding the affairs of the Corporation to fulfil their duties as directors.
 - ii) In addition to the authority conferred on the Board under the Act and subject to the Act and the Articles, but despite any other provisions in this By-Law, the Board may delegate in writing to the Chief Executive Officer the following powers and duties otherwise vested in the Board pursuant to this By-law:
 - (A) As provided in Section 1.5 of this By-law, the power to designate, direct or authorize officers or employees of the Corporation to transact the banking business or any part of the banking business of the Corporation;
 - (B) As provided in Section 1.7 of this By-law, the power to appoint any officer or officers or any person or persons on behalf of the Corporation either to sign contracts, documents and instruments in writing generally or to sign specific contracts, documents or instruments in writing;
 - (C) As provided in Section 1.8 of this By-law, the power to designate such officer or officers, or such person or persons, to sign on behalf of the Corporation all cheques, drafts or orders for the payment of money, and all notes and acceptances and bills of exchange;
 - (D) As provided in Section 1.14 of this By-law, the power to authorize expenditures on behalf of the Corporation from time to time; and
 - (E) As provided in Section 2.11 of this By-law, the power to

appoint such agents and engage such employees as the Chief Executive Officer shall deem necessary from time to time, and the power to establish the authority of and to assign such duties to such agents and employees as the Chief Executive Officer shall prescribe.

- iii) In delegating any of the powers and duties referred to in sub-paragraph 4.5d)ii) of this By-law, the Board may, in writing:
 - (A) Impose on the Chief Executive Officer any restrictions or limitations on the exercise of those delegated powers and duties as it shall deem appropriate in its discretion; and
 - (B) Provide that, subject to such restrictions or limitations as the Board may impose, the Chief Executive Officer may sub-delegate any of the powers and duties delegated to the Chief Executive Officer by the Board to such officers, employees or agents of the Corporation as the Chief Executive Officer may designate from time to time.

5.0 DIRECTORS AND OFFICERS

- 5.1 For the Protection of Directors and Officers. Except as otherwise provided in the Act, no director or officer for the time being of the Corporation shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by the Corporation or 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 or belonging to the Corporation shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person or corporation

including any person or corporation with whom or which any moneys, securities or effects shall be lodged or deposited or for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets belonging to the Corporation of for any other loss, damage or misfortune whatever which may happen in the execution of the duties of the director's or officer's respective office or trust or in relation thereto unless the same shall happen by or through the director's or officer's own wilful neglect or default.

5.2 Indemnification. Subject to the Act, every (i) director or officer of the Corporation (ii) or other person who has undertaken, either before or after the coming into force of this By-law, or is about to undertake any liability on behalf of the Corporation, and (iii) their heirs, executors, administrators and estate and effects respectively, shall from time to time and at all times from and after the date of incorporation of the Corporation be indemnified and saved harmless out of the funds of the Corporation from and against:

- a) all costs, charges and expenses whatsoever which such director or officer sustains or incurs in or about any action, suit or proceeding which is brought, commenced or prosecuted against the director, member or officer for or in respect of any act, deed, matter, or thing whatsoever made, done or permitted by the member or officer in or about the execution of the duties of their office; and
- b) all other costs, charges and expenses which the director or officer sustains or incurs on or about or in relation to the affairs thereof,

except that the Corporation shall not indemnify an individual under 5.2 unless:

- i. the individual acted honestly and in good faith with a view to the best interests of the corporation or other entity, as the case may be; and
- ii. if the matter is a criminal or administrative proceeding that is enforced by a monetary penalty, the individual had reasonable grounds for believing that their conduct was lawful.

5.3 Insurance. Subject to the Act and the Administrative Agreement, the Corporation may purchase and maintain insurance for the benefit of its directors and officers, or any of them, and other persons.

5.4 Conflict of Interest. A director or officer, who is in any way directly or indirectly interested in a material contract or material transaction, whether made or proposed, with the Corporation shall make the disclosure required by the Act, including the nature and extent of any interest that the director or officer has in such material contract or material transaction, and except as provided by the Act, no such director shall vote on any resolution to approve any such contract. In addition to the requirements in the Act, directors shall avoid conflicts of interest and comply with the conflict of interest provisions in the code of conduct contained in the Administrative Agreement and any other policies adopted by the Corporation from time to time.

6.0 CONDITIONS OF MEMBERSHIP AND ACCEPTANCE INTO MEMBERSHIP

- a) **The effective date for this section shall be the effective date shown on the Director's certificate of amendment issued in accordance with the Act relating to articles of amendment approved by special resolution of the members at the June 2026 annual meeting.**
- 6.1 Conditions of Membership. Subject to the Articles, there shall be one class of members consisting of individuals who are directors on the Board while they serve as directors.
- 6.2 Rights of Membership.
- a) Each member shall be entitled to receive notice of and to attend all meetings of members, to move or second motions, and shall have one vote at any meeting of members.
- 6.3 Annual Contribution or Dues. Members shall not be required to pay any annual contribution or annual dues solely attributable to their being members of the Corporation.
- 6.4 Termination of Membership. membership in the Corporation automatically terminates in the following circumstances:
- a) the member ceases to be a director of the Corporation;
- b) the member dies;
- c) the member resigns; or
- d) the Corporation is dissolved or liquidated and dissolved under the Act.
- 6.5 Termination of Rights. Subject to the Articles, upon any termination of membership, the rights of the member, including any rights in the property of the Corporation, automatically cease to exist.
- 6.6 Membership is not Transferable. Membership in the Corporation is not transferable.
- ## **7.0 MEMBERS' MEETINGS**
- 7.1 Annual Meeting. Subject to the Act, the annual meeting of the members shall be held on such day in each year and at such time as the directors may determine at any place within Ontario. The annual meeting of the members shall be called by the Board no later than 15 months after holding the preceding annual meeting and no later than 6 months after the end of the Corporation's preceding financial year.
- 7.2 Open to Public. Any annual or special meeting of the members shall be open to the public and reasonable notice shall be given to the members of the Corporation and to the public in accordance with the By-laws. At every annual meeting, in addition to any other business that may be transacted, the report of the directors, the financial statements and the report of the auditors shall be presented and auditors appointed for the ensuing year.
- 7.3 Notice to Public. Subject to the Act, notice to the public of any meeting of the members shall be given by publication on the Corporation's website or by such other methods of service as the Board may by resolution direct.
- 7.4 Special Meetings. Other meetings of the members may be convened by order of the Chair of the Board or the Vice-Chair of the Board or by the Board at any date and time and at any place within Ontario.
- 7.5 Notice of Members' Meetings. A written notice of any meeting of the members of the

Corporation shall be:

- a) sent to each member of the Corporation entitled to receive notice of such meeting, each director, and the auditor of the Corporation during a period of not less than 10 and not more than 50 days before the day on which the meeting is to be held. Notice to members shall be given by electronic mail to the last known email address provided by the member; and
- b) published on the website of the Corporation not less than 10 and not more than 50 days before the day on which the meeting is to be held.

Notice of any meeting where special business will be transacted shall contain sufficient information to permit the members to form a reasoned judgment on the decision to be taken. Notice of each meeting of members must remind the member that such member has no right to vote by proxy.

7.6 Waiver of Notice. A member may in any manner waive notice of that meeting of members, and attendance of any such person at that meeting of members shall constitute a waiver of notice of the meeting, except where such person attends a meeting for the express purposes of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

7.7 Error or Omission in Giving Notice. No error or omission in giving notice of any annual or special meeting or any adjourned meeting of the members of the Corporation shall invalidate any resolution passed or any proceedings taken at any meeting of members.

7.8 Quorum. A quorum at any meeting of the members is a majority of members entitled to vote at the meeting. If a quorum is present at the opening of a meeting of the members, the members present may proceed with the business of the meeting, even if a quorum is not present throughout the meeting.

7.9 Voting.

a) At all meetings of the members, every question not otherwise determined by ballot shall be determined on a show of hands by a majority of votes unless otherwise specifically provided by the Act or by this By-law. In the case of an equality of votes the chair of the meeting shall both on a show of hands and at a poll have a second or casting vote in addition to the vote or votes to which the chair may be otherwise entitled.

b) At any meeting of members, unless a poll is demanded, a declaration by the chair of the meeting that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact.

c) A poll may be demanded either before or after any vote by show of hands by any person entitled to vote at the meeting. If at any meeting a poll is demanded on the election of a chair or on the question of adjournment it shall be taken forthwith without adjournment. If at any meeting a poll is demanded on any other question, the chair shall determine whether the vote shall be taken and, if so, by ballot in such manner as the chair may decide and either at once, later in the meeting or after adjournment, as the chair of the meeting directs. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. A demand for a poll may be withdrawn.

d) Votes at meetings of the members may not be given by proxy.

7.10 Chair of the Meeting. In the event that the Chair of the Board and the Vice-Chair of the Board are absent, the persons who are present and entitled to vote shall choose one of their number to be chair.

- 7.11 Adjournment. Subject to the Act, the chair of any meeting of members may with the consent of the meeting adjourn the same from time to time to a fixed time and place and no notice of such adjournment need be given to the members, unless the meeting is adjourned by one or more adjournments for an aggregate of thirty (30) days or more. Any business may be brought before or dealt with at any adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.
- 7.12 Electronic Meetings. Subject to the Act, any meeting of members or any vote at a meeting of members may be held entirely by electronic means or by any combination of in-person attendance and by electronic means provided that all persons entitled to attend the meeting are able to reasonably participate. A person participating in such a meeting by the use of such electronic means is deemed to be present at the meeting. The chair of any such meeting shall be responsible for establishing procedures designed to ensure that security issues concerning the meeting are adequately addressed and shall ensure that the Secretary of the meeting establishes that a quorum is participating in accordance with the By-laws and records the votes taken.
- 7.13 Resolution in Lieu of Meeting. A resolution in writing, signed by all 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.

8.0 CUSTODY AND VOTING SHARES AND SECURITIES

- 8.1 Voting Shares and Securities. All of the shares or other securities carrying voting rights of any company or corporation held from time to time by the Corporation may be voted at any and all meetings of shareholder, bondholders, debenture holders or holders of other securities (as the case may be) of such company or corporation and in such manner and by such person or persons as the Board shall from time to time determine. The duly authorized signing officers of the Corporation may also from time to time execute and deliver for and on behalf of the Corporation proxies and/or arrange for the issuance of voting certificates and/or other evidence of the right to vote in such names as they determine without the necessity of a resolution or other action by the Board.
- 8.2 Custody of Securities. All shares and securities owned by the Corporation shall be lodged (in the name of the Corporation) with a chartered bank or a trust company or in a safety deposit box or, if so authorized by resolution of the Board, with such other depositories or in such other manner as may be determined from time to time by the Board. All share certificates, bonds, debentures, notes or other obligations belonging to the Corporation may be issued or held in the name of a nominee or nominees of the Corporation (and if issued or held in the names of more than one nominee shall be held in the names of the nominees jointly with the right of survivorship) and shall be endorsed in blank with endorsement guaranteed in order to enable transfer to be completed and registration to be effected.

9.0 NOTICES

- 9.1 Service. Unless provided otherwise in the By-law, any notice or other document required by the Act, the Articles or the By-laws to be sent to any member or director or to the auditor shall be delivered personally or sent by prepaid mail or by electronic mail or facsimile to any such member or director at their address for service as shown in the records of the Corporation and to the auditor at its business address, or if no address be given therein then to the last address of such member or director known to the Corporation or by such other methods of service as the Board may by resolution direct; provided always that notice may be waived or, subject to the Act, the time for the notice may be waived or abridged at any time with the consent in writing of the person or corporation entitled

thereto, which consent may be sent to the Corporation by electronic mail or facsimile.

9.2 Signature to Notices. The signature of any director or officer of the Corporation to any notice or document to be given by the Corporation may be written or partly written, stamped, typewritten, printed, electronic signatures, e-signatures, digital signatures, or otherwise by electronic means.

9.3 Computation of Time. Where a given number of days' notice or notice extending over a period is required to be given under the By-law or Articles of the Corporation the day of service or posting of the notice shall not, unless it is otherwise provided, be counted in such number of days or other period.

9.4 Proof of Service. With respect to every notice or other document sent by post it shall be sufficient to prove that the envelope or wrapper containing the notice or other document was properly addressed as provided elsewhere in this By-law and put into a Post Office or into a letter box, or collected by Canada Post. With respect to every notice or other document sent electronically or by electronic mail or facsimile or by such other methods of service as the Board may by resolution direct, it shall be sufficient to prove that such notice was sent from the Corporation. A certificate of an officer of the Corporation in office at the time of the making of the certificate as to facts in relation to the sending or delivery of any notice or other document to any member, director, officer or auditor or publication of any notice or other document shall be conclusive evidence thereof and shall be binding on every member, director, officer or auditor of the Corporation as the case may be.

10.0 INVALIDITY OF ANY PROVISION OF THIS BY-LAW

The invalidity or unenforceability of any provision of this By-law shall not affect the validity or enforceability of the remaining provisions of this By-law.

11.0 EFFECTIVE DATE

11.1 The amendments to section 6 (Conditions of Membership and Acceptance into Membership) take effect on the date shown on the Director's certificate of amendment issued in accordance with the Act. The remaining amendments take effect on the date they are approved by resolution of the Board.

PASSED by the directors of the Corporation by resolution dated March 28, 2024 and confirmed without variation by resolution of the members dated May 30, 2024. Amended by resolution of the Administrator acting in his capacity as the Board dated June 3, 2026 and amendments confirmed without variation by resolution of the Administrator acting in his capacity as the members dated [insert]

Date of Director's Certificate of Amendment: [insert the date of certificate of amendment from the ministry after the articles of amendment are filed]

Secretary
