

BY-LAW NO. 1

OF

VANCOUVER  
AIRPORT AUTHORITY

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**OF**  
**VANCOUVER AIRPORT AUTHORITY**

**PART 1 -- MEMBERSHIP**

**1.1 Issuance of Membership**

The Members of the Authority shall be those persons issued memberships by the Directors immediately upon their election as Directors, without any further action being required.

**1.2 Conditions of Membership**

At all times Members of the Authority shall be Directors, and the Directors shall be Members.

**1.3 Membership Dues**

There shall be no membership fees or dues.

**1.4 Termination of Membership**

Subject to the Act, a person shall cease to be a Member upon his or her ceasing to be a Director of the Authority.

**1.5 Membership Non-Transferable**

The interest of a Member in the Authority is not, directly or indirectly, transferable.

**PART 2 --MEETINGS OF MEMBERS**

**2.1 Annual Meetings**

The Authority shall hold an annual meeting of the Members, on such day, at such time and at such place within the Province of British Columbia as determined by the Directors. At every annual meeting of the Members, in addition to any other business that may be transacted:

- (a) the Annual Report (including, without limitation, the Authority's audited annual financial statements together with the Auditor's report on such statements) shall be presented to the Members;

- (b) Directors, as required, shall be elected by ordinary resolution of the Members in accordance with Section 3.4; and
- (c) the Auditor shall be appointed by ordinary resolution of the Members, to hold office until the next annual meeting.

## 2.2 Other Meetings

The Directors may at any time call a special meeting of the Members to be held on such day, at such time and at such place within the Province of British Columbia as the Directors determine. The Directors shall call a meeting of the Members on written requisition signed by a Member delivered to the Chair and the Corporate Secretary to transact the business stated in the requisition unless such special meeting is not required to be called pursuant to the provisions of the Act. A requisitioned meeting must be held within 21 days after the date the written requisition is delivered.

## 2.3 Business of a Meeting

At a meeting of the Members, the Members may consider and transact any business, either special or general. All business transacted at an annual meeting of the Members, except consideration of the financial statements, the Auditor's report, the election of Directors and the appointment of an incumbent Auditor, will be deemed to be special business.

## 2.4 Notice

Notice in writing of a meeting of the Members must be given by the Corporate Secretary to each Member at least 21 days before the date of the meeting by delivery to the Member personally or by delivery to the Member's Recorded Address by mail, courier or any method of transmitting legibly recorded messages. Notice of a meeting at which special business is to be transacted must:

- (a) state the nature of the special business in sufficient detail to permit a Member to form a reasoned judgement on such business; and
- (b) state the text of any Special Resolution to be submitted to the meeting.

## 2.5 Voting of Members

Each Member present at a meeting, including the chair of the meeting, is entitled to one vote. All votes will be taken by a show of hands, unless a ballot is demanded by a Member present at the meeting. Every question will be determined by a majority vote of the Members present at the meeting unless otherwise specifically provided by the Act or by this By-law. In the case of an equality of votes, the resolution will fail. Voting by proxy is not permitted.

## **2.6 Waiver of Notice and Effect of Error or Omission**

A Member may, by a written waiver delivered to the Corporate Secretary either before or within 30 days after a meeting, waive notice, or waive or abridge the time for notice required to be given to the Member of the meeting under any provision of the Act or this By-law. Such waiver cures any defect in the giving or in the time of the notice. The meeting, and any proceedings taken at the meeting, that would have been made invalid by such defect in notice will be as duly convened and valid as if notice had been duly given to the Member. The attendance of any Member at a meeting of the Members is a waiver of notice of that meeting, unless such person attends the meeting for the express purpose of objecting to the transaction of business on the grounds that the meeting is not lawfully called. No error or omission in giving notice of a meeting of the Members will invalidate the meeting or make void any proceedings taken at the meeting.

## **2.7 Meeting Held Entirely by Electronic Means, and Participation by Electronic Means**

A meeting may be held entirely by electronic means if all participants can communicate adequately with each other. A Member may participate in any meeting of the Members by electronic means if all participants can communicate adequately with each other. A Member participating in a meeting by such means will be deemed present at the meeting and counted in the quorum and entitled to speak and vote at the meeting.

## **2.8 Alternate Chair**

If the Chair is not present within 15 minutes after the time appointed for the holding of a meeting, or if the Chair is unable to attend a meeting, the chair of the Governance Committee will be chair of the meeting. Failing the attendance of the chair of the Governance Committee, the Members present will elect one of their number to act as chair of the meeting.

## **2.9 Quorum**

A quorum for a meeting of the Members will be a majority of the Members. If a quorum is present at the opening of the meeting but then lost, the Members present may not proceed with the business of the meeting other than to adjourn or terminate the meeting.

## **2.10 Resolution in Writing**

Subject to the Act, a resolution in writing signed by all of the Members, whether by document or any method of transmitting legibly recorded messages, will be as valid as if it had been passed at a meeting of the Members duly called and held. Such resolution may be in counterparts which together will be deemed one resolution.

## **PART 3 --DIRECTORS**

### **3.1 Powers of Directors/Skills and Knowledge**

- (a) The Board shall supervise the management of the business and affairs of the Authority. Without limiting the foregoing, the Board shall administer the affairs of the Authority in all things and may make or cause to be made for the Authority, in the name of the Authority, any kind of contract which the Authority may lawfully enter into and, except as hereinafter provided, generally may exercise all other powers and do all other acts and things as the Authority is authorized to exercise and do.
- (b) Collectively the Directors must possess knowledge and have experience in relation to air transportation, industry, aviation, business, commerce, finance, administration, law, government, engineering, the organization of workers and the representation of the interests of consumers.

### **3.2 Board of Directors**

There shall be up to fifteen (15) Directors of the Authority of whom:

- (a) nine (9) Directors shall be nominated by the Nominating Entities in accordance with Section 3.4(b);
- (b) one Director shall be the Chair;
- (c) one Director shall be the President; and
- (d) up to four (4) Directors shall be directors at large nominated by the Governance Committee in accordance with Section 3.4(b).

The Governance Committee shall present to the Members the slate of those nominated as described in Section 3.4. Each nominee for the position of Director shall be an individual not disqualified from acting as a director under the terms of Section 3.3.

### **3.3 Qualifications**

- (a) Subject to the exceptions in paragraph (b), the following are disqualified from being a Director:
  - (i) a person who is not an individual;
  - (ii) a person who is less than 18 years of age;
  - (iii) a person who is not a citizen of Canada;
  - (iv) a person who is not a resident of British Columbia;



- (v) a person holding federal, provincial or municipal elected office;
  - (vi) a person nominated for federal, provincial or municipal elected office when the election has not occurred;
  - (vii) a person employed by or providing services on a full time basis under contract to any federal, provincial or municipal government department or agency, or any corporation owned by Her Majesty the Queen in right of Canada or any province of Canada;
  - (viii) a person employed by or providing services on a full time basis under contract to a Nominating Entity;
  - (ix) a person who has the status of a bankrupt;
  - (x) a person who has been declared incapable by a court in Canada or in another country;
  - (xi) a person who has been convicted of an offence in connection with the promotion, formation or management of a corporation or an unincorporated business, or involving fraud, unless:
    - (A) the court orders otherwise; or
    - (B) 5 years have elapsed since the last to occur of:
      - (1) the expiration of the period set for suspension of the passing of sentence without a sentence having been passed;
      - (2) the imposition of a fine;
      - (3) the conclusion of the term of any imprisonment; and
      - (4) the conclusion of the term of any probation imposed; or
    - (C) a pardon was granted or issued under the Criminal Records Act [Canada]; or
  - (xii) a person, other than the President, employed by the Authority.
- (b) The Members may by Special Resolution permit, at any one time,
- (i) one Director to be exempted from either of the exclusions in sub-paragraph (a)(iii) and sub-paragraph (a)(iv), or,
  - (ii) one Director to be exempted from both of the exclusions in sub-paragraph (a)(iii) and sub-paragraph(a)(iv), or,

- (iii) one Director to be exempted from the exclusion in sub-paragraph (a)(iii) and one other Director to be exempted from the exclusion in sub-paragraph (a)(iv).

### 3.4 Election of Directors

- (a) The Members shall elect the Directors at each annual meeting of the Members at which an election of a Director or Directors is required, for a term of office in accordance with Section 3.5.
- (b) At each annual meeting of the Members at which the election of a Director or Directors is required, a slate of nominees shall be presented to the Members by the Governance Committee. For the slate of nominees, the Governance Committee:
  - (i) shall solicit nominees from the following Nominating Entities:
    - (A) the Association of Professional Engineers and Geoscientists of British Columbia, who may nominate one person;
    - (B) the City of Richmond, who may nominate one person;
    - (C) the City of Vancouver, who may nominate one person;
    - (D) the Government of Canada, who may nominate two people;
    - (E) the Institute of Chartered Professional Accountants of British Columbia, who may nominate one person;
    - (F) the Law Society of British Columbia, who may nominate one person;
    - (G) Metro Vancouver (once known as Greater Vancouver Regional District), who may nominate one person; and
    - (H) the Vancouver Board of Trade, who may nominate one person.
  - The time and date by which delivery of names is to be required and the process for solicitation of nominees from the Nominating Entities shall be determined by the Governance Committee;
  - (ii) shall present up to four (4) nominees for the director at large positions; and
  - (iii) shall include the names of the Chair and President, such appointments as Directors being governed by Section 3.2.

### 3.5 Term of Office

- (a) Subject to Section 3.5(b), Directors shall be elected to hold office for a term expiring not later than the close of the third annual meeting of Members following their election. Directors are eligible for re-election or re-appointment up to a maximum of three terms, or a maximum of nine years.
- (b) The term of three years and the limit of nine years described in Section 3.5(a) shall not apply to the Directors who are the Chair and the President. The President shall continue as a Director for so long as he or she holds the office of President. The Chair shall continue as a Director for so long as he or she holds the office of Chair in accordance with Section 7.2.1.
- (c) Notwithstanding the foregoing, if the number of persons ceasing to be Directors in any calendar year would otherwise be greater than two, the Members may re-elect a Director who would be ineligible for re-election because of the aforementioned term limits, for a further term ending on such date specified by the Members, but in no event later than the close of the next annual meeting of the Members; provided however for each such Director who has been nominated by a Nominating Entity, the Governance Committee shall consult with the applicable Nominating Entity regarding the re-election of such existing Director.
- (d) For clarification, if a Director is appointed or elected to fill a vacancy under Section 3.7, the unexpired term of such Director's predecessor will not count towards the maximum aggregate term for such Director, as specified above in this Section.

### 3.6 Vacation and Termination of Office of Director

The office of a Director will be automatically vacated if a Director:

- (a) resigns and delivers a written resignation to the Chair;
- (b) meets the limitations on the Director's term of office set out in Section 3.5;
- (c) ceases to be qualified under Section 3.3;
- (d) is removed from office in accordance with the Act;
- (e) who is the Chair ceases to be the Chair, provided that he or she has served longer than nine years;
- (f) who is the President ceases to be the President; or
- (g) dies.

### 3.7 Vacancies on the Board

Subject to the Act, In the event that a vacancy occurs on the Board:

- (a) the remaining Directors provided there is a quorum, may
  - (i) fill (by appointment) any vacancy on the Board (other than a vacancy resulting from an increase in the number of the minimum or maximum number of Directors provided for in the articles), or
  - (ii) where a vacancy results from an increase in the number of the minimum or maximum number of Directors provided for in the articles, call a meeting of Members for the purpose of filling the vacancy on the Board;
- (b) at each such meeting of the Directors or Members, as the case may be, where a vacancy or vacancies on the Board will be filled, the Governance Committee shall present the name(s) of the Director nominees and in doing so shall ensure that the Board comprises the persons described in Section 3.4(b). The provisions of Section 3.4(b) will apply *mutatis mutandis* when a vacancy is filled;
- (c) a Director appointed or elected to fill a vacancy holds office for the unexpired term of his or her predecessor; and
- (d) during the period of time commencing on the occurrence of the vacancy on the Board until the appointment or election of the replacement Director, the Directors remaining in office may exercise all of the powers of the Board provided that a quorum of Directors is elected or remains in office as the case may be.

### 3.8 Remuneration of Directors

The Directors, other than the President, may receive reasonable remuneration for their services as Directors together with reimbursement for all reasonable expenses necessarily incurred in fulfilment of their duties, as determined by the Board and administered by the Chair.

## PART 4 --MEETINGS OF THE DIRECTORS

### 4.1 Meetings

- (a) The Directors may meet together at such time and place as they think fit for the dispatch of business and otherwise regulate their meetings and proceedings as they see fit, subject always to this By-law and the Act.
- (b) The Chair may at any time call a meeting of the Directors to be held at such time and place as the Chair determines. The Chair shall call a meeting of the Directors on written requisition signed by not less than three Directors and delivered to the

Chair and the Corporate Secretary to transact the business stated in the requisition. A requisitioned meeting must be held within ten days after the date the written requisition is delivered.

#### 4.2 Notice

At least three days' notice in writing of each meeting of the Board, specifying the time and place of the meeting and the general nature of the business to be discussed, must be given by the Corporate Secretary to each Director by delivery to the Director personally or by delivery to the Director's Recorded Address by mail, courier or any method of transmitting legibly recorded messages.

#### 4.3 Voting

Each Director present at a meeting, including the Chair of the meeting, is entitled to one vote. All votes will be taken by a show of hands, except for the election of the Chair which shall be conducted in accordance with Section 7.2.1 and unless a ballot is demanded by a Director. Every resolution will be determined by a majority vote of the Directors present at the meeting and entitled to vote on such resolution. In the case of an equality of votes, the resolution will fail. Voting by proxy is not permitted.

#### 4.4 Proceedings Same as Meetings of Members

The provisions relating to proceedings at meetings of the Members set forth in Sections 2.6 to 2.10 of this By-law will apply *mutatis mutandis* to all meetings of the Board.

### PART 5 --COMMITTEES

#### 5.1 Membership of Committees

- (a) The Board may create one or more committees in addition to the Governance Committee (which must be created by the Board under Section 5.3). Each committee shall comply with all rules imposed from time to time by the Board including those set out in the manual referred to in Section 15.5. A committee shall make periodic recommendations to the Board in respect of the subject on which it was created to advise. The Board shall take into consideration, but not be bound by, such recommendations.
- (b) Except as provided in Section 5.3, the chair and the members of each committee will be those Directors who are appointed by the Board upon consideration of any recommendation of the Chair. Other than the Chair as a member of the Governance Committee, a committee member or committee chair may be removed and replaced by the Board.

## 5.2 Proceedings of Committees

The members of a committee may meet as they think fit. At least three days' notice in writing of each meeting of a committee, specifying the time and place of the meeting and the general nature of the business to be discussed, must be given to each committee member by delivery to the member personally or by delivery to the member's Recorded Address by mail, courier or any method of transmitting legibly recorded messages. The provisions relating to proceedings at meetings of the Members set forth in Sections 2.6 to 2.10 will apply *mutatis mutandis* to all meetings of committees.

## 5.3 Governance Committee

There must be a Governance Committee consisting of the Chair and not less than two other Directors, who are not officers or employees of the Authority. The Chair may not be the chair of the Governance Committee.

## PART 6 -- INDEMNITIES TO DIRECTORS AND OTHERS

### 6.1 Indemnities

- (a) Every present or former Director or officer of the Authority, or another individual who acts or acted at the Authority's request as a Director or officer or in a similar capacity of another entity, and their respective heirs, executors, administrators, estates and effects will be indemnified by the Authority against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative or other proceeding in which the individual is involved because of his or her association with the Authority or other entity.
- (b) The Authority may advance money to a Director, an officer or other individual for the costs, charges and expenses of a proceeding referred to Section 6.1(a). The individual shall repay the money if the individual does not fulfil the conditions of Section 6.1(c).
- (c) The Authority may not indemnify an individual under Section 6.1(a) unless the individual:
  - (i) acted honestly and in good faith with a view to the best interests of the Authority or, as the case may be, to the best interests of the other entity for which the individual acted as director or officer or in a similar capacity at the Authority's request;
  - (ii) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, had reasonable grounds for believing that his or her conduct was lawful; and

- (iii) was not judged by the court or other competent authority to have committed any fault or to have omitted to do anything that the individual ought to have done.

## **6.2 Contracts of Indemnity**

The Board may from time to time cause the Authority to enter into a contract to indemnify any present or former Director, officer, employee, agent or other person who has undertaken or is about to undertake any liability on behalf of the Authority or an entity controlled by it.

## **6.3 Insurance**

The Board may cause funds to be expended by the Authority for the purchase and maintenance of insurance for the benefit of any person who is or was a Director, officer, employee or agent of the Authority or is or was serving at the request of the Board as a director, officer, employee or agent of an entity in which the Authority has or has had an interest, against any liability incurred by such person in that capacity.

## **PART 7 -- OFFICERS**

### **7.1 Officers**

The officers of the Authority are the Chair, the President, the Corporate Secretary and such vice presidents as the Board sees fit to appoint. No person may hold more than one such office at the same time, except the Corporate Secretary who may also be, but is not required to be, a vice president of the Authority.

### **7.2 Chair**

**7.2.1** The Chair will be appointed by secret ballot, subject to Section 7.2.3 and the following, at the first meeting of the Board held after the annual meeting of the Members:

- (a) the initial term of a person appointed Chair shall commence immediately upon appointment and end at the beginning of the first meeting of the Board held after the annual meeting of the Members held in the third calendar year after the year in which the initial term began;
- (b) if the person appointed Chair is a Director nominated by a Nominating Entity, the Chair shall be deemed to have resigned as that Nominating Entity's nominee, and shall be deemed to be one of the directors at large;
- (c) nominations for Chair shall be made in writing and delivered to the Corporate Secretary at least two weeks prior to the date of the meeting of the Board at which the appointment of the Chair will occur; and

- (d) a person who has served an initial term of three years as Chair is eligible for re-appointment every two years thereafter, but in no event may serve as Chair for more than the greater of 3 additional consecutive terms or six additional years.

**7.2.2** The Chair shall preside at meetings of the Members, the Annual Public Meeting, the annual meeting of the Nominating Entities and Board meetings, and shall perform such other duties as are provided in this By-law or may be prescribed by the Board.

**7.2.3** If the Chair ceases to be the Chair before the end of that term as Chair, then the process for appointment of Chair, described in Section 7.2.1, will be held at the first meeting of the Board held after the vacancy of the Chair was created.

### **7.3 President**

The President is appointed by the Board. The President shall be the chief executive officer and, subject to the authority of the Board, has the general and active supervision and management of the affairs of the Authority, and shall have such other powers and duties as the Board may specify.

### **7.4 Corporate Secretary**

The Corporate Secretary is appointed by the Board. The Corporate Secretary shall give or cause to be given notice of all meetings of the Members and of the Board when requested by the Chair, and shall attend all such meetings and act as secretary thereof and record all votes and minutes of all proceedings in the books to be kept for that purpose. The Corporate Secretary shall have such other powers and duties as may be prescribed by the Board. The Corporate Secretary is custodian of the seal of the Authority.

### **7.5 Term of Office**

The officers of the Authority (other than the Chair, whose term is described in Section 7.2.1) will hold office at the pleasure of the Board and are eligible for reappointment.

### **7.6 Remuneration of Officers**

The remuneration of all officers will be fixed by the Board.

### **7.7 Termination**

The Board, in its discretion, at any time, may remove the Chair, the President or the Corporate Secretary. All other officers may be removed or their employment may be terminated by the President. The termination of the appointment of an officer will not prejudice any right to compensation that such officer may have in so far as the termination is in breach of the terms of the officer's employment.



## **PART 8 -- CORPORATE SEAL AND EXECUTION OF DOCUMENTS**

### **8.1 Corporate Seal**

The seal, an impression of which was stamped on a certificate of the Corporate Secretary immediately following the issue of letters patent incorporating the Authority, is the seal of the Authority.

### **8.2 Execution of Documents**

Subject to any resolution of the Board as described in the next following sentence, documents or instruments requiring the signature of the Authority may be signed by, and the seal of the Authority may be affixed in the presence of, any two of the Chair, the President, the Corporate Secretary and any vice president, and all documents and instruments so signed will be binding upon the Authority without any further authorization or formality. The Board may from time to time appoint a person or persons to sign on behalf of the Authority, with or without the seal, a particular document or instrument, one or more documents and instruments meeting a description, or all documents and instruments generally. The Corporate Secretary may affix the seal for the purpose of certifying copies of or extracts from the constating documents of the Authority, this By-law, minutes of meetings or resolutions of the Members or of the Board or committees of the Board, or instruments executed or issued by the Authority.

### **8.3 Power of Attorney**

The Board may give a power of attorney of the Authority to any registered dealer in securities for the purpose of transferring and dealing with any bonds and other securities of the Authority.

## **PART 9 -- FINANCIAL RECORDS, AUDIT AND ACCOUNTING**

### **9.1 Records and Accounts**

The Board shall cause to be kept proper accounting records for the Authority and, without limiting the generality of the foregoing, shall cause records to be kept of every receipt of funds, disbursement, sale, purchase, asset, liability made by or for the Authority, and every other transaction affecting the financial position of the Authority.

### **9.2 Place of Records**

The accounting records of the Authority must be kept at such place within the Province of British Columbia as the Board determines.

### 9.3 Inspection

The accounting and financial records of the Authority must be available for inspection by any person (including, without limitation, a Director) upon reasonable notice.

### 9.4 Auditor

The Members shall, at each annual meeting of the Members, appoint an Auditor to hold office until the next annual meeting or until the Auditor's successor is appointed. The Board may fill any vacancy occurring in the office of the Auditor. No Director and no employee of the Authority may be Auditor of the Authority. The Auditor shall audit the accounts of the Authority for report to the Members at the annual meeting.

### 9.5 Fiscal Year

The fiscal year end for the Authority will be determined by the Board.

### 9.6 Financial Statements

The Board shall, at least once in every fiscal year, cause comparative financial statements of the Authority to be prepared and audited. The financial statements must consist of:

- (a) a statement of financial position or a balance sheet;
- (b) a statement of comprehensive income or a statement of retained earnings;
- (c) a statement of changes in equity or an income statement; and
- (d) a statement of cash flows or a statement of changes in financial position.

### 9.7 Annual Report

The Board shall produce a written report for each year of the operation of the Authority that includes the Authority's audited annual financial statements together with the Auditor's report on such statements, and a statement of the Authority's general policies, business and major transactions during the year (the "Annual Report"). The Board shall present the Annual Report at the annual meeting of the Members, the Annual Public Meeting and the annual meeting of the Nominating Entities.

## **PART 10 -- INVESTMENT AND BORROWING**

### 10.1 Investment Powers of Directors

When investing monies of the Authority, the Board will not be restricted to securities permitted by law to a trustee but may invest such monies in such manner and in such

securities, properties and investments as the Board, in its absolute discretion, deems in the best interests of the Authority with liberty to vary and transpose the same from time to time.

## 10.2 Borrowing

The Board may:

- (a) borrow money upon the credit of the Authority;
- (b) limit or increase the amount to be borrowed;
- (c) issue or reissue bonds, debentures, notes or other securities of the Authority, whether secured or unsecured;
- (d) pledge or sell such bonds, debentures or other securities for such sums and at such prices as may be deemed expedient; and
- (e) secure any such bonds, debentures, notes or other securities, or any other present or future borrowing or liability of the Authority, by mortgage, hypothec, charge, pledge or other security interest relating to all or any currently owned or subsequently acquired real and personal, movable or immovable, property and leasehold and reversionary interests of the Authority, and the undertaking, rights and assets of the Authority.

## PART 11 -- GENERAL

### 11.1 Head Office

The head office of the Authority will be located in Richmond, British Columbia.

### 11.2 Members and Records

The Board shall cause minutes of all meetings of the Members and of the Board and resolutions consented to in writing by the Members or the Board, together with minutes of all meetings of committees of the Board, copies of all notices, filings and reports required pursuant to the Act or this By-law, and all registers required under the Act or this By-law to be maintained at such place as the Board determines. Such minutes, resolutions, notices, filings and reports must be available for inspection by a Director and by other persons prescribed by the Act, all upon reasonable notice.

### 11.3 Amendment of By-law No. 1

This By-law may be repealed or amended by a resolution of the Board and confirmed by an ordinary resolution, but no such repeal or amendment may be enforced or acted upon until the relevant requirements of the Act and Regulations thereunder have been

fulfilled and, if required, the written approval of the Minister of Transport is obtained.

#### **11.4 Rules and Regulations**

The Board may prescribe such rules and regulations not inconsistent with its By-laws relating to the governance, management and operation of the Authority as it deems expedient.

### **PART 12 -- NOTICES**

#### **12.1 Receipt of Notice**

A notice to be given under a provision of the Act or this By-law will be deemed to have been received:

- (a) if by personal delivery or by courier, on the date of delivery; or
- (b) if by mail, on the third business day after it is posted; or
- (c) if by any method of transmitting legibly recorded messages, on the day of transmission.

### **PART 13 -- DISTRIBUTION OF ASSETS AND DISSOLUTION**

#### **13.1 Distribution of Assets**

Neither the Members nor the Board shall distribute among the Members in kind, specie or otherwise, any property or assets of the Authority.

#### **13.2 Liquidation of Assets upon Dissolution**

Upon liquidation of the Authority, after payment of all liabilities, the assets and property of the Authority must be paid and distributed to the Government of Canada.

### **PART 14 -- RELATIONS WITH NOMINATING ENTITIES AND THE PUBLIC**

#### **14.1 Annual Public Meetings**

The Authority shall, within 135 days after the end of each fiscal year, hold a public meeting (the "Annual Public Meeting") in premises in the Province of British Columbia that are adequate for the size of audience that may reasonably be anticipated. The Annual Public Meeting must be open to all members of the public. The Authority shall:

- (a) give at least 30 days' prior notice of each Annual Public Meeting in at least four newspapers in general circulation within the area in which the Airport is situated;

- (b) report on the management, operation and maintenance of the Airport;
- (c) afford reasonable opportunity for the asking of questions and the expression of views;
- (d) ensure that a majority of the Directors and, unless unable to attend, the Chair and the President, are present at each such meeting; and
- (e) present the Annual Report and the audited financial statements including the Auditor's report thereon for the previous fiscal year.

## 14.2 Nominating Entities

- (a) The Authority shall, within 135 days after the end of each fiscal year of the Authority, convene a meeting between the Authority and the Nominating Entities. No one is entitled to attend such meeting except representatives of the Authority and of the Nominating Entities and other persons mutually invited by the Authority and the Nominating Entities. The Authority shall ensure that a majority of the Directors are present at each such meeting. The Authority shall present to the meeting the Annual Report for the previous fiscal year and a statement of the Authority's operational goals for the current fiscal year.
- (b) In addition to the meeting described above, the Chair shall convene an extraordinary meeting at the request of any Nominating Entity to be held between the duly authorized representatives of all the Nominating Entities and the Directors of the Authority to respond to the Nominating Entity's questions on matters of public interest concerning the business of the Authority. The Nominating Entity's request shall state the general nature of the business to be discussed.
- (c) Each nominated Director shall annually agree upon a plan of communication between that Nominating Entity and that Director concerning the affairs of the Authority.

## 14.3 Performance Review

- (a) At least once in every five-year period, the Authority shall retain a qualified independent consulting firm, chosen by a competitive process from a list of firms prepared by the Authority in consultation with the Nominating Entities, to conduct a review of the Authority's management, operations and financial performance. The firm conducting the review shall prepare a written report containing its findings.
- (b) The Authority shall ensure that the firm conducting the review shall include in the report an assessment of the extent to which and how well the Authority has fulfilled its objects during the period covered by the review and any other relevant information about the Authority.

- (c) The Authority shall upon completion of the report provide a copy, free of charge, to each of its Nominating Entities and to the Minister of Transport.

#### **14.4 Procurement and Acquisition Policy**

- (a) The Authority's Procurement and Acquisition Policy must at all times be available to the public. As a general practice, the procurement of goods, services and construction services contracts in excess of \$100,000 (2000 dollars, subject to an annual adjustment for inflation) shall be awarded following a competitive public process. Exceptions to this practice may be made in those circumstances described in the Procurement and Acquisition Policy.
- (b) The Authority shall report annually in writing on any contract for the procurement of goods, service or construction services in excess of \$100,000 (2000 dollars, subject to an annual adjustment for inflation) awarded during the previous year which was not awarded on the basis of a competitive public process, including information concerning the contractor, the amount and the reasons for not using the public process.
- (c) To the extent practicable and with due consideration to Canada's international obligations, the Authority shall endeavour to optimize Canadian content and industrial benefits in its procurement of goods, service and construction services contracts in line with good private sector commercial practices, including the principle of best value procurement, where there is sufficient competition for such procurement in the Canadian market.

#### **14.5 Remuneration Disclosure Policy**

The Authority shall report annually in writing the remuneration provided to each Director and either the salary or salary ranges of each of the Authority's officers.

#### **14.6 Report on Compliance**

The Authority shall report annually in writing on the Directors' compliance and non-compliance, if any, with its conflict of interest guidelines.

#### **14.7 Non-Arm's Length Transactions**

The Authority shall obtain the prior acceptance of the Minister of Transport that the financial terms and conditions of each intended use and occupancy of airport premises which would not be at arm's length from the Authority, would produce for the Authority gross revenue equivalent to that from an arm's length use and occupancy of the premises. The Authority shall report annually in writing on the parties, the financial particulars and the circumstances of each such transaction entered into in the previous year.

## **PART 15 -- INTERPRETATION**

### **15.1 Interpretation**

In this By-law and in all other By-laws of the Authority passed after this By-law becomes effective, unless the context otherwise requires, words importing the singular number or the masculine gender include the plural number or the neuter and feminine gender, as the case may be, and vice versa, and references to persons shall include firms and corporations.

### **15.2 Interpretation Act**

This By-law will be construed in accordance with the *Interpretation Act*, R.S.C. 1985, c. I-21, as amended.

### **15.3 Canada Not-for-profit Corporations Act**

The definitions in the Act on the date this By-law becomes effective will apply to this By-law.

### **15.4 Definitions**

In this By-law, unless the context otherwise requires:

- (a) "Act" means the *Canada Not-for-profit Corporations Act*, or any statute which may be substituted therefor, including the regulations made thereunder as amended from time to time;
- (b) "Annual Public Meeting" means the meeting described in Section 14.1;
- (c) "Annual Report" means the report described in Section 9.7;
- (d) "Auditor" means the public accountant of the Authority from time to time;
- (e) "Authority" means the Vancouver Airport Authority;
- (f) "Board" means the board of directors of the Authority;
- (g) "Chair" means the chair of the Board;
- (h) "Corporate Secretary" means the corporate secretary of the Authority;
- (i) "Director" means a director of the Authority;
- (j) "Governance Committee" means the committee described in Section 5.3;
- (k) "Member" means a member of the Authority;

- (l) **"Minister of Transport"** means the Minister of Transport for her Majesty the Queen in right of Canada;
- (m) **"Nominating Entities"** means the nominating entities described in Section 3.4(b)(i);
- (n) **"President"** means the president of the Authority;
- (o) **"Recorded Address"** means the residential address, business address, facsimile number or e-mail address, as applicable, provided to the Authority by a person to whom notice is required to be given under this By-Law; and
- (p) **"Special Resolution"** means a resolution passed by at least two-thirds of the votes cast at a meeting of the Members.

## 15.5 Governance Rules and Practices

The Members, the Board, the committees and officers of the Authority will comply with the Governance Rules & Practices set out in the manual approved by the Board from time to time, except and to the extent they are inconsistent with the provisions of this By-Law, the Articles or the Act.

## PART 16 -- EFFECTIVE DATE AND REPEAL

### 16.1 Effective Date

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

### 16.2 Repeal

All previous by-laws of the Authority are repealed as of the coming into force of this By-law. Such repeal shall not affect the previous operation of any by-law 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, or the validity of any letters patent or predecessor charter documents of the Authority obtained pursuant to, any such by-law prior to its repeal. All officers and persons acting under any by-law so repealed shall continue to act as if appointed under the provisions for this By-law and all resolutions of the Members or the Board or a committee of the Board with continuing effect passed under any repealed by-law shall continue to be good and valid except to the extent inconsistent with this By-law and until amended or repealed.



PASSED by the Board on the 25th day of February, 2016, at the City of Richmond, in the Province of British Columbia, and,

CONFIRMED by Ordinary Resolution of the Members on the 25th day of February, 2016, at the City of Richmond, in the Province of British Columbia.

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Chair of the Board  
Mary Jordan

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Corporate Secretary  
Argiro Kotsalis