
BY-LAW NO. 1

**A BY-LAW RELATING GENERALLY TO THE CONDUCT
OF THE BUSINESS AND AFFAIRS OF THE TORONTO PORT AUTHORITY,
A FEDERAL PORT AUTHORITY SUBJECT TO THE
*CANADA MARINE ACT***

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SECTION 1 – INTERPRETATION

1.1 Definitions

In the By-laws of the Authority, unless the context otherwise requires:

- (1) **“Act”** means the *Canada Marine Act*, S.C. 1998, chapter 10, or any statute that may be substituted for it, as from time to time amended.
- (2) **“Authority”** means the Toronto Port Authority.
- (3) **“appoint”** includes “elect” and *vice versa*.
- (4) **“Board”** means the board of directors of the Authority.
- (5) **“By-laws”** means these by-laws and all other by-laws of the Authority from time to time in force and effect.
- (6) **“Director”** means a member of the Board.
- (7) **“Letters Patent”** means the Letters Patent for the Authority issued by the federal Minister of Transport, as from time to time amended or supplemented.
- (8) **“Port Authorities Management Regulations”** means the Port Authorities Management Regulations, SOR 99/101, or any regulations that may be substituted for them, as from time to time amended.
- (9) **“Regulations”** means the Port Authorities Management Regulations and any other regulations promulgated under the Act, or any regulations that may be substituted for them, as from time to time amended.

1.2 Other Definitions

Other than as specified above, words and expressions defined in the Act have the same meanings when used herein. Words importing the singular number include the plural and *vice versa*; words importing gender include the masculine, feminine and neuter genders; and “including” means including, without limitation.

SECTION 2 – GENERAL BUSINESS

2.1 Corporate Seal

The Authority may but need not adopt a corporate seal and, if one is adopted, it may be changed from time to time by resolution of the Board.

2.2 Fiscal Year

The Board may, by resolution, fix the fiscal year end of the Authority and may from time to time, by resolution, change the fiscal year end of the Authority.

2.3 Execution of Instruments

(1) Deeds, transfers, assignments, contracts, obligations, certificates and other instruments may be signed on behalf of the Authority by any two Directors or officers of the Authority.

(2) In addition, the Board may from time to time authorize any other person or persons to sign any particular instruments.

(3) Any officer, Director or corporate secretary of the Authority may sign certificates and similar instruments on the Authority's behalf with respect to any factual matters relating to the Authority's business and affairs, including certificates verifying copies of the Letters Patent, By-laws, resolutions and minutes of meetings of the Authority. Any such signatory may affix the corporate seal to any instrument requiring the same.

SECTION 3 – DIRECTORS AND BOARD MEETINGS

3.1 Election and Term

Directors shall be appointed in accordance with the Act, the Regulations and the Letters Patent and shall hold office for the term expressly stated by such appointing body or until such time as a replacement is appointed or the Director resigns, is removed, is no longer eligible to serve or is excluded from serving in accordance with the Act, the Regulations and the Letters Patent.

3.2 Meetings of the Board and Committees

Subject to the Letters Patent and Regulations, the Board or a committee of the Board may meet at any place if reasonable notice is given.

3.3 Meeting by Telephone or Electronic Facilities

A Director may participate in a meeting of the Board or of a committee of the Board by means of such telephonic, electronic or other communication facility that permits all participants

to communicate adequately with each other during the meeting, and a Director participating in such a meeting by such means is deemed to be present at the meeting.

3.4 Calling of Meetings

Board meetings shall be held from time to time at such time and at such place as the Board, the chairperson of the Board or any two Directors may determine.

3.5 Notice of Meeting

(1) Notice of the time and place of each Board meeting shall be given to each Director:

- (a) not less than two days before the time when the meeting is to be held if the notice is mailed; or
- (b) not less than 24 hours before the time the meeting is to be held if the notice is given personally, is delivered or sent by any means of transmitted or recorded communication.

(2) The Notice of a meeting of Directors shall specify any of the following matters that are to be dealt with at the meeting, but, unless these By-laws provide otherwise, need not specify any other business to be transacted at the meeting:

- (a) Filling a vacancy in the office of chairperson or auditor;
- (b) Approving the annual financial statements;
- (c) Approving a borrowing;
- (d) Adopting a land use plan or business plan;
- (e) Adopting, amending or repealing by-laws; and
- (f) Authorizing or ratifying any activity carried on or to be carried on, or any power exercised or to be exercised, by a subsidiary of the Authority.

(3) A Director may in any manner waive notice of a meeting of Directors, and the attendance of a Director at a meeting is a waiver of notice of the meeting, except if a Director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting was not lawfully called.

(4) Notice of an adjourned meeting is not required to be given if the time and place of the adjourned meeting are announced at the original meeting.

3.6 Waiver of Notice

A Director may in any manner or at any time waive notice of or otherwise consent to a Board meeting. Attendance of a Director at a Board meeting shall constitute a waiver of notice of that meeting except where a Director attends for the express purpose of objecting to the transaction of any business on the grounds that the meeting has not been properly called.

3.7 Resolution in Lieu of Meeting

(1) A resolution in writing signed by all the directors entitled to vote on the resolution is as valid as if it had been passed at a meeting of the Board or of a committee of the Board, as the case may be.

(2) A copy of every resolution adopted under Section 3.7(1) shall be kept with the minutes of the proceedings of the Board or committee of the Board.

3.8 Chairperson and Secretary

The chairperson of the Board or the chairperson of a committee of the Board shall chair the respective Board or committee meeting. If the chairperson of the Board or the committee, as applicable, is not present, the Directors present shall choose one of their number to be chairperson. The recording secretary of the Authority shall act as recording secretary of any Board meeting, and, if the recording secretary of the Authority is absent, the corporate secretary of the Authority shall act as recording secretary of the meeting. If both the recording secretary and corporate secretary are absent, the chairperson of the meeting shall appoint a person who need not be a Director to act as recording secretary of the meeting.

3.9 Quorum

A majority of the Directors in office constitutes a quorum at a Board or committee meeting.

3.10 Votes to Govern

At all Board and committee meetings, every question shall be decided by a majority of the votes cast on the question. Votes may be cast by a voice, show of hands or ballot as the chairperson of the meeting may determine.

3.11 Casting Vote

In case of an equality of votes at a Board meeting, the chairperson of the meeting shall not be entitled to a second or casting vote.

3.12 Dissent of Directors

(1) A Director who is present at a meeting of the Board or of a committee of the Board, whether the Director abstains from voting on a resolution or an action to be taken at the meeting

or remains silent, is deemed to have consented to any resolution passed or action taken at the meeting, unless

- (a) The Director requests that a dissent be entered in the minutes of the meeting or a dissent is so entered;
 - (b) The Director sends a written dissent to the recording secretary of the meeting before the meeting is adjourned; or
 - (c) The Director sends a dissent by registered mail, or delivers it, to the registered office of the Authority immediately after the meeting is adjourned.
- (2) A Director who votes for or expressly consents to a resolution is not entitled to dissent.
- (3) A Director who is not present at a meeting at which a resolution is passed or an action taken is deemed to have consented to the resolution or action unless, within seven days after becoming aware of the resolution or action, the Director:
- (a) Requests that a dissent be kept with the minutes of the meeting; or
 - (b) Sends a dissent by registered mail, or delivers it, to the registered office of the Authority.
- (4) Section 3.12(3) does not apply to Directors who absent themselves from a meeting in conformity with the code of conduct set out in the Letters Patent.

SECTION 4 – OFFICERS OF THE AUTHORITY

4.1 Appointment

The Board may from time to time designate the offices of the Authority and from time to time elect a chairperson and appoint a president, one or more vice-presidents (to which title may be added words indicating seniority or function), a chief financial officer and such other officers as the Board may determine, including one or more assistants to any of the officers so appointed. One person may hold more than one office. The Board may specify the duties of and, in accordance with these By-laws and subject to the Act, the Regulations and Letters Patent, delegate to such officers powers to manage the business and affairs of the Authority. No Director may serve as an officer of the Authority.

4.2 Chairperson of the Board

The Board shall elect a chairperson from among their number for a term not exceeding two years, the term being renewable. The chairperson shall have such other powers and duties as the Board may specify.

4.3 President

The president shall be the chief executive officer and, subject to the authority of the Board, shall have general supervision of the business and affairs of the Authority. The president shall have such other powers and duties as the Board may specify.

4.4 Chief Financial Officer

The Chief Financial Officer shall keep proper accounting records in compliance with the Act and shall be responsible for the deposit of money, the safekeeping of securities and the disbursement of the funds of the Authority. The Chief Financial Officer shall render to the Board whenever required an account of all his or her transactions as treasurer and of the financial position of the Authority. The Chief Financial Officer shall have such other powers and duties as otherwise may be specified.

4.5 Powers and Duties of Officers

The powers and duties of all officers shall be such as the terms of their engagement call for or as the Board or (except for those whose powers and duties are to be specified only by the Board) the chief executive officer may specify. The Board and (except as aforesaid) the chief executive officer may, from time to time and subject to the provisions of the Act, vary, add to or limit the powers and duties of any officer. Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant, unless the Board or the chief executive officer otherwise directs.

SECTION 5 – PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

5.1 Duty of Good Faith

Every Director and officer of the Authority in exercising his or her powers and discharging his or her duties shall act honestly and in good faith with a view to the best interests of the Authority and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

5.2 Limitation of Liability

Except as otherwise provided in the Act, Regulations or the Letters Patent, no Director or officer shall be liable for the acts, receipts, neglects or defaults of any other Director, officer or employee of the Authority.

5.3 Indemnity

The Authority may indemnify a person who is a Director or officer, or a former Director or officer, against all the costs, charges and expenses, including an amount paid to settle an action or satisfy a claim, reasonably incurred by the person in respect of any civil, criminal, administrative, investigative or other proceeding in which the person is involved by reason of being or having been a Director or officer.

The Authority may not indemnify a person unless: (a) the person acted honestly and in good faith with a view to the best interests of the Authority; and (b) in the case of a criminal or administrative proceeding, the person had reasonable grounds for believing that the conduct was lawful. The Authority may not indemnify a person in respect of an action by or on behalf of the Authority against the person unless a court so orders.

SECTION 6– SECURITIES

6.1 Voting Shares and Securities in Subsidiaries or Other Bodies Corporate

All of the shares or other securities carrying voting rights of any subsidiary or other body corporate held from time to time by the Authority may be voted at any and all meetings of shareholder or holders of other securities (as the case may be) of such subsidiary or other body corporate and in such manner and by such person or persons as the Board shall from time to time determine. The duly authorized signing officers may also from time to time execute and deliver for and on behalf of the Authority proxies and/or arrange for the issuance of voting certificates and/or other evidence of the right to vote in such names as they may determine without the necessity of a resolution or other action by the Board.

SECTION 7–EFFECTIVE DATE

7.1 Effective Date

These By-laws shall come into force when made by the Board in accordance with the Act.

7.2 Paramountcy

In the event of any conflict between any provision of these By-laws and any provision of the Act, Regulations or Letters Patent, the provision of the Act, Regulations or Letters Patent, as applicable, shall prevail to the extent of the conflict, and the Directors amend these By-laws accordingly.

7.3 Repeal

All previous By-laws of the Authority are repealed as of the coming into force of these By-laws. The repeal shall not affect the previous operation of any By-laws so repealed or affect the validity of any act done or right, privilege, obligation or liability acquired or incurred under,

or the validity of any contract or agreement made pursuant to, any such By-laws before its repeal. All officers and persons acting under any By-laws so repealed shall continue to act as if appointed under the provisions of these By-laws, and all resolutions of the Board or a committee of the Board with continuing effect passed under any repealed By-laws shall continue to be good and valid except to the extent inconsistent with these By-laws and until amended or repealed.

MADE by the Board the _____ day of _____, 2018.

Corporate Secretary,