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Your file Votre référence

August 10, 2010

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Ralston S. Alexander, QC  
Cook Roberts LLP  
1175 Douglas Street, 7<sup>th</sup> Floor  
Victoria, British Columbia  
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Dear Mr. Alexander:

RE: By-law Amendments  
COMOX VALLEY AIRPORT COMMISSION

This will acknowledge receipt of your letter dated July 14, 2010 concerning the by-law amendments which were duly sanctioned by the members on April 28, 2010.

The amendments have received Ministerial approval as of July 15, 2010.

Sincerely,

Aissa Aomari  
Acting Director General

AA/mmsr

**CONSOLIDATED**

**BY-LAWS**

**COMOX VALLEY**

**AIRPORT COMMISSION**

**JULY 2010**

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**BY LAWS OF COMOX VALLEY  
AIRPORT COMMISSION**

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BY-LAWS  
OF  
COMOX VALLEY AIRPORT COMMISSION

**PART 1 - INTERPRETATION**

1.1 Definitions

In these By-laws, unless the context otherwise requires:

- (a) "Board of Directors" means the board of Directors of the Commission;
- (b) "Chairperson" means the chairperson of the Commission appointed in accordance with Part 9;
- (c) "Commission" means the Comox Valley Airport Commission;
- (d) "Commission Area" means School District 71 as defined by the *School Act*, S.B.C. c.61 and amendments thereto as those boundaries existed on January 1, 1996;
- (e) "Corporations Act" means the *Canada Corporations Act*, R.S.C. 1970, c-32, as amended;
- (f) "Director" means a director of the Commission appointed in accordance with Part 4;
- (g) "Executive Committee" means the committee described in Section 6.4;
- (h) "Member" means an individual appointed as a member of the Commission in accordance with Parts 2 and 3;
- (i) "Nominating Entity" means one of the organizations, groups or entities described in Section 3.3 and for the purposes of section 3.3(d), includes the Board of Directors; where required by the context, a reference to more than one Nominating Entity will be to "Nominating Entities";
- (j) "Officers" means the individuals described in Section 9.1 and "Officer" means any one of them;
- (k) "Part" means a part of these By-laws;
- (l) "Secretary" means the secretary of the Commission appointed in accordance with Part 9;

- (m) "Special Resolution" means a resolution passed by at least two-thirds of the votes cast at a special general meeting of the Members called for the purpose;
- (n) "Treasurer" means the treasurer of the Commission appointed in accordance with Part 9; and
- (o) "Vice-Chairperson" means the vice-chairperson of the Commission appointed in accordance with Part 9.

## 1.2 Corporations Act

The definitions in the *Canada Corporations Act*, R.S.C. 1970, c.C-32, on the date these By-laws become effective shall apply to these By-laws.

## 1.3 Interpretation Act

These By-laws shall be construed in accordance with the *Interpretation Act*, R.S. 1985, c.I-21.

## 1.4 Interpretation

In these By-laws and in all other By-laws of the Commission hereafter passed, unless the context otherwise requires, words importing the singular number or the masculine gender shall 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.

## **PART 2 - CONDITIONS OF MEMBERSHIP**

### 2.1 Members

The Members are those individuals who are nominated by the Nominating Entity(ies) and appointed by the Board of Directors in accordance with Part 3.

### 2.2 Certain Individuals Not Qualified

An individual is not qualified to be a Member of the Commission if that individual

- (a) is at the time or within the two years immediately preceding their appointment, has been;
  - (i) a member of the Senate or the House of Commons of the Parliament of Canada;
  - (ii) a member of the Legislature of a Province;
  - (iii) an elected representative of a local government, as defined in the *Local Government Act*;
- (b) is at the time or within the year immediately preceding their appointment, has been;

- (i) an employee or agent of Her Majesty in right of Canada or a Province,
  - (ii) an employee or agent of a federal or provincial Crown corporation;
  - (iii) an employee of a local government, as defined in the Local Government Act;
  - (iv) a director, officer or employee of an air carrier;
  - (v) a director, officer, or employee of any organization that is a bargaining agent for employees of the Commission or an air carrier;
  - (vi) an officer, other than the chief executive officer, or employee of the Commission;
  - (vii) a shareholder of a corporation in which the Commission has an ownership interest;
  - (viii) a director, officer, or employee of any airport authority; or
  - (ix) in receipt of remuneration or financial benefit from the Commission, other than remuneration or financial benefit received in their capacity as a director or chief executive officer.
- (c) is a spouse or common-law partner of any individual referred to in sub-section (a) or (b);
- (d) has a relationship or interest that, in the opinion of the Board of Directors;
- (i) interferes with,
  - (ii) has the potential to interfere with, or
  - (iii) gives the appearance of interfering with,
- the ability of the individual to act in the best interests of the Commission.
- (e) is the spouse, common-law partner or child of a director of the Commission or is a child of one of them;
- (f) is neither a Canadian citizen, nor a permanent resident of Canada;
- (g) maintains their principal residence outside Canada;
- (h) is under the age of 18 years;
- (i) has been declared incompetent by a Court in Canada or elsewhere;
- (j) is an undischarged bankrupt;
- (k) has been convicted of a criminal offence related to the employment of that person or the management of a society, corporation or unincorporated association or business.

### 2.3 Obligations of Membership

Every Member and Director shall:

- (a) uphold the objects of the Commission;
- (b) comply with these By-laws and any Code of Conduct and Conflict of Interest Guidelines adopted by the Board of Directors in force from time to time;
- (c) at the time of his/her appointment, sign an acknowledgment that he/she has read and is bound by the Commission's Code of Conduct and Conflict of Interest Guidelines then in force;
- (d) comply with the policies and procedures of the Commission in force from time to time; and
- (e) sign a form which describes and acknowledges Obligations of Membership.

#### 2.4 Membership Dues

There shall be no Membership dues.

#### 2.5 Termination of Membership

A Member who is not qualified to be a Member must immediately resign as a Member, Director and, if applicable, Officer.

#### 2.6 Vacancies

A vacancy will arise in the membership in the following circumstances:

- (a) a resignation of a Member;
- (b) a Member ceases to be qualified to be a Member or a Director;
- (c) a Member has served more than 9 years in a lifetime;
- (d) their appointment as a Member is terminated by the operation of section 4.

### **PART 3 - APPOINTMENT OF MEMBERS**

#### 3.1 Appointment

The Members shall be appointed by the Board of Directors from among those individuals nominated by the Nominating Entity(ies) for terms of not more than three years; the terms shall be staggered so that as much as possible, the number of terms that expire in any one year are the same from year to year. Members are eligible for reappointment. No individual may be a Member for more than nine years in a lifetime.

#### 3.2 Re-Appointment

When an existing Member's three year (or less) term comes to an end and the Member has expressed a willingness to be appointed for a renewal term, the Board of Directors shall notify the applicable Nominating Entity(ies) that the Member's term is ending and that the Member

is desirous of reappointment and shall seek the approval of the Nominating Entity(ies) to a renewal of the appointment of that Member. The Nominating Entity(ies) shall respond at least 45 days before the effective date of the expected vacancy and if the Nominating Entity(ies) is/are not inclined to approve the reappointment of that Member, then the Nominating Entity(ies) shall, within the same 45 day time frame described herein, provide the names of nominees to fill that Member's position as if a vacancy under section 3.3 had arisen.

### 3.3 Nomination of Members by Nominating Entity(ies)

At least three months before the date of an expected vacancy within the membership, the Secretary shall notify the applicable Nominating Entity(ies). The notification shall set out the qualifications required for becoming a Director and the particular skills, knowledge and experience needed by the Board of Directors. In the process of nominating a person to be a Director, the Nominating Entity(ies) shall consider and apply the information contained in the notification and consult with the Governance Committee. The Nominating Entity(ies) shall provide the names of its nominees to the Secretary at least 45 days before the effective date of the expected vacancy. For the specific vacancy to be filled, the secretary shall solicit the names of prospective Members from the applicable Nominating Entity(ies), which are as follows:

- (a) Five Members to be appointed by the Board of Directors from candidates nominated by the following Local Governments;
  - i. the City of Courtenay;
  - ii. the Town of Comox;
  - iii. the Village of Cumberland;
  - iv. the Comox Valley Regional District;

The Members shall be appointed by the Board of Directors from the candidates named by these Nominating Entities. These Nominating Entities shall provide a sufficient list of candidates to the Board of Directors so that there are more nominees suggested than vacancies to be filled. At least one Member appointed from these nominees shall reside in the Town of Comox, and at least one Member appointed from these nominees shall reside in the City of Courtenay.

- (b) One Member shall be appointed by the Board of Directors from a minimum of two candidates nominated by the Comox Valley Economic Development Society.
- (c) One Member shall be appointed by the Board of Directors from a minimum of two candidates nominated by the Comox Valley Chamber of Commerce.
- (d) Two At Large Members who have the particular skills, knowledge or experience needed by the Board of Directors to carry out its duties shall be appointed by the Board of Directors.

If the Nominating Entity(ies) nominate(s) a candidate who, in the opinion of the Board of Directors, does not meet the qualifications, skills, knowledge and experience set out in the notification, the Board of Directors shall advise the subject Nominating Entity(ies) in writing and the Board of Directors and the Nominating Entity(ies) shall then engage in a consultative

process facilitated by the Governance Committee with a view to identifying a nominee for membership that more closely meets the criteria set out in the notification.

#### 3.4 Effective Date of Appointment of Members

Each individual chosen by the Board of Directors from among the nominees identified in section 3.3 to be a Member of the Commission shall become a Member commencing at the meeting of the Board of Directors at which their appointment is confirmed. All candidates selected by the Board of Directors shall sign the Obligations of Membership and meet the requirements of section 4.1.

#### 3.5 Ceases to be a Nominating Entity

A Nominating Entity described in section 3.3 (a), (b) and (c) that does not exercise its power to nominate for two consecutive vacancies will cease to be a Nominating Entity without further notice. The Nominating Entity status of the City of Courtenay and of the Town of Comox is not subject to this section.

#### 3.6 Residency of Members

When appointing Members to the Commission, appointments shall be made in such a manner as necessary to meet the requirement that a majority of the Members of the Commission at any time are ordinarily resident within the geographic boundaries of School District 71.

### **PART 4 - BOARD OF DIRECTORS**

#### 4.1 Directors to be the Members

The Directors shall be those persons who are from time to time the Members. The appointments of Members (and by definition, of Directors) shall be made so that the Board of Directors has the skills, knowledge and experience, including knowledge and experience in the aviation industry, that are necessary to carry out the responsibilities and duties of the Board of Directors. The Members shall meet in the month of July of each year to appoint the Members as Directors. No Director shall be appointed until the Member has signed the Obligations of Membership.

#### 4.2 Termination of Appointment of Directors

A person shall concurrently cease to be a Member and Director if such person:

- (a) resigns by delivering a written resignation to the Chairperson in which case such resignation will be effective upon receipt by the Chairperson. If the written resignation letter has an effective date which is later than the date of receipt, that later date will be the effective date of the resignation;
- (b) becomes a person described in section 2.2;
- (c) dies;

- (d) if at a special general meeting of Members, a resolution is passed by two thirds of the Members present at the meeting that his or her Membership be terminated;
- (e) fails to attend three consecutive meetings of the Board of Directors, unless this provision is specifically waived for a named Director in a resolution passed by a majority of the Board of Directors, excluding the named Director; or
- (f) fails to sign the Obligations of Membership.

A Director who resigns or who is subject to a resolution described in section 4.2 (d) is entitled to submit to the membership a written statement giving the reasons for resigning or opposing their removal as a Member of the Commission. When received, the Commission shall promptly provide a copy of the statement to all Nominating Entities.

#### 4.3 Role of Directors

The property and business of the Commission shall be managed by the Board of Directors. Without restricting the generality of the foregoing, the Board of Directors is responsible for establishing the strategic direction of the Commission, for making major decisions for the Commission and for overseeing management of the Commission's business and affairs. The Directors may exercise all such powers and do all such acts and things as the Commission may exercise and do, and which are not by these By-laws or by the Corporations Act or otherwise lawfully directed or required to be exercised or done by the Members in general meeting, but subject, nevertheless, to the provisions of:

- (a) all laws affecting the Commission;
- (b) these By-laws;
- (c) rules, not being inconsistent with these By-laws, which are made from time to time by the Board of Directors.

Each Director shall unreservedly subscribe to and support the purposes of the Commission.

#### 4.4 Duties and liabilities of Directors and Officers

In exercising their powers and carrying out their duties and functions, the Directors and Officers of the Commission shall:

- (a) act honestly and in good faith with a view to the best interests of the Commission; and
- (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

#### 4.5 Conflict of Interest

Directors and Officers of the Commission must not allow any interests that they have, or any interests that, to the best of their knowledge after having made reasonable inquiries, a related person has, to conflict with or give the appearance of a conflict with any matter in which the Commission has an interest. In addition to the obligation to disclose the conflict of interest as described herein, any such Director or Officer shall not participate in any way in the deliberations or votes of the Board of Directors in a matter in which there is a real or apparent conflict of interest.

If any Director or Officer of the Commission becomes aware of a matter or transaction that is proposed, on-going or completed involving the Commission in which that Director or Officer has a personal or business interest, the Director or Officer shall, without delay, disclose in writing to the Commission the nature and extent of any such interests that they have, or any interests that, to the best of their knowledge after having made reasonable inquiries, a related person has in that matter or transaction. If the disclosure is made at a meeting of the Board of Directors it shall be entered in the minutes of that meeting and if the disclosure is not made at a meeting of the Board of Directors, it shall be recorded in the minutes of the next meeting.

#### 4.6 Directors' Report

The Directors shall produce a written report in each year of the operation of the Commission containing, among other things, a statement of the Commission's financial affairs, general policies, business and major transactions during the year (the "Directors' Report") and shall table the Directors' Report at the annual general meeting of the Commission.

#### 4.7 Remuneration of Directors

Directors shall serve as such without remuneration and no Director shall directly or indirectly receive any profit from his position as such; provided that a Director may be paid reasonable expenses incurred by him or her in the performance of their duties.

### **PART 5 - PROCEEDINGS OF DIRECTORS**

#### 5.1 Meetings

The Directors shall meet together at least four times a year at such time and places as they think fit for the dispatch of business and adjourn or otherwise regulate their meetings and proceedings as they see fit, subject always to these By-laws.

#### Telephone Participation

The directors of the Commission may meet by teleconference provided that either a majority of the directors consent to meeting by teleconference or meetings by teleconference have been approved by resolution passed by the board of directors at a meeting of the directors of the Commission.

### Meetings by Other Electronic Means

The directors of the Commission may meet by other electronic means that permits each director to communicate adequately with each other, provided that:

- a) the board of directors of the Commission has passed a resolution addressing the mechanics of holding such a meeting and dealing specifically with how security issues should be handled, the procedure for establishing quorum, and recording votes;
- b) each director has equal access to the specific means of communication to be used;
- c) each director has consented in advance to meeting by electronic means using the specific means of communication proposed for the meeting." and

### 5.2 Quorum

A quorum of Directors necessary for the transaction of business shall be a majority of the Directors.

### 5.3 Requisition of Meetings of Directors

The Chairperson may call a meeting of the Board of Directors at any time. A meeting of the Board of Directors shall be promptly convened if the chairperson receives a request in writing signed by one third of the Directors. A meeting of the Board of Directors shall be promptly convened if the chairperson receives a request in writing signed by four of the Nominating Entities provided that one of such four Nominating Entities is a Local Government and one of them is a non-government organization.

### 5.4 Notice

Not less than 48 hours written notice of any meeting of Directors, specifying the time and place of the meeting and the general nature of the business to be discussed, shall be given to all Directors in the manner prescribed in Part 16 hereof. The accidental omission to give notice of any meeting to, or the non-receipt of any such notice, by any Director shall not invalidate any proceedings at that meeting.

### 5.5 Waiver of Notice

Directors may waive or reduce the period of notice convening a meeting by unanimous consent in writing and may give such waiver before or during the meeting.

### 5.6 Alternate Chairperson

If the Chairperson is not present within 30 minutes after the time appointed for the holding of the meeting, or if he is unable to attend the meeting, the Vice-Chairperson shall be the

chairperson of the meeting and failing the attendance of the Vice-Chairperson, the Directors present shall elect one of their number to act as chairperson of the meeting.

#### 5.7 Lack of Quorum

No business, other than the election of a chairperson and the adjournment of the meeting, shall be transacted at any meeting of Directors unless a quorum is present at the meeting.

#### 5.8 Adjournments

A meeting of Directors may be adjourned from time to time and place to place, but no business shall be transacted at an adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

#### 5.9 Resolutions

The chairperson of any meeting shall be entitled to move or propose a resolution.

#### 5.10 Votes

Each Director present in person at a meeting, including the chairperson of the meeting, shall have one vote. All votes shall be taken by a show of hands unless a resolution is passed requiring a secret ballot. A resolution shall be passed by a majority vote of Directors present at the meeting. In case of an equality of votes, the chairperson shall NOT have a casting or second vote in addition to the vote to which he may be entitled as a Director and the proposed resolution shall not pass.

#### 5.11 Deficiencies

No act or proceeding of the Directors is invalid only by reason of there being less than the prescribed number of Directors in office or if afterwards it shall be discovered that there was some defect in the appointment of any Director or that any Director was disqualified.

### **PART 6 - COMMITTEES**

#### 6.1 Committees

The Directors may create a committee or committees consisting of such Directors and others and for such purposes as the Directors think fit and whose members shall serve at the pleasure of the Board. A committee shall, in the exercise of its duties, conform to any rules that may from time to time be imposed on it by the Directors. Each such committee shall make periodic recommendations to the Board of Directors in respect of the subject on which such committee was created to advise. The Board of Directors shall consider, but shall not be bound by, the recommendations of such committees.

## 6.2 Chairperson of Committees

The chairperson of each committee shall be a Director recommended by the Executive Committee and whose appointment has been confirmed by the Board of Directors.

## 6.3 Proceedings of Committees

Except as otherwise provided herein, the members of a committee may meet and adjourn as they think proper. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present. The provisions relating to proceedings at meeting of Directors set forth in Part 5 of these By-laws shall apply (with necessary changes to fit the context) to meetings of committee unless otherwise specifically provided in this Part 6.

## 6.4 Executive Committee

There shall be an Executive Committee, which shall comprise the Chairperson, the Vice-Chairperson, Secretary, and Treasurer. The Executive Committee shall exercise such powers as are delegated to it by the Board of Directors. The Chairperson shall be the chairperson of the Executive Committee.

## 6.5 Meeting of Executive Committee

Meetings of the Executive Committee shall be held at any time and place to be determined by the respective members thereof provided that 48 hours notice of a meeting shall be given to each member of the Executive Committee. Three members shall constitute a quorum of the Executive Committee. No error or omission in giving notice of the committee meeting or any adjourned meeting of such committee shall invalidate the meeting or make void any proceedings taken. Any member of the Executive Committee may waive notice of any meeting thereof and ratify, approve and confirm the business done.

## 6.6 Governance Committee

There shall be a governance committee. The Governance Committee shall consist of a number of directors that is less than a majority of the directors of the board but is not less than three. The duties of the governance committee include;

- (a) conducting a periodic review of the corporate governance policies of the Commission;
- (b) generally reviewing the corporate governance of the Commission, including the effectiveness of the Board of Directors, the committees of the Board of Directors and the individual directors;
- (c) identifying the skills, knowledge and experience requirements for the Board of Directors as a whole;
- (d) in case of a vacancy on the Board of Directors;

- (i) identifying the skills, knowledge and experience required by the individual who will fill the vacancy, and
- (ii) if the vacancy is in respect of a Member for which one or more Nominating Entities are authorized to nominate candidates, to communicate those attributes to the affected Nominating Entity(ies).
- (e) consulting with each Nominating Entity on the qualifications of the persons being considered by that body as candidates for nomination as Member; and
- (f) recommending to the Board of Directors an orientation program for new directors and a succession plan for directors and the chief executive officer.

The chairperson of the governance committee may call a meeting of the committee at any time, but shall call a meeting at the request of one member of the committee. The governance committee shall meet at least four times a year.

#### 6.7 Audit Committee

There shall be an audit committee. The audit committee shall consist of a number of directors that is less than a majority of the directors of the board but is not less than three. A director who is the chief executive officer of the commission may not be a member of the audit committee. The members of the audit committee shall be familiar with basic accounting principals and be able to read and understand financial statements. The chairperson of the Board of Directors may not be the chairperson of the audit committee. The duties of the audit committee include:

- (a) conducting a periodic review of the accounting policies of the Commission;
- (b) providing a periodic assessment of the financial risks to the Commission and where appropriate, providing recommendations to the Board of Directors regarding the management of the identified risks;
- (c) supervising the implementation of an effective system of internal financial controls;
- (d) conducting a periodic review of the financial statements of the Commission and providing recommendations to the Board of Directors regarding those statements;
- (e) determining whether an auditor or a candidate for the position of auditor is independent, in particular by examining any existing or past relationship, whether contractual or otherwise, between the auditor or candidate and the Commission or any corporation in which the Commission has an ownership interest;

- (f) making recommendations to the board regarding the appointment, removal and remuneration of the auditor:
- (g) approving the scope of internal and external audits and approving non-audit services to be performed for the Commission by the auditor; and
- (h) reviewing the findings of the internal and external audits and management's response to them, making recommendations to the Board of Directors regarding the findings and response and reviewing the implementation if any of the board's decisions regarding the recommendations of the Committee.

The chairperson of the audit committee may call a meeting of the committee at any time, but shall call a meeting at the request of the auditor or one member of the committee. The audit committee shall meet at least four times a year. The auditor shall attend any meetings of the audit committee held during the auditor's term of office if so requested by a member of the committee. The auditor has the right to attend and to be heard at every meeting of the audit committee except when the audit committee is discussing the auditor's performance or compensation. If the audit committee adopts a resolution under section 5.11, the committee shall give the auditor a copy of the resolution without delay.

## **PART 7 - POWERS OF DIRECTORS**

### 7.1 Administer Affairs

The Board of Directors shall administer the affairs of the Commission in all things and make or cause to be made for the Commission, in its name, any kind of contract that the Commission may lawfully enter into and, save as provided in these By-laws, may cause the Commission to engage in and to act in all such matters as the Commission by its charter or otherwise has the capacity or power to act.

### 7.2 Agents of the Commission

The Board of Directors may appoint such agents as it shall deem necessary from time to time and such persons shall have such authority and shall perform such duties as shall be prescribed by the Board of Directors at the time of such appointment.

### 7.3 Expenditures and Employees

The Board of Directors shall have the power to make expenditures for the purpose of furthering the objects of the Commission. The Board of Directors shall have power to authorize expenditures on behalf of the Commission from time to time and may delegate by resolution to an Officer or Officers of the Commission the right to engage and terminate the employment of employees of the Commission.

### 7.4 Remuneration of Others

The Board of Directors may fix, by resolution, a reasonable remuneration for Officers, agents, employees and committee members who are not Directors.

## **PART 8 - INDEMNITIES TO DIRECTORS AND OTHERS**

### 8.1 Indemnities

Subject to sanction by a Special Resolution, every Director or Officer of the Commission and their respective heirs, executors and administrators, and estate and effects, shall from time to time and at all times, be indemnified and saved harmless out of the assets of the Commission from and against:

- (a) all such costs, charges and expenses as a Director, Officer or other person sustains or incurs in or about any action, suit or proceeding that is brought, commenced or prosecuted against him or her, for or in respect of any act, deed, matter or thing whatever made, done or permitted by him or her, in or about the lawful execution of the duties of his office;
- (b) all other such costs, charges and expenses as he or she sustains or incurs in or about or in relation to the affairs of the Commission, except such costs, charges or expenses as are occasioned by willful neglect or default.

The indemnity authorized by this Section 8.1 applies only to the extent that such indemnity shall not duplicate any indemnity or reimbursement that the Director has received or shall receive otherwise than by virtue of this Section 8.1.

### 8.2 Contract of Indemnity

The Board of Directors may from time to time cause the Commission to enter into a contract to indemnify any Director, Officer, employee, agent or other person who has undertaken or is about to undertake on behalf of the Commission any act in respect of which he or she may incur some liability.

### 8.3 Insurance

The Board of Directors may cause funds to be expended by the Commission 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 Commission against any liability incurred by such person in such capacity.

## **PART 9 - OFFICERS**

### 9.1 Officers

The Officers shall be the Chairperson, Vice-Chairperson, Secretary and Treasurer and such other Officers as the Board of Directors may by by-law determine. Any two offices may be held by the same person. The Chairperson and Vice-Chairperson shall be Directors but other Officers need not be Directors. An employee of the Commission may be an Officer.

## 9.2 CEO as Officer

The CEO of the Commission shall be appointed by the Board of Directors as an officer of the Commission. The term of office of the CEO as an officer will exist until terminated by the Board of Directors as provided in section 9.5. The term of office of the CEO is not subject to the two year term described in section 9.4.

## 9.3 Appointment of Officers

Where necessary to deal with expiring terms of office, the Officers shall be appointed by a resolution of the Directors at the first meeting of the Board in a calendar year. Officers are eligible for reappointment.

## 9.4 Term of Office

Subject to an Officer's continued appointment as a Member and Director, an Officer shall hold office for two years from the date of his appointment. In the event of a casual vacancy in the Officers, a replacement Officer shall be appointed by resolution of the Directors at the meeting of the Board of Directors when the retiring or terminated Officer's resignation is accepted. Such appointment shall be for the balance of the term of the Officer whose vacancy is being filled.

## 9.5 Termination

The appointment of the Chairperson, Vice-Chairperson, Secretary and Treasurer as Officers may be terminated by a resolution of the Directors passed by at least two-thirds of the Directors present at a meeting called for that purpose.

# **PART 10 - DUTIES OF OFFICERS**

## 10.1 Chairperson

The Chairperson, when present, shall preside at all meetings of the Members, the Board of Directors and any committees of which he is chairperson.

## 10.2 Vice-Chairperson

The Vice-Chairperson shall, in the absence of the Chairperson, perform the duties and exercise the powers of the Chairperson.

## 10.3 Secretary

The Secretary shall attend all meetings of the Members, the Board of Directors and the Executive Committee and act as clerk thereof and record or cause to be recorded all votes and minutes of all proceedings in the books to be kept for that purpose. He or she shall give or cause to be given Notice of all meetings of the Members and of the Board of Directors when requested by the Chairperson or upon receipt of a requisition referred to in Section 5.3.

The Secretary shall perform such other duties as may be prescribed by the Board of Directors, under whose supervision he shall be. The Secretary shall be custodian of the seal of the Commission.

#### 10.4 Treasurer

The Treasurer shall cause to be kept:

- (a) such financial records, including books of account, as are necessary to comply with the Corporations Act; and
- (b) render such financial statements to the Directors, Members and others when required.

The Treasurer shall perform such other duties as may from time to time be directed by the Board of Directors.

### **PART 11 - CORPORATE SEAL AND EXECUTION OF DOCUMENTS**

#### 11.1 Corporate Seal

The seal adopted by the Commission in 1996 shall continue to be the seal of the Commission.

#### 11.2 Execution of Documents

Contracts, documents or any instruments in writing requiring the signature of the Commission may be signed by and the seal of the Commission may be affixed in the presence of any two Directors and all contracts, documents and instruments in writing so signed shall be binding upon the Commission without any further authorization or formality. The Directors may pass a general resolution regarding the execution of these By-laws. The Directors may from time to time by resolution appoint an Officer or Officers on behalf of the Commission to sign contracts, documents or other instruments in writing with or without the corporate seal. The Directors may give a power of attorney to any registered dealer in securities for the purposes of the transferring of and dealing with any bonds and other securities of the Commission.

### **PART 12 - MEETINGS OF THE MEMBERS**

#### 12.1 Annual or Special General Meeting

There shall be an annual general meeting of Members which shall be held within the Commission Area, on such day no later than 6 months after the fiscal year end of the Commission and at such place as the Board of Directors shall determine. The Board of Directors or the Chairperson or Vice-Chairperson may call, at any time, a special general meeting of the Members. The Board of Directors shall call a special general meeting of Members on written requisition signed by not less than one-half of the existing Members. A special general meeting of the Members shall be held at such time and place as the Board of Directors may determine.

## 12.2 Business of the Meeting

At every annual general meeting of Members, in addition to any other business that may be transacted, the Directors' Report, the financial statements and the report of the auditors to the Commission shall be presented and auditors shall be appointed for the ensuing year. The Members may consider and transact any business either special or general at any meeting of the Members.

## 12.3 Notice

Twenty-one days prior written notice shall be given to each Member of any annual or special general meeting of Members. Notice of any meeting where special business will be transacted shall contain sufficient information to permit the Members to form a reasoned judgment on the decision to be taken.

## 12.4 Quorum

A quorum of Members necessary for the transaction of business shall be a majority of the Members.

## 12.5 Error or Omission

No error or omission in giving notice of any annual or special general meeting or any adjourned meeting, whether annual or general, of the Members shall invalidate the meeting or make void the business done or any proceedings taken; but if it should become necessary for any reason, a Member or members may waive any notice that was not given and may ratify and approve any business done.

## 12.6 Voting

At all meetings every question shall be determined by a majority of votes unless otherwise specifically provided by the Corporations Act or by these By-laws. Each Member present at a meeting shall have the right to exercise one vote.

## 12.7 Procedure

Save and except where the same are inconsistent with these By-laws and in which event these By-laws shall prevail, all proceedings of meetings of the Members, the Directors and committees shall be in accordance with the current edition of Robert's Rules of Order, Newly Revised.

# **PART 13 - FINANCIAL RECORDS, AUDIT AND ACCOUNTING**

## 13.1 Records and Accounts

The Directors shall cause to be kept proper accounting records for the Commission 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 of the Commission and every other transaction that may affect the financial position of the Commission.

### 13.2 Place of Records

The accounting records of the Commission shall be kept at such place as the Directors may determine within the Province of British Columbia.

### 13.3 Inspection

The accounting and financial records of the Commission shall be available for the inspection of Directors at any time during normal business hours.

### 13.4 Auditor

At each annual general meeting, the Members shall appoint an auditor to hold office until the next annual general meeting or until his successor is appointed. The Members shall forthwith fill any vacancy occurring in the office of the auditor. An auditor may be removed by ordinary resolution of the Members. No Director or any firm of which he or she is a member and no employee of the Commission shall be auditor of the Commission. The auditor may attend meetings of Members. The auditor shall audit the accounts of the Commission and shall report to the Members at the annual general meeting.

### 13.5 Fiscal Year

The fiscal year end for the Commission shall be determined by resolution of the Directors.

### 13.6 Financial Statements

The Directors shall at least once in every fiscal year cause financial statements of the Commission to be prepared. The financial statements will be prepared in accordance with generally accepted accounting principles and consist of a statement of financial position, a statement of operations and changes in net assets, and a statement of cash flows. Monthly statements will be prepared and presented to the Board of Directors.

### 13.7 Banking

The Directors shall cause an appropriate account or accounts to be established in a bank, trust company, credit union or other like financial institution with respect to the funds of the Commission and shall, in consultation with the auditors of the Commission, ensure that appropriate controls are imposed on these accounts. The Directors shall have the power to enter into a financial arrangement with a financial institution authorized for the deposit of trust funds.

## **PART 14 - INVESTMENT AND BORROWING**

### 14.1 Investment Powers of Directors

While investing monies of the Commission, with liberty to vary and transpose the same from time to time, the Directors shall 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 Directors in their absolute discretion deem to be in the best interests of the Commission.

### 14.2 Borrowing

Subject to sanction by a Special Resolution, the Directors may from time to time:

- (a) borrow money upon the credit of the Commission;
- (b) limit or increase the amount to be borrowed;
- (c) issue bonds, debentures or other securities of the Commission;
- (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 or other securities or any other present or future borrowing or liability of the Commission, by mortgage, hypothecation, charge, pledge or other security interest relating to all or any currently owned or subsequently acquired real and personal, movable and immovable, property and leasehold interests and reversionary interests of the Commission, and the undertaking and rights of the Commission.

## **PART 15 - GENERAL**

### 15.1 Head Office

The head office of the Commission shall be located at #118 - 1250 Knight Road, Comox, BC V9M 4H2.

### 15.2 Members and Records

The Directors shall cause minutes of all meetings of Members and of Directors and resolutions consented to in writing by the Members or the Directors together with minutes of all meetings of committees and copies of all notices, filings and reports required pursuant to the *Corporations Act* or these By-laws and registers required under the *Corporations Act* or these By-laws to be maintained at such place as the Directors shall determine, which minutes, resolutions, notices, filing and reports shall be accessible to the Directors upon reasonable notice.

### 15.3 Amendment of By-laws

The By-laws of the Commission not embodied in the Letters Patent may be repealed or amended by amending by-law preceded by a resolution of the Board of Directors and sanctioned by a Special Resolution of Members at a meeting duly called for the purpose of considering such By-law; provided however, that the repeal or amendment of the By-law shall not be enforced or acted upon until the approval of the Minister of Industry has been obtained. When considering an amendment to the By-laws on any matter of substance the Members shall seek input and advice from the Nominating Entities.

### 15.4 Compliance with Regulations

The Commission will abide by, comply with, and cause to be complied with in its sublessees' and licensees' use and occupation of the airport and any part or parts thereof, and in the conduct of its business thereon, and in the construction, reconstruction, operation and maintenance or repair thereof, all applicable laws, statutes, by-laws, regulations, rules and standards of all relevant regulatory bodies including Her Majesty the Queen in Right of Canada as represented by the Minister of National Defence.

### 15.5 Rules and Regulations

The Board of Directors may prescribe such rules and regulations not inconsistent with these By-laws relating to the management and operation of the Commission as they deem expedient, provided that such rules and regulations shall have force and effect only until the next annual meeting of the Members of the Commission when they shall be confirmed, and failing such confirmation at such annual meeting of Members, shall at and from that time cease to have any force and effect.

## **PART 16 - NOTICES**

### 16.1 Delivery of Notice

Each Member and Director of this Commission shall provide to this Commission one or more of the following:

- (a) an electronic mail address;
- (b) a telefax number;
- (c) a residential address within the Commission Area;
- (d) a postal address within the Commission Area;

and any notice required to be given to any Member or Director shall be effectively given if such notice addressed to the Member or Director shall be:

- (I) in the case of electronic mail, sent to the address given;

- (II) in the case of telefax, sent to the number given;
- (III) delivered to the residential address; or
- (IV) mailed, by ordinary post to the postal address.

Such notice shall be deemed to have been received by the Member or Director:

- (A) in the case of electronic mail or telefax delivery, at the time it is sent;
- (B) in the case of delivery, then at the time of delivery; and
- (C) in the case of mailing, 5 days after the date of posting.

## **PART 17 - DISTRIBUTION OF ASSETS AND DISSOLUTION**

### 17.1 Distribution of Assets

The Board of Directors shall not distribute any property or assets of the Commission among the Members whether in kind or otherwise.

### 17.2 Distribution of Assets upon Dissolution

In the event of the winding up or dissolution of the Commission, the assets of the Commission remaining after the satisfaction of its debts and liabilities shall be divided among the Corporation of the City of Courtenay, the Town of Comox, the Village of Cumberland and the Regional District of Comox-Strathcona or their successors and any other corporate body incorporated under the *Local Government Act*, R.S.B.C. 1996 C-323, which participated in the funding of the Commission, in proportion to the funding provided by each entity during the existence of the Commission.

## **PART 18 - RELATIONS WITH THE PUBLIC AND NOMINATING ENTITIES**

### 18.1 Public Meetings

Within six months after the completion of the Commission's fiscal year and at such time as the Board of Directors decides, the Commission shall hold a meeting open to members of the public in the Commission Area in premises that are adequate for the size of the audience that may reasonably be anticipated. At least 1/3 of the Directors shall be present at the public meeting. The Commission shall present to the public meeting copies of the Directors' Report for the previous fiscal year. The Commission shall afford reasonable opportunity for the asking of questions and the expression of views. Notice of the public meeting shall be given by the Board of Directors in such manner as it may consider appropriate. At a minimum, a notice shall be published in two consecutive issues of a newspaper circulated within the Commission Area and the last such notice shall appear not less than 4 days prior to the meeting.

## 18.2 Nominating Entities Meetings with Commission

The Commission shall, within 135 days after the end of each fiscal year of the Commission, convene a meeting between the Commission and the Nominating Entities. No one is entitled to attend such meeting except representatives of the Commission and of the Nominating Entities and other persons mutually invited by the Commission and the Nominating Entities. At least 1/3 of the Directors shall be present at such meeting. The Commission shall present to the meeting copies of its annual financial statements, together with the auditor's report on them, the Directors' Report for the previous fiscal year and a statement of the operational goals for the current fiscal year.