



BYLAWS OF PORT OF ARGENTIA

(As Amended 19 February 2018)

Port of Argentia is incorporated under Laws of Newfoundland & Labrador as a Private Not for Profit Corporation (Without Share Capital) in the legal name Argentia Management Authority Inc.

GENERAL BUSINESS

1. **Registered Office** The directors may from time to time by resolution fix the location of the registered office of the Corporation within the place in Newfoundland designated as such by the articles of the Corporation.
2. **Seal** The Corporation may have a seal, which shall be adopted and may be changed by resolution of the directors.
3. **Financial Year** The first financial year of the Corporation shall terminate on a date to be determined by the directors of the Corporation and thereafter on the anniversary date thereof in each year, until changed by resolution of the directors of the Corporation.
4. **Banking Arrangements** The banking business of the Corporation, or any part thereof, shall be transacted with such bank, trust company or other firm or corporation carrying on a banking business as the directors may designate, appoint or authorize from time to time by resolution and all such banking business or any part thereof shall be transacted on the Corporation's behalf by such one or more officers and/or other persons as the board may designate, direct or authorize from time to time by resolution and to the extent therein provided, including, without restricting the generality of the foregoing, the operation of the Corporation's accounts; the making, signing, drawing, accepting, endorsing, negotiating, depositing or transferring of any cheques, promissory notes, drafts, acceptances, bills of exchange and orders for the payment of money; the giving of receipts for and orders relating to any property of the Corporation; the execution of any agreement relating to any banking business and defining the rights and powers of the parties thereto; and the Corporation's behalf to facilitate such banking business.
5. **Execution of Instruments** Any two of the Chairperson, Vice-Chairperson, Secretary/Treasurer, shall have authority to sign in the name and on behalf of the Corporation all instruments in writing and any instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. The board of

directors shall have power from time to time by resolution to appoint any other officer or officers or any person or persons on behalf of the Corporation either to sign instruments in writing generally or to sign specific instruments in writing. The signing officer may affix the corporate seal to any instrument requiring the same. The term “instruments in writing” as used herein shall, without limiting the generality thereof, include contracts, documents, powers of attorney, deeds, mortgages, hypothecation, charges, conveyances, transfers and assignments of property (real or personal, immovable or movable), agreements, tenders, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of shares, stocks, bonds, debentures or other securities, instruments of proxy and all paper writing.

DIRECTORS

6. **Power of Directors** The directors shall govern and oversee the management of the business and affairs of the Corporation.
7. **Number of Directors and Quorum** The number of directors of the Corporation shall be that number of directors appointed in accordance with paragraphs 10-14 of this By-Law, of whom a majority shall constitute a quorum for the transaction of the business at any meeting of the directors. Notwithstanding vacancies, the remaining directors may exercise all the powers of the board of directors.
8. **Qualifications** Each director shall be nineteen (19) or more years of age and have experience relevant to the mandate of the Corporation.
9. **Residency** All directors shall have their principal place of residence within the Region as defined in the Articles of Incorporation (Ship Harbour, Fox Harbour, Placentia and Point Verde).
10. **Election and Term** Subject to paragraph 13 herein, the Board of Directors shall ordinarily consist of nine (9) members but at no time shall be less than six (6) nor more than twenty (20). Directors shall serve an initial term of three (3) years. Each director (excepting the municipal representative) shall be selected in accordance with paragraph 13 and shall serve from the first day of May following the appointment to the thirtieth day of April three (3) years thereafter. A Director, including the existing directors, shall be eligible for reappointment for an additional three (3) year term provided he/she is selected by the Selection Committee process as per paragraph 13.
11. **Municipal Representative** The Town of Placentia shall appoint the Mayor or other elected member of Council to sit on the Board of Directors as Municipal Representative. The Municipal Representative shall not be eligible to serve as Chairperson, Vice-Chairperson or Secretary/Treasurer of the Board.
12. **Selection Committee** The Selection Committee shall be established annually to fill vacancies on the Board of Directors. The Selection Committee shall consist of the following members: the member who holds the position as Chairperson of the board of directors of the Corporation, the member who holds the position of Municipal Representative and a one additional member (to be chosen by majority vote of the members present at a meeting called for this purpose). If the Chairperson of the Corporation is Candidate for reappointment as per paragraph 10, the member who holds the position as Vice-Chairperson shall sit on the Selection Committee in place of the Chairperson. If the Vice-Chairperson is also a Candidate for reappointment, then a second member (to be chosen by majority vote of the members present at a meeting called for

this purpose), who is not a Candidate for reappointment, shall be selected to sit on the Committee in the place of the Chairperson and Vice-Chairperson. All members agree to give their proxy for the election/selection of directors, to the Selection Committee.

13. **Duties and Functions of the Selection Committee** The Selection Committee will advertise in the Region for nominations to the Board for seven (7) days immediately prior to the first day of March. Each Candidate shall be nominated by two (2) residents of the Region on nomination forms prepared and approved by the Board. In the best interest of the Board's operation and mandate to develop and manage Argentia assets in accordance with the Registered Articles of Incorporation, the Selection Committee may choose not to accept nominees to fill all vacancies on the Board. Where the advertisement does not provide sufficient acceptable nominees, the Selection Committee, with Board approval, will seek out persons, who have the desire and experience relevant to the Corporation's mandate, and who are willing to serve as part of a "Team" work group in a productive, progressive manner.
14. **Special Appointments** Notwithstanding the work of the Selection Committee, the Board may, in accordance with paragraph 10, appoint an individual with special knowledge or experience to serve on the Board of Directors provided that 75% of the members are in favour of such appointment. Should no individual with the desired skills and experience be found within the Region defined in the Articles of Incorporation, the Board may appoint an individual that does not meet the residency requirement set out in paragraph 9. If a member so appointed does not meet the requirement set out in paragraph 9 he/she will not serve on the Executive Committee or Selection Committee.
15. **Declaration by Candidates** Each Candidate that is nominated will complete, on a form approved by the Board, a declaration of business activities by the Candidate and his/her Affiliate(s) (if any), which would pose an actual or perceived conflict of interest in his/her capacity as a Director. For purposes of this By-Law, an "Affiliate" is defined as being i) a corporation or partnership in which the Candidate has a business, personal or financial interest, ii) an individual to whom the Candidate is married or living with, or iii) a family member of the Candidate.
16. **Vacancies** Vacancies resulting from resignations shall be filled by the Selection Committee as per clause 13 provided that there are six (6) months or more remaining in the resigning director's term. A replacement Director shall hold office for the unexpired term of his/her predecessor. Should the said unexpired term exceed one year, it shall be considered a full term for purposes of paragraph 10. Vacancies with less than six (6) months may at the Board's discretion not be filled until the end of the resigning directors term. The quorum for Board meetings will be adjusted accordingly.
17. **Removal of Directors** The office of director shall be automatically vacated:
 - (a) if a director resigns his/her office by delivering a written resignation to the Secretary/Treasurer of the Corporation;
 - (b) if he/she is found to be unsound of mind;
 - (c) if he/she becomes bankrupt or is insolvent, as that term is defined in the *Bankruptcy and Insolvency Act*, or suspends payment or compromises with his/her creditors, or

- (d) if at a special meeting of members a resolution is passed with seventy-five percent (75%) of the members in favour of removing that Director from office;

provided that if any vacancy shall occur for any reason in this paragraph contained, the board of directors may fill the vacancy in accordance with paragraph 16 of this By-Law.

BOARD MEETINGS

18. **Calling of Meeting** The board of directors shall meet not less than two (2) times a year. Meetings of the board of directors shall be held from time to time at such place, at such time and on such day as the Chairperson and any two (2) directors may determine, and the Secretary/Treasurer shall call a meeting when directed or authorized by the Chairperson or by any two (2) directors. Notice of every meeting so called shall be given to each director not less than forty-eight (48) hours (excluding any part of a Sunday or Holiday as defined by the *Interpretation Act*, R.S.N. 1990, c.I-19 (as amended) prior to the time when the meeting is to be held and such notice shall specify the general nature of any business to be transacted, save that no notice of a meeting shall be necessary if all the directors are present, and do not object to the holding of the meeting, or if those absent have waived notice of or have otherwise signified their consent to the holding of such meeting.
19. **Regular Meeting** The board of directors may appoint a day or days in any month or months for regular meeting at a place and hour to be named. A copy of any resolution of the board of directors fixing the place and time of regular meeting of the board shall be sent to each director forthwith after being passed, but no other notice shall be required for any such regular meetings.
20. **First Meeting of New Board** The newly appointed board may, without notice, hold its first meeting for the purpose of organization and the election and appointment of officers immediately, provided a quorum of directors be present.
21. **Adjourned Meeting** Notice of an adjourned meeting of directors is not required if the time and place of the adjourned meeting is announced at the original meeting.
22. **Chairperson** The Chairperson of the Board, shall be a Director as selected in accordance with paragraph 13 of this By-Law, and shall be the chairperson of any meeting of the directors. In the absence of the Chairperson, the Vice-Chairperson, or in the absence thereof, a director chosen by the directors at the meeting, shall be the chairperson of the meeting.
23. **Place of Meeting** Meetings of the board may be held at the registered office of the Corporation or at any other place within or outside of Canada.
24. **Participation by Telephone** With the unanimous consent of all directors, a director may participate in any meeting of directors by means of such telephone or other communication facilities provided it permits all persons participating in the meeting to hear each other and ensures confidentiality of the audio and/or video transmission. A director participating in this manner is deemed to be present at the meeting.
25. **Votes to Govern** Unless otherwise stated herein, at all meetings of the board of directors every question shall be decided by a majority of the votes cast on the question. No abstentions from voting are possible unless the director is acknowledging a conflict of interest and is recusing him/herself from the issue.

26. **Remuneration of Directors** The directors of the Corporation may only be paid remuneration by the Corporation for services actually rendered in the performance of their duties as members of the board of directors and said remuneration may include reasonable per diem expenses and travelling expenses for attendance at all meetings of the board of directors and incurred in the performance of their duties as members of the board of directors, provided that claims are properly vouchered, submitted to, and approved by the Board of Directors for payment.
27. **Transaction of Business** By signature a resolution in writing signed by all the directors entitled to vote on that resolution at a meeting of directors is as valid as if it had been passed at a meeting of directors duly called, constituted and held for that purpose.

DIRECTORS CONDUCT & LIABILITY

28. **Pledge of Confidentiality** Directors will sign, on an annual basis on a form approved by the Board, a Pledge of Confidentiality confirming that directors will keep confidential any privileged, proprietary or otherwise confidential information which directors become privy to in the execution of their service on the board.
29. **Code of Conduct & Declaration of Interest** The Board shall adopt a Code of Conduct for its directors, designed to prevent real and perceived conflicts of interest. The Code of Conduct will reference the fiduciary duty held by each Director and define the actions required of a director of the Corporation: i) who is a party to a material contract or a proposed material contract for the Corporation or ii) who is the director or an officer of a company who has a material interest in any contract or proposed contract with the Corporation or iii) whose Affiliate has a material interest in any material contract, or proposed material contract with the Corporation. These actions will include disclosure in writing to the Corporation or request to have entered in the minutes of meetings of directors, the nature and extent of his interest. All such disclosures shall be made at the time required by the applicable provisions of the Act. In these circumstances, directors shall excuse themselves from any discussions, not be privy to any pertinent documents, and refrain from voting in respect of the material contract or proposed material contract. In these circumstances, the director who refrains from voting due to the actual or perceived conflict, shall not be included in the calculation of quorum.
30. **Avoidance Standards** A material contract between the Corporation and one or more of its directors or officers or between the Corporation and an Affiliate of a director or officer of the Corporation is neither void or voidable by reason only of that relationship, provided that the provisions of paragraph 29 and the Code of Conduct have been complied with.
31. **Protection of Directors and Officers** No director or officer of the Corporation shall be liable for the acts, receipts, neglects or defaults of any other director or officer or for joining in any receipts or other acts for conformity or for any loss or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by the order of the board of directors for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the monies of the Corporation shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person with whom any of the monies, securities or effects of the Corporation shall be deposited, or for any loss, damage or misfortune, whatever which shall happen in the execution of the duties of his/her officer or in relation thereto unless in or as a result of any action, suit or proceeding in adjudged to be in breach of any duty or responsibility imposed

on him under the *Corporations Act*, R.S.N.L. 1990, c-36 (as amended) or under any other statute.

32. **Indemnity of Directors and Officers** The Corporation shall indemnify the directors or officers of the Corporation, former directors or officers of the Corporation or any person who acts or acted at the Corporation's request as a director or officer of a body corporate of which the Corporation is or was a member or shareholder and his/her heirs and legal representatives against all costs, charges and expenses including an amount paid to settle an action or satisfy a judgement reasonably incurred by him/her in respect of any civil, criminal or administrative action or proceeding to which he/she has been made a party by reason of being or having been a director or officer of the Corporation or such other body corporate if;
- (a) he/she acted honestly and in good faith with a view to the best interest of the Corporation; and
 - (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he/she had reasonable grounds to believe that his conduct was lawful.

The Corporation shall also indemnify such directors or officers who have been substantially successful in the defence of any civil, criminal or administrative action or proceeding to which he/she is made a party by reason of being or having been a director or officer of the Corporation or body corporate against all cost, charges and expenses reasonably incurred by him respect of such action or proceeding.

33. **Insurance for Directors and Officers** The Corporation may purchase and maintain insurance for the benefit of any director or officer against liabilities, costs, charges and expenses sustained or incurred by such director or officer for failure to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.
34. **Loans to Members** The Corporation may not at any time give financial assistance by means of a loan, guarantee or otherwise, to any director.

OFFICERS

35. **Elections** The Secretary/Treasurer shall serve as Chair of the Nominations Committee along with one other director as appointed by the Board. The Nominations Committee will each year ensure that all interested directors have been canvassed regarding the nomination of proposed officers to be elected at the annual general meeting of the Corporation and to ensure that such nominations are submitted not later than thirty (30) days prior to the date set for the annual general meeting. The Secretary/Treasurer shall report at the commencement of the annual general meeting as to the number and identity of the nominated Candidates. No director in his/her first year of service on the Board shall run for any office on the Executive Committee.
36. **Chairperson** Subject to paragraph 21 herein the Chairperson shall be elected from the pool of Directors, by majority vote of the Directors at the annual general meeting of the Corporation. Such vote shall be by secret ballot unless the annual general meeting should otherwise decide prior to voting.

37. **Vice-Chairperson** The Vice-Chairperson shall be elected from the pool of directors, by majority vote of the Directors at the annual general meeting of the Corporation and shall exercise and perform the duties and powers of the Chairperson in his absence. Should the Chairperson become unable or unwilling to continue in office, the Vice-Chairperson shall become the Chairperson and a new vice-chairperson shall be elected from the remaining directors. Any resulting vacancy in directors shall be filled by the Selection Committee as per paragraphs 13 and 16.
38. **Past Chairperson** Upon the expiry of the Chairperson's term of office as Chairperson, the Board, in the interest of continuity, may, if such person still holds a position on the Board of Directors, appoint such person to the position of "Past Chairperson" for a one year period with all voting privileges.
39. **Secretary/Treasurer** At the annual general meeting of the Corporation, the Corporation shall also elect a Secretary/Treasurer from the pool of directors. The Secretary/Treasurer shall perform such duties and exercise such powers as may be prescribed and delegated by the Chairperson.
40. **Executive Committee** The Chairperson, Vice-Chairperson, Past Chairperson and Secretary/Treasurer shall constitute the Executive Committee of the Board. These Executive positions will become effective immediately following the conclusion of the AGM each year.
41. **Terms of Office** Officers shall be elected for a term of one (1) year. No director shall serve in any one position on the Executive Committee for more than two (2) consecutive terms of office, except that in the event the position cannot otherwise be filled, the Board may, at its discretion, return an individual to office for an additional term.
42. **Chief Executive Officer (CEO)** The Corporation may, at its discretion, appoint a CEO who shall, subject to the authority of the board of directors and the supervision of the officers, carry out the general management and direction of the Corporation's business and affairs and shall have the power to appoint and remove any employees and agents of the Corporation not elected or appointed directly by the Corporation and its board of directors and to settle the terms and conditions of their employment and remuneration. The Corporation shall enter into a written contract of employment with the CEO regarding remuneration and other terms and conditions of employment. The funding for the remuneration to be paid to the CEO and the administration of the Corporation shall be determined by the Board of Directors.
43. **Secretary/Treasurer - Duties** The Secretary/Treasurer shall give, or cause to be given, all notices required to be given to directors and auditors of the Corporation including the board and its committees; he/she shall attend all meeting of the directors, and shall enter or cause to be entered in books kept for that purpose minutes of all proceeding at such meetings; he/she shall be the custodian of the stamp or mechanical devise generally used for affixing the corporate seal of the Corporation and of all books, papers, records, documents and other instruments belonging to the Corporation; and he/she shall perform such other duties as may from time to time be prescribed by the board of directors.

The Secretary/Treasurer shall keep, or cause to be kept, full and accurate books of accounts in which shall be recorded all receipts and disbursements of the Corporation and, under the direction of the board of directors, shall control the deposit of money, the safekeeping of securities and the disbursement of the funds of the Corporation; he/she shall render to the board of directors at the meeting thereof, or whenever required of

him/her an account of all his/her transactions as Treasurer and of the financial position of the Corporation; and he/she shall perform such other duties as may from time to time be prescribed by the board of directors

44. **Variation of Duties** From time to time the board may vary, add to or limit the power and duties of any office or officers.
45. **Agents and Attorneys** The board of directors shall have power from time to time to appoint agents or attorneys for the Corporation in or out of Canada with such power of management or otherwise (including the power to sub-delegate) as may be thought fit.
46. **Fidelity Bonds** The board of directors may require such officers, employees and agents of the Corporation as the board of directors deems advisable to furnish bonds for the faithful discharge of their duties, in such form and with such surety as the board of directors may from time to time prescribe.

MEMBERS

47. **Members** The Directors of the Corporation (whoever this may be from time to time) shall be the members of the Corporation. In addition, the Corporation can have such ex officio Directors as members as is appropriate to fulfill its mandate. A person's status as a member shall cease upon that person ceasing to be a Director.
48. **Annual General Meeting of Members** The annual general meeting of the members of the Corporation shall be convened not later than one hundred twenty (120) days after the Corporation's year end as selected by the board of directors of the Corporation and will generally occur immediately before the annual meeting of the directors of the Corporation. Upon convening the annual general meeting of the members of the Corporation, the appointment of directors as determined by the Selection Committee shall be announced, reports of the Chairperson and the Secretary/Treasurer regarding the administrative and financial affairs of the Corporation shall be given and any other business stated in the notice of meeting that was provided to the members shall be addressed.
49. **Special Meeting** Special meetings of the members may be called at any time by the Chairperson of the Board of Directors or on the requisition signed by any two (2) directors. It shall be held at such time and place as they decide and where it is called on a requisition, it shall be held within four (4) weeks of the receipt of the requisition. In either event, the notice calling the meeting shall state the purpose for which the meeting is called and no other business shall be transacted or discussed at the meeting. If a quorum is not present at the meeting, it shall be dissolved if called on the requisition and adjourned to a later date and if called by the Chairperson or the board of directors, it shall also be dissolved and a notice of the meeting of a later date shall be given to the directors.
50. **Quorum** A quorum at any annual or special meeting of the Corporation shall be not less than a majority of the members.
51. **Votes to Govern** At all meetings of members every question shall, unless otherwise required by the Articles of Incorporation or By-Laws of the Corporation or by law, be decided by the majority of the votes duly cast on the question.

52. **Notices** Notice of any meeting or continuance of any adjourned meeting of the Corporation, whether annual or special, shall be given by the Chairperson, or Secretary/Treasurer by sending a copy of the notice by ordinary mail or email to the address of each director not less than seven (7) days or before the continuance of any adjourned meeting.

GENERAL PROVISIONS

53. **Computation of Time** In computing the date when notice must be given under any provision of the Articles of Incorporation or By-Laws requiring a specified number of days notice of any meeting or other event, the date of giving the notice and the date of the meeting or other event shall be included.
54. **Omission and Errors** The accidental omission to give any notice to any director, officer or auditor or any error in any notice not effecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.
55. **Waiver of Notice** Any director, officer or delegate may waive any notice required to be given under any provision of the Articles of Incorporation or By-Laws of the Corporation or the *Corporations Act*, R.S.N.L. 1990, c.36 and such waiver, whether given before or after the meeting shall cure any default in giving such notice.

MISCELLANEOUS

56. The directors may employ actuaries, accountants, financial, legal and other advisors to assist and advise them in their management and control of the pension and insurance programs or any of them, and remunerate them for their service, the cost of which may be defrayed by funds of the Corporation.
57. The rules contained in Robert's Rule of Order (as amended from time to time) shall govern meetings except to the extent where they are inconsistent with the Corporations Act, R.S.N.L. 1990, c.36 or the articles or bylaws of the Corporation.
58. It is intended that administrative expenses for the operation of the Corporation shall be met by funds expended by the Corporation itself.

INTERPRETATION

59. In this By-Law and all other By-Laws of the Corporation, words importing the singular number only shall include the plural and vice-versa; words importing the masculine gender shall include the feminine and neuter genders; words importing persons shall include companies, corporations, partnerships and any number or aggregate of persons; "resident Canadian" means an individual who is determined to be a resident Canadian as defined by the Act; "articles" shall include the original or restated articles of incorporation, articles of amendment, articles of amalgamation, articles of continuance, articles of reorganization, articles of dissolution, articles of revival and any amendments thereto; "the Act" shall mean the *Corporations Act*, R.S.N.L. 1990, C-36, as amended from time to time.