

TORONTO PORT AUTHORITY

BY-LAW NO. 1

A by-law relating generally to the management of the activities and the regulation of the affairs of the Toronto Port Authority.

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this By-law and all other By-laws, unless otherwise specified or the context requires:

“Act” means the *Canada Marine Act* (Canada), as from time to time amended and every statute that may be substituted therefor and, in the case of such substitution, any references in the By-laws to provisions of the Act shall be read as references to the substituted provisions therefor in the new statute or statutes;

“Board” means the board of directors of the Authority;

“By-law” means any by-law of the Authority from time to time in force and effect;

“Contract, Documents or Instruments in Writing” has the meaning ascribed to the term in section 13.1 of this By-law;

“Director” means a member of the Board;

“Letters Patent” means the letters patent, together with any supplementary letters patent, issued to the Authority by the Minister and includes any schedules thereto;

“Management Regulations” means the Port Authorities Management Regulations made under the Act and every Regulation that may be substituted therefor and, in the case of such substitution, any references in the By-laws to provisions of the Regulations shall be read as references to the substituted provisions therefor in the new Regulations;

“Officer” means an officer of the Authority;

“Regulations” includes the Management Regulations and means all regulations under the Act as published or from time to time amended and every Regulation that may be substituted therefor and, in the case of such substitution, any references in the By-laws to provisions of the Regulations shall be read as references to the substituted provisions therefor in the new Regulations.

1.2 Same Meaning

Unless a contrary intention appears, words and expressions used in this By-law have the same meaning as in the Act or the Regulations.

1.3 Number and Gender

Words importing the singular number only shall include the plural and vice versa and words importing a specific gender shall include the other gender.

1.4 Headings

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.

1.5 Sections

A reference to a "section" means a reference to a section of this By-law, and a reference to a set of sections is inclusive of the sections beginning and ending such reference.

ARTICLE 2 CHAIR AND VICE-CHAIR OF THE BOARD**1.1 Chair**

The Chair, under the direction of the Board and as its agent, shall exercise continuous general oversight of the Authority's affairs and shall recommend to the Board general policies with respect to governance of the Authority. The Chair shall preside at all meetings of the Board, and at each annual meeting of the Authority held pursuant to sections 34 to 36 of the Act. The Chair shall, when present, preside as chair at all meetings of the Board, unless the Board otherwise determines.

1.6 Vice-Chair

If the Chair is absent or is unable or refuses to act, the Vice-Chair (if any) shall, when present, preside as chairperson at all meetings of the Board, unless the Board otherwise determines.

ARTICLE 2 COMMITTEES OF THE BOARD**2.1 Rules and Procedures for Meetings of Committees of the Board**

Subject to the By-laws and any resolution of the Board, any committee of the Board may meet for the transaction of business, adjourn and otherwise regulate its meetings as it

sees fit and may from time to time adopt, amend or repeal rules or procedures in this regard. Subject to the Act, except to the extent otherwise determined by the Board or, failing such determination, as determined by such committee of the Board, the provisions of sections 2.1, 2.2, 3.1, 4.1, 4.2, 4.3, 4.4 and 4.5 of this By-law shall apply, *mutatis mutandis*, to such committee.

ARTICLE 3 MEETINGS OF DIRECTORS

3.1 Notice

Notice of any meeting of Directors shall be served in the manner specified in section 10.1 not less than two days (exclusive of the day on which the notice is delivered or sent but inclusive of the day for which notice is given) before the meeting is to take place.

1.1 No Notice

Meetings of Directors may be held at any time without notice if all the Directors are present (except where a Director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called) or if all of the absent Directors waive notice before or after the date of such meeting.

3.2 Omission of Notice

The accidental omission to give notice of any meeting of Directors to, or the non-receipt of any notice by, any person shall not invalidate any resolution passed or any proceeding taken at such meeting. A Director who by accidental omission does not receive notice of a meeting may, at the next meeting he or she attends, reopen discussion of the matter without a seconder for the motion.

3.3 Adjournment

Any meeting of Directors may be adjourned from time to time by the Chair or other chairperson of the meeting, with the consent of the meeting, to a fixed time and place. 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 original meeting.

3.4 Voting

Questions arising at any meeting of the Board shall be decided by a majority of votes. In the case of an equality of votes, the Chair or other chairperson of the meeting in addition to his or her original vote shall not have a second or casting vote.

ARTICLE 1 FOR THE PROTECTION OF DIRECTORS AND OFFICERS

3.5 For the Protection of Directors and Officers

Except as otherwise provided in the Act, the Regulations or the Letters Patent, no Director or Officer shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer or employee or for joining in any receipt or act for conformity or for any loss, damage or expense happening to the Authority through the insufficiency or deficiency of title to any property acquired by the Authority or for or on behalf of the Authority or for the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to the Authority shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, including any person 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 Authority or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of his or her respective office or trust or in relation thereto, unless the same shall happen by or through his or her failure to exercise the powers and to discharge the duties of his or her office honestly and in good faith with a view to the best interests of the Authority and in connection therewith to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Except as otherwise provided in the Act, the Regulation, or the Letters Patent, the Directors shall not be under any duty or responsibility in respect of any contract, act or transaction whether or not made, done or entered into in the name or on behalf of the Authority, except such as shall have been submitted to and authorized or approved by the Board. If any Director or Officer shall be employed by or shall perform services for the Authority otherwise than as a Director or Officer or shall have an interest in a person which is employed by or performs services for the Authority, the fact of his or her being a Director or Officer shall not disentitle such Director or Officer or such person, as the case may be, from receiving proper remuneration for such services, provided such Director or Officer and the Board, acting collectively, comply with the Code.

3.6 Director's Indemnification

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

ARTICLE 4 OFFICERS AND EMPLOYEES

4.1 Appointments of Specific Officers

The Board may appoint a Vice-Chair, one or more Vice-Presidents, a Corporate Secretary, a Chief Financial Officer, one or more Assistant Secretaries, and one or more Assistant Treasurers. Notwithstanding the foregoing, each incumbent Officer shall continue in office until the earliest of:

- (a) his or her resignation, which resignation shall be effective at the time a written resignation is received by the Authority or at the time specified in the resignation, whichever is later;
- (b) the appointment of his or her successor;
- (c) his or her ceasing to be a Director if such is a necessary qualification of his or her appointment;
- (d) the meeting at which the Board appoints the Officers ;
- (e) his or her removal; and
- (f) his or her death.

A Director may be appointed to any office of the Authority but none of the Officers except the Chair and the Vice-Chair need be a member of the Board. Two or more of such offices may be held by the same person.

4.2 Powers and Duties

All Officers may 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.

4.3 Duties May be Delegated

In case of the absence or inability to act of any Officer or for any other reason that the Board may deem sufficient, the Board may delegate all or any of the powers of such Officer to any other Officer or to any Director for the time being.

4.4 President and CEO

Subject to the direction of the Board, the President and CEO shall be the chief executive officer of the Authority and shall exercise general management of, and control over the businesses, activities and affairs of the Authority. The Board may delegate to him or her full power to manage and direct the business, activities and affairs of the Authority (except such matters and duties as by law must be transacted or performed by the Board) and to employ and discharge agents and employees of the Authority or may delegate to him or her any lesser authority. The President and CEO shall conform to all lawful orders given to him or her by the Board and shall at all reasonable times give to the Directors or any of them all information they may require regarding the affairs of the Authority. Any agent or employee appointed by the President and CEO shall be subject to discharge by the Board.

4.5 Vice-President

The Vice-President or, if more than one, the Vice-Presidents, in order of seniority, shall be vested with all the powers and shall perform all the duties of the President and CEO in the absence or inability or refusal to act of the President and CEO.

4.6 Corporate Secretary

The Corporate Secretary shall:

- (a) ensure that notices are given in accordance with sections 4.1, 10.1, 10.2 and 10.3 of this By-law;
- (b) attend all meetings of the Board or committees of the Board, unless otherwise directed by the Chair or the chairpersons of such committees;
- (c) ensure that, as soon as practicable, after each such meeting, minutes of that meeting including the names and titles of all persons present and a record of all decisions reached, are prepared and distributed to all Directors or members of the committee, as the case may be; and
- (d) maintain custody of the minutes and records of the Board and committees of the Board and of the corporate seal of the Authority (if any), unless otherwise instructed by the Board.

4.7 Chief Financial Officer

Subject to the provisions of any resolution of the Board, the Chief Financial Officer (or any other person holding a similar function) shall have the care and custody of all the funds and securities of the Authority and shall deposit the same in the name of the Authority in such bank or banks or with such other depository or depositories as the Board may direct. He or she shall keep or cause to be kept the accounting records referred to in section 7 of the Management Regulations. He or she may be required to give such bond for the faithful performance of his or her duties as the Board in its uncontrolled discretion may require but no Director shall be liable for failure to require any such bond or for the insufficiency of any such bond or for any loss by reason of the failure of the Authority to receive any indemnity thereby provided.

4.8 Assistant Corporate Secretary and Assistant Treasurer

The Assistant Corporate Secretary or, if more than one, the Assistant Secretaries in order of seniority, and the Assistant Treasurer or, if more than one, the Assistant Treasurers in order of seniority, shall respectively perform all the duties of the Corporate Secretary and the Chief Financial Officer, respectively, in the absence or inability or refusal to act of the Corporate Secretary or the Chief Financial Officer, as the case may be.

4.9 Vacancies

If the office of any Officer shall be or become vacant by reason of death, resignation, disqualification or otherwise, the Board may appoint a person to fill such vacancy.

4.10 Descriptions of Other Officers

The President and CEO shall at least once every calendar year, develop and submit to the Board for approval a description of the duties of each officer other than the Chair, the Vice-Chair, the President and CEO or the Corporate Secretary.

ARTICLE 5 ANNUAL MEETINGS

5.1 Chairperson of the Meeting

The Chair, and in his or her absence, the Vice-Chair (if any) shall chair the annual meeting. In the event that the Chair and the Vice-Chair are absent, the Directors shall appoint one from among their number to chair the annual meeting.

ARTICLE 6 VOTING SHARES AND SECURITIES IN SUBSIDIARIES OR OTHER BODIES CORPORATE

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 shareholders 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.

ARTICLE 7 INFORMATION AVAILABLE TO PUBLIC

7.1 Confidential Information Not Available to Public

Meetings of the Board are private and except as expressly provided for in the Act or the *Access to Information Act* (Canada), and subject to the requirements of the *Privacy Act* (Canada), no member of the public shall be entitled to any information respecting any details or conduct of the Authority's business which, in the opinion of the Board, it would not be in the best interests of the Authority to communicate to the public.

7.2 Availability of Corporate Records to Public

The Board may, from time to time, subject to rights conferred by the Act, determine whether and to what extent and at what time and place and under what conditions or regulations the documents, books and registers and accounting records of the Authority or any of them shall be open to the inspection of the public and no member of the public shall have any right to inspect any document or book or register or accounting record of the Authority except as conferred by the Act or other statute, the Regulations or authorized by the Board.

ARTICLE 8 NOTICES

8.1 Service

Any notice or other document required by the Act, the Regulations, the Letters Patent or the By-laws to be sent to any Director or to the auditor of the Authority shall be delivered personally or sent by prepaid mail or any legible form of transmission to any such Director at his or her latest address as shown in the records of the Authority and to the auditor of the Authority at his or her business address; provided always that notice may be waived or the time for the notice may be waived or abridged at any time with the consent in writing of the person entitled thereto.

8.2 Signature to Notices

The signature of any Director or Officer to any notice or document to be given by the Authority may be written or mechanically reproduced.

8.3 Computation of Time

Where a given number of days' notice or notice extending over a period is required to be given under any provisions of the Act, the Regulations, the Letters Patent or the By-laws, the day of giving or serving the notice or document shall not, unless it is otherwise provided, be counted in such number of days or other period.

8.4 Proof of Service

With respect to every notice or other document sent by mail, it shall be sufficient to prove that the envelope or wrapper containing the notice or other document was properly addressed as provided in section 10.1 of this By-law and put into a post office or letter box. A certificate of an Officer 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 Director, Officer or auditor of the Authority or publication of any notice or other document shall be conclusive evidence thereof and shall be binding on every Director, Officer or auditor of the Authority, as the case may be.

ARTICLE 9 CHEQUES, DRAFTS AND NOTES

9.1 **Cheques, Drafts and Notes**

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, and in such manner as the Board may from time to time designate. All cheques, drafts or orders for the payment of money and all notes and acceptances and bills of exchange shall be signed by any two Directors or Officers.

ARTICLE 10 CUSTODY OF SECURITIES

10.1 **Custody of Securities**

All shares and other securities owned by the Authority shall be lodged (in the name of the Authority) 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 shares and other securities belonging to the Authority may be issued or held in the name of a nominee or nominees of the Authority (and if issued or held in the names of more than one nominee shall be held in the names of the nominees jointly with right of survivorship).

ARTICLE 11 CONTRACTS, DOCUMENTS OR INSTRUMENTS IN WRITING

11.1 **Execution of Contracts, Documents or Instruments in Writing**

Contracts, Documents or Instruments in Writing requiring the signature of the Authority may be signed by:

- (a) any two of the Chair, the Vice-Chair (if any), the President and CEO, or a Vice-President or any one of the foregoing together with any one of the Corporate Secretary, the Chief Financial Officer, an Assistant Corporate Secretary or an Assistant Treasurer;
- (a) any two Directors; or
- (b) any one of such Officers together with any one Director;

and all Contracts, Documents and Instruments in Writing so signed shall be binding upon the Authority without any further authorization or formality. The Board shall have power from time to time to appoint any Officer or Officers, or any person or persons, on behalf of the Authority either to sign Contracts, Documents and Instruments in Writing generally or to sign specific Contracts, Documents and Instruments in Writing.

The corporate seal of the Authority, if any, may be affixed to Contracts,

Documents and Instruments in Writing signed as aforesaid or by any Officer or Officers, person or persons, appointed as aforesaid by the Board but any such Contracts, Documents and Instruments in Writing is not invalid merely because the corporate seal, if any, is not affixed thereto.

The term "**Contracts, Documents and Instruments in Writing**" as used in this By-law shall include security certificates, 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 and conveyances, transfers and assignments of shares, share warrants, stocks, bonds, debentures or other securities and all paper writings.

In particular, without limiting the generality of the foregoing:

- (a) any two of the Chair, the Vice-Chair (if any), the President and CEO or a Vice-President or any one of the foregoing together with any one of the Corporate Secretary, the Chief Financial Officer, an Assistant Corporate Secretary or an Assistant Treasurer;
- (c) any two Directors; or
- (d) any one of such Officers together with any one Director;

shall have authority to sell, assign, transfer, exchange, convert or convey any and all shares, stocks, bonds, debentures, rights, warrants or other securities owned by or registered in the name of the Authority and to sign and execute (under the seal of the Authority or otherwise) all assignments, transfers, conveyances, powers of attorney and other instruments that may be necessary for the purpose of selling, assigning, transferring, exchanging, converting or conveying any such shares, stocks, bonds, debentures, rights, warrants or other securities.

The signature or signatures of the Chair, the Vice-Chair (if any), the President and CEO, a Vice-President, the Corporate Secretary, the Chief Financial Officer, an Assistant Secretary or an Assistant Treasurer or any Director or Directors and/or of any other Officer or Officers, person or persons, appointed as aforesaid by the Board may, if specifically authorized by the Board, be printed, engraved, lithographed or otherwise mechanically reproduced upon any Contracts, Documents and Instruments in Writing or bonds, debentures or other securities of the Authority executed or issued by or on behalf of the Authority and all Contracts, Documents and Instruments in Writing or bonds, debentures or other securities of the Authority on which the signature or signatures of any one or more of the foregoing Officers or Directors or the Officers or persons authorized as aforesaid shall be so reproduced pursuant to such authorization by the Board shall be deemed to have been manually signed by each such Officer, Director or person whose signature is so reproduced and shall be as valid to all intents and purposes as if they had been signed manually and notwithstanding that any such officer, director or person whose signature is so reproduced may have ceased to hold office at the date of the delivery or issue of such Contracts, Documents and Instruments in Writing or bonds, debentures or other securities of the Authority.

ARTICLE 12 BANKING

12.1 Banking

The Board shall designate, by resolution, the Officers and other persons authorized to transact the banking business of the Authority, or any part thereof, with a bank, trust company or other corporation carrying on a banking business that the Board has designated as the Authority's banker which person shall have the authority set out in the resolution, including, unless otherwise restricted, the power to:

- (a) operate the Authority's accounts with the bank;
- (b) make, sign, draw, accept, endorse, negotiate, lodge, deposit or transfer any of its cheques, promissory notes, drafts, acceptances, bills of exchange or orders for the payment of money;
- (c) issue receipts for and orders relating to any property of the Authority;
- (d) execute any agreement relating to any banking business defining the rights and powers of the parties thereto; and
- (e) authorize any officer of the bank to do any act or thing on the Authority's behalf to facilitate the Authority's banking business.

ARTICLE 13 FINANCIAL YEAR

13.1 Fiscal Year

The Fiscal Year of the Authority shall terminate on December 31st in each year or on such other day as the Board may from time to time determine.

ARTICLE 14 BY-LAWS

14.1 Enactment and Repeal of By-laws

By-laws of the Authority may be enacted, repealed, amended, altered, added to or re-enacted by resolution of the Board without further approval or confirmation by the Minister or any other person.

14.2 Repeal of Prior Administrative By-Law

This By-law shall be called "By-Law No. 1" and repeals and replaces so-called "By-law 27" (being the By-law respecting the general administration of The Toronto Harbour

Commissioners, which the Toronto Harbour Commission purportedly passed in 1995 but which was not published in the *Canada Gazette* as required to give effect to By-laws of the Toronto Harbour Commission under its then governing legislation. For greater certainty, nothing in this By-law derogates from the force and effect of the other Toronto Harbour Commission By-laws continued by operation of the Act and resolution of the Board.

CERTIFIED to be a true and correct copy of the By-law passed at a meeting of the Board on June , 2000 and in full force and effect as of the date hereof.

DATED this day of June, 2000.

Chairman

Corporate Secretary