

INFORMATION REPORT

Appointments to Saskatoon Airport Authority**ISSUE**

This report provides information on appointments to the Saskatoon Airport Authority made by City Council.

BACKGROUND

At the meeting of City Council held on December 17, 2018, City Council approved of the nomination of Mr. David Weger as a Member and Director of the Saskatoon Airport Authority throughout a term expiring at the conclusion of the 2022 Public Annual Meeting of the Corporation (to be held on May 15, 2022), and also resolved that the Administration provide further information with respect to appointments to the Saskatoon Airport Authority.

CURRENT STATUS

Annually, in the fall, the Governance and Priorities Committee considers its appointments to Boards, Commissions and Committees. This includes appointments to the Saskatoon Airport Authority.

Typically in November of each year, a letter is received from the Board Chair of the Saskatoon Airport Authority stating that The City of Saskatoon is a Nominator of the Corporation and has nominating responsibility for three persons to be Members and Directors of the Corporation. The communication identifies that the term of office of one or more of the City's nominees will expire at the conclusion of the next Annual Public Meeting of the Corporation and goes on to identify for the City, the person that the Corporation recommends for nomination to the Saskatoon Airport Authority. Should the City of Saskatoon not wish to nominate the named person or extend the nomination of the named person, officials of the City are asked to contact the writer.

Historically, City Council has approved the nomination of the recommended Member to the Saskatoon Airport Authority. The City's current appointments include:

- James Kerby – Appointed to May, 2020
- Les Prosser – Appointed to May, 2021
- David Weger – Appointed to May, 2022

In addition to offering nominations for Members and Directors, City Council appoints a member of Council to the Saskatoon Airport Authority Community Consultative Committee; a group engaged to provide effective dialogue on matters related to the airport, including the dissemination of information on airport matters and the consideration of municipal concerns. Councillor Davies is currently appointed to the Saskatoon Airport Authority Community Consultative Committee through the conclusion of the 2020 Public Annual Meeting of the Saskatoon Airport Authority. Historically, City

Council has appointed a member of Council to sit as a representative on this Committee; however, it does not appear that it must be a member of Council.

DISCUSSION/ANALYSIS

Transaction of the business and affairs of the Saskatoon Airport Authority is governed by Bylaw #1 (2013) of the Saskatoon Airport Authority, (Appendix 1). The relationship between the City and the Saskatoon Airport Authority is generally set out in Section 4 of the Bylaw. Members of the Saskatoon Airport Authority consist of individuals nominated by a Nominator. Pursuant to Article 4.3(1)(b) of the Bylaw, the City of Saskatoon is a Nominator and the Mayor is the City's Authorized Representative. Each Nominator, through its Authorized Representative, puts forward Nominees for Membership. The City has the right to nominate three Nominees for Membership and at least one of those Nominees must bring to the Board the perspective of a consumer of the services of the Saskatoon John G. Diefenbaker International Airport.

In accordance with Article 5.1 of the Bylaw each Member will also serve as a Director of the Corporation. As such all Directors are required to meet the qualifications applicable to Members.

Article 4.2 sets out the basic qualifications of each Member. Each Member shall be at least 18 years of age, be a Canadian citizen, be a resident of the Province of Saskatchewan, and have consented to becoming a Member. Knowledge in the areas of air transportation, industry, aviation, business, commerce, finance, administration, law, government, engineering, organization of workers and tourism are required by the City's Terms of Reference for appointment to the Authority; however, Bylaw #1 does not make reference to these qualifications. Article 4.2(2) contains specific criteria that prohibit or disqualify individuals from being a Member. These disqualifications include individuals who hold any federal, provincial or municipal elected office, individuals employed by or who provide full-time services under contract to any federal, provincial or municipal government and individuals employed by or who provide full-time services under contract to any Nominator. These prohibitions therefore disqualify any member of City Council or the Administration from being appointed as a Member and Director of the Saskatoon Airport Authority.

Terms of appointment are variable provided that the term does not exceed three years. No individual may serve as a Member for more than a total period of 9 years, whether in a single continuous period, or in multiple discontinuous periods totalling 9 years in the aggregate.

The appointment process of Members is also described in the Bylaw. Article 4.5(2) provides that at least 60 days prior to the expiration of a Member's appointment, the secretary of the Saskatoon Airport Authority will solicit from the City, the name of a Nominee to replace an existing incumbent. The City must provide the Secretary with the name of its Nominee, together with written consent to be appointed from the Nominee, at least 15 days prior to the expiration of the term of the exiting Member. The Bylaw provides that the Nominee must be appointed as a Member if the Nominee: (1)

Appointments to Saskatoon Airport Authority

meets the basic qualifications described in Article 4.2 above; (2) meets any additional qualification provided in Article 4.4; and (3) meets the conflict of interest, code of conduct and other requirements of Article 6.9. Again, Bylaw No. 1 does not make reference to the knowledge requirements set out above.

The additional qualifications applicable to the City as described in Article 4.2 are to ensure that at least one of the City's Nominees bring to the Board the perspective of a consumer of the services of the Saskatoon Airport. Article 6.9 basically requires adherence to the statement of values and code of conduct adopted by the Board and sets out a process for identifying conflicts of interest in the form of completing a questionnaire prior to the election of a Member as a Director. Finally Article 6.9 specifically recognizes a Director's fiduciary duty to the Corporation despite any relationship with their Nominator.

The enactment, repeal or amendment of Bylaw No. 1 may be done by resolution of the Board confirmed by resolution of the Members, but shall only be effective upon confirmation of the Members. In some instances, the repeal, amendment or alteration of provisions of the Bylaw requires the written consent of the Minister of Transport for Canada.

APPENDICES

1. Bylaw #1 (2013) – Saskatoon Airport Authority

Report Approval

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Cindy Yelland, Interim City Solicitor
Approved by: Joanne Sproule, City Clerk

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**BYLAW #1
(2013)**

A Bylaw relating generally to the transaction of the
business and affairs of

Saskatoon Airport Authority

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BYLAW #1

(2013)

A Bylaw relating generally to the transaction of the
business and affairs of

SASKATOON AIRPORT AUTHORITY

ARTICLE 1

INTERPRETATION

1.1 Definitions

In this Bylaw and all subsequent Bylaws of the Corporation, unless the context otherwise requires:

- (1) "**Act**" means the *Canada Not-for-profit Corporations Act*, S.C. 2009, c.23, together with the regulations made pursuant thereto and any statute or regulations enacted in substitution therefor, all as amended from time to time;
- (2) "**Annual General Meeting**" has the meaning given in Section 9.1;
- (3) "**Annual Public Meeting**" has the meaning given in Section 16.1;
- (4) "**Articles**" means the Articles of the Corporation, as amended or restated from time to time;
- (5) "**Authorized Representative**" means the individual entitled to act on behalf of and represent a Nominator, and who is described in Section 4.3;
- (6) "**Board**" means the Board of Directors of the Corporation;
- (7) "**Bylaw**" or "**Bylaws**" means this Bylaw and all other bylaws of the Corporation from time to time in force and effect;
- (8) "**Chairperson**" means the chairperson of a meeting of the Board, the Members, or a committee of the Corporation, as the case may be;
- (9) "**Chairperson of the Board**" means the Chairperson of the Board;

- (10) "**Claims**" means claims, losses, damages (direct, indirect, consequential or otherwise), suits, judgements, causes of action, legal proceedings, executions, demands, penalties or other sanctions of every nature and kind whatsoever, whether accrued, actual, contingent or otherwise, and any and all costs arising in connection therewith including, without limitation, legal fees and disbursements on a solicitor and his own client basis (and also including, without limitation, all such legal fees and disbursements in connection with any and all appeals);
- (11) "**Corporation**" means Saskatoon Airport Authority;
- (12) "**Director**" means a director of the Corporation;
- (13) "**Documents**" includes deeds, mortgages, leases, sub-leases, easements, licenses, 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, conveyances, transfers and assignments of shares, bonds, debentures or other securities, and all paper writings;
- (14) "**Member**" means a member of the Corporation;
- (15) "**Minister**" means the Minister of Transport for Canada;
- (16) "**Nominators**" means those Persons described in Section 4.3(1), together with any other Persons who from time to time become Nominators in accordance with Section 4.3(2), and "**Nominator**" means any one of them;
- (17) "**Nominees**" means the individuals who are nominated by the Nominators from time to time in accordance with Article 4, and "**Nominee**" means any one of them;
- (18) "**Person**" includes any individual, corporation, limited or unlimited liability company, partnership, joint venture, trust, government or governmental body, Indian band, First Nation or other incorporated or unincorporated association or organization, and any trustee, executor, administrator or other legal representative;
- (19) "**President and CEO**" means the president and chief executive officer of the Corporation;
- (20) "**Secretary**" means the secretary of the Corporation;

- (21) **"Statement of Values and Code of Conduct"** has the meaning given in Section 6.9; and
- (22) **"Treasurer"** means the treasurer of the Corporation.

1.2 Terms

All terms defined in the Act which are not otherwise defined in this Bylaw shall have the same meaning given to such terms in the Act.

1.3 Interpretation

In all Bylaws of the Corporation, unless the context otherwise requires, words importing the singular number shall include the plural and *vice versa*, and words importing gender shall include the masculine and feminine genders and the neuter. If a term is defined in this Bylaw, a derivative of that term shall have the corresponding meaning.

ARTICLE 2 HEAD OFFICE

2.1 Location

The head office of the Corporation shall be situate at such address within the City of Saskatoon as may be determined by the Board from time to time.

ARTICLE 3 SEAL

3.1 Seal

The Corporation may adopt a corporate seal in the form approved from time to time by the Board.

ARTICLE 4 MEMBERSHIP

4.1 Membership

Membership in the Corporation shall consist of those individuals nominated by a Nominator and thereafter appointed as Members in accordance with this Article 4. Each Member shall be entitled to one vote at all meetings of Members, and all Members shall have identical rights and obligations.

4.2 Qualifications

- (1) Each Member shall:
 - (a) be an individual at least 18 years of age;
 - (b) be a Canadian citizen;
 - (c) be a resident of the Province of Saskatchewan; and
 - (d) have consented to his or her becoming a Member.
- (2) In addition to the qualifications set forth in Section 4.2(1), and notwithstanding any nomination by a Nominator to the contrary, the following individuals are disqualified from being Members:
 - (a) an individual who has the legal status of a bankrupt or who is insolvent;
 - (b) an individual who is found by a court to be mentally incompetent, of unsound mind or otherwise incapable;
 - (c) an individual who holds any federal, provincial or municipal elected office;
 - (d) an individual who is employed by, or who provides services on a full-time basis under contract to, any federal, provincial or municipal government, department or agency, or any corporation owned by Her Majesty the Queen in Right of Canada or Her Majesty the Queen in Right of any Province of Canada;
 - (e) an individual who is employed by, or who provides services on a full-time basis under contract to, any of the Nominators identified in Section 4.3(1);
 - (f) an individual who has been convicted of a criminal offense relating to the employment of that individual; or
 - (g) an individual who has not met the conflict of interest, code of conduct or other requirements set forth in Section 6.9 of this Bylaw.

4.3 Nominators

(1) The following Persons are the Nominators referred to in this Bylaw, each of whom has consented to act as a Nominator in the manner contemplated by this Bylaw:

- (a) Her Majesty the Queen in Right of Canada
Tower C, Place de Ville
330 Sparks Street
Ottawa, ON K1A 0N5

Authorized Representative: Minister of Transport for Canada

- (b) The City of Saskatoon
City Hall
222 Third Avenue North
Saskatoon, SK S7K 0J5

Authorized Representative: The Mayor

- (c) The Rural Municipality of Corman Park No. 344
111 Pinehouse Drive
Saskatoon, SK S7K 5W1

Authorized Representative: The Reeve

- (d) The Greater Saskatoon Chamber of Commerce
104 – 202 4th Avenue North
Saskatoon, SK S7K 0K1

Authorized Representative: President

- (e) Her Majesty the Queen in Right of the Province of Saskatchewan
Room 204, Legislative Building
2405 Legislative Drive
Regina, SK S4S 0B3

Authorized Representative: Minister of Highways and
Transportation for the Province of Saskatchewan

(f) Saskatoon Airport Authority
Saskatoon John G. Diefenbaker International Airport
Suite 1, 2625 Airport Drive
Saskatoon, SK S7L 7L1

Authorized Representative: Chairperson of the Board.

- (2) Additional Persons may be added as Nominators only upon:
- (a) the unanimous approval of the Board;
 - (b) the written approval of the Minister; and
 - (c) such Person providing its written consent to becoming a Nominator.
- (3) Any Nominator may be removed with the unanimous approval of the Board and with the written approval of the Minister.

4.4 Nomination of Members

Each Nominator, through its respective Authorized Representative, shall nominate Nominees to be Members as follows:

- (1) Her Majesty the Queen in Right of Canada shall have the right to nominate two Nominees to be Members and during any period in which Her Majesty the Queen in Right of Canada subsidizes the Corporation, Her Majesty the Queen in Right of Canada shall be entitled to nominate a third Nominee to be a Member. For the purposes of this Section 4.4(1), "subsidize" shall have the meaning provided in the ground lease entered into between the Corporation and Her Majesty the Queen in Right of Canada respecting the airport properties;
- (2) The City of Saskatoon shall have the right to nominate three Nominees to be Members, provided that at least one of such Nominees shall bring to the Board the perspective of a consumer of the services of the Saskatoon John G. Diefenbaker International Airport;
- (3) The Rural Municipality of Corman Park No. 344 shall have the right to nominate one Nominee to be a Member;
- (4) Her Majesty the Queen in Right of the Province of Saskatchewan shall have the right to nominate one Nominee to be a Member who shall be

from one of the satellite communities served by the Saskatoon John G. Diefenbaker International Airport;

- (5) The Greater Saskatoon Chamber of Commerce shall have the right to nominate three Nominees to be Members, provided that at least one of such Nominees shall be from the business community in the greater Saskatoon area; and
- (6) Saskatoon Airport Authority shall have the right to nominate two Nominees to be Members.

4.5 Appointment of Members

- (1) The existing Members shall appoint each of the Nominees nominated by the Nominators as a Member provided that such Nominees: (i) meet the qualifications of a Member set forth in Section 4.2 (and, where applicable, the additional qualifications referred to in Section 4.4); and (ii) meet the conflict of interest, code of conduct and other requirements set forth in Section 6.9.
- (2) At least 60 days prior to the expiration of the term of membership of a Member (in this Section called the "**Exiting Member**"), the Secretary shall solicit from the Nominator who originally nominated the Exiting Member the name of a Nominee to replace the Exiting Member (which Nominee, for greater certainty, may, subject to Section 4.6, be the Exiting Member). In the event that the Exiting Member had an additional qualification referred to in Section 4.4, then the Nominee to be selected by the Nominator to replace such Exiting Member must be qualified in the same manner. The Nominator shall provide the Secretary with the name of its Nominee, together with a consent from such Nominee in which the Nominee consents to becoming a Member, at least 15 days prior to the expiration of the term of membership of the Exiting Member. The Members shall appoint each Nominee so nominated by the Nominator as a Member provided that such Nominee: (i) meets the qualifications of a Member set forth in Section 4.2 (and, where applicable, the additional qualifications referred to in Section 4.4); and (ii) meets the conflict of interest, code of conduct and other requirements set forth in Section 6.9. The appointment of such Nominee as a Member shall be effective upon the expiration of the Exiting Member's term of membership.
- (3) If a Nominator (in this Section called the "**Defaulting Nominator**") fails to advise the Secretary of the name of its Nominee at least 15 days prior to

the expiration of the term of membership of its Exiting Member, the Board may proceed to select a Nominee for and on behalf of the Defaulting Nominator, and the Secretary shall advise the Defaulting Nominator in writing of the name of the individual so selected, if any. Each such Nominee shall: (i) meet the qualifications of a Member set forth in Section 4.2 (and, where applicable, the additional qualifications referred to in Section 4.4); (ii) meet the conflict of interest, code of conduct and other requirements set forth in Section 6.9; and (iii) provide the Corporation with his or her consent to be a Member. The individual so selected by the Board shall be appointed by the existing Members as a Member effective upon the expiration of the Exiting Member's term of membership, unless prior to such time the Defaulting Nominator advises the Secretary of a different Nominee, in which case such different Nominee shall be the Defaulting Nominator's Nominee for the purpose of Section 4.5(1). If neither the Defaulting Nominator nor the Board nominates or selects, as the case may be, the Defaulting Nominator's Nominee, the Exiting Member shall be deemed to be the Defaulting Nominator's Nominee for the purpose of Section 4.5(1).

4.6 Terms of Members

- (1) All Members shall be appointed as Members for a term as determined by the Board provided that such term shall not exceed three years.
- (2) No individual may serve as a Member for more than a total period of 9 years, whether in a single continuous period of 9 years, or in multiple discontinuous periods totalling 9 years in the aggregate.

4.7 Transfer of Membership

Membership in the Corporation is non-transferable.

4.8 Termination of Membership

Membership in the Corporation automatically terminates upon the happening of any of the following events:

- (1) if a Member, in writing, resigns as a Member of the Corporation;
- (2) if a Member dies;

- (3) if a Member ceases to be qualified in accordance with Section 4.2(1), or becomes an individual described in Section 4.2(2);
- (4) if a Member's term expires; or
- (5) if a Member's membership is terminated in accordance with Section 4.9.

Upon the termination of a Member's membership, the Secretary shall forthwith provide written notice of such termination to the Board and to the Nominator who originally nominated such Member. The Nominator shall then advise the Secretary in writing of the name of a new Nominee as soon as possible following such termination. The existing Members shall appoint such new Nominee as a Member provided that the new Nominee: (i) meets the qualifications of a Member set forth in Section 4.2 (and, where applicable, the additional qualifications referred to in Section 4.4); (ii) meets the conflict of interest, code of conduct and other requirements set forth in Section 6.9; and (iii) provides his or her consent to be a Member. Such new Nominee shall become a Member for the balance of the term of membership of the Member whose membership was terminated. If the Nominator fails to name a new Nominee within 60 days of receiving written notice of the termination of membership, the Board may, if it so chooses, select the new Nominee for and on behalf of such Nominator. The individual so selected by the Board shall be deemed to be the Nominator's Nominee provided that such individual (i) meets the qualifications of a Member set forth in Section 4.2 (and, where applicable, the additional qualifications referred to in Section 4.4); (ii) meets the conflict of interest, code of conduct and other requirements set forth in Section 6.9; and (iii) provides the Corporation with his or her consent to be a Member. Such individual shall be appointed by the Members as a Member for the balance of the term of membership of the Member whose membership was terminated.

4.9 Removal of Member

Should the Board so request, the Members shall, at a special meeting of the Members, consider whether there is sufficient cause to terminate the membership of any Member. If the Members, by a vote of not less than two thirds of all the Members (excluding the Member in question), determine that there is sufficient cause to terminate the membership of a Member, then that Member's membership (and such Member's corresponding position as a Director) shall terminate effective upon the date of such determination. For the purposes of this Section "sufficient cause" shall include, without limitation, theft, fraud, sexual harassment, public disclosure of confidential information relating to the Corporation, breach of the conflict of interest, code of conduct or other requirements set forth in Section 6.9, or any other act that in the opinion of the Members or of the Board brings the reputation of the Corporation into disrepute. Notice of a meeting of the Members for the removal of a Member shall state such purpose and the name of the

Member concerned. The Member shall be entitled to a reasonable opportunity to be heard. Upon a Member's membership being terminated in accordance with the foregoing, the vacancy so created shall be filled in the manner set out in Section 4.8.

4.10 Membership Dues

There shall be no membership fees, dues, charges, or other membership levies of any kind whatsoever.

ARTICLE 5 ELECTION OF THE BOARD

5.1 Election of Directors and Term

- (1) Each Member will be elected by the Members to serve as a Director by means of an ordinary resolution at the Annual General Meeting. Directors so elected will hold office for a term expiring not later than the close of the third Annual General Meeting following their election.
- (2) All Directors are required to be Members and to meet the qualifications applicable to Members of the Corporation. Upon an individual ceasing to be a Member, such individual shall automatically cease to be a Director of the Corporation.

5.2 Size of the Board

Subject to any minimum and maximum number of Directors prescribed in the Articles, the size of the Board shall be equal to the number of Members established by the Board from time to time pursuant to Article 4 of these Bylaws.

ARTICLE 6 BOARD OF DIRECTORS

6.1 Powers of the Board

The Board shall have the power to, and shall, administer the affairs of the Corporation in all things, and to make or cause to be made for the Corporation, in its name, any kind of contract which the Corporation may lawfully enter into and, save as hereinafter provided, may generally exercise all other powers, and do all other acts and things, as the Corporation authorized by law to exercise and do.

6.2 Meetings of Directors

- (1) Meetings of the Board may be called by the Chairperson of the Board, or by the Secretary on the direction of the Chairperson of the Board, or by the Secretary on the direction in writing of any two Directors. Notice of such meeting shall be delivered electronically to each Director not less than three days before the meeting is to take place, or shall be mailed to each Director not less than 14 days before the meeting is to take place. The statement of the Secretary or Chairperson of the Board that notice has been given pursuant to this Bylaw shall be sufficient and conclusive evidence of the giving of such notice.
- (2) A majority of the Directors in office shall form a quorum for the transaction of business at any meeting. A meeting at which a quorum is not present shall be dissolved. If a quorum is present when the meeting is called to order, then a quorum shall be deemed to be constituted throughout the continuance of the meeting.
- (3) A Director may participate in a meeting of the Board, or a meeting of a committee of the Board, by means of a telephonic, an electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting. A Director participating in a meeting by such means shall be deemed for all purposes to be present at the meeting.
- (4) No formal notice of any meeting of the Board shall be necessary if all of the Directors are present, or if those absent have signified their consent to the meeting being held in their absence. Such consent may be given before, during or after the meeting.
- (5) The Board may appoint a day or days in any month or months for regular meetings at an hour to be named and no notice need be sent for such regular meetings.
- (6) A meeting of the Board may be held, without notice, immediately following the Annual General Meeting.
- (7) The Directors may consider or transact any business at any meeting of the Board.
- (8) A meeting of the Board 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. Where a meeting is adjourned for 45 days or

more, notice of the adjourned meeting shall be given as in the case of the original meeting. Except as provided in this Section, it is not necessary to give notice of an adjourned meeting or of the business to be transacted thereat.

6.3 Errors and Notice

No error or accidental omission in giving notice for a meeting of the Board shall invalidate such meeting or invalidate or make void any proceedings taken or held at such meeting and any Director may at any time waive notice of any such meeting and may ratify and approve of any or all of the proceedings taken at such meeting.

6.4 Voting

- (1) Every question arising at any meeting of the Directors shall be decided by a majority of votes cast on the question, unless otherwise specifically provided for by the Act or the Bylaws of the Corporation.
- (2) The Chairperson of the Board shall not, under any circumstances, have a second or casting vote.
- (3) All votes at Directors' meetings shall be taken by ballot if demanded by any Director present, and if no demand is made, the vote shall be taken in the usual way by assent or dissent. A declaration by the Chairperson that a resolution has been carried, and an entry to that effect in the minutes, shall be admissible in evidence as prima facie proof of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- (4) In the absence of the Chairperson of the Board at a Directors' meeting, his or her duties may be performed by such other Director as the Board may from time to time appoint for the purpose.

6.5 Resolution in Writing

A resolution in writing delivered to the Corporation by all of the Directors who were entitled to vote on that resolution at a meeting of the Board or a committee of the Board, as applicable, shall be as valid and effectual as if it had been passed at a duly called and constituted meeting of the Board or such committee of the Board, as applicable. Resolutions in writing contemplated by this Section may be signed in several counterparts, which counterparts together shall constitute a single resolution in writing,

and may be delivered by facsimile, be scanned and emailed, or otherwise be delivered by any means of electronic communication that is capable of producing a printed copy.

6.6 Indemnities to Directors and Others

(1) The Corporation shall indemnify and save harmless every:

- (a) Director and former Director; and
- (b) officer and former officer of the Corporation,

and their respective heirs, executors, administrators and personal representatives, from and against:

- (c) all Claims and associated costs, charges and expenses (including, without limitation, any amount paid to settle an action or satisfy a judgement) which such individual sustains or incurs or which is brought, commenced or prosecuted against him or her for or in respect of any act, deed, matter or thing whatsoever made, done or permitted by him or her to be done in or about the execution of the duties of his or her office; and
- (d) all other costs, charges and expenses which such individual sustains or incurs in respect of or in relation to the affairs of the Corporation, except the costs, charges or expenses occasioned by his or her own wilful neglect or default.

(2) The indemnity authorized by this Section shall be applicable only to the extent that such indemnity shall not duplicate any indemnity or reimbursement which the individual seeking indemnity hereunder has received or shall receive otherwise than by virtue of this Section.

6.7 Contracts of Indemnity

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

6.8 Insurance

The Board may cause funds to be expended by the Corporation 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 Corporation, or is or was serving at the request of the Board as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise in which the Corporation has or had an interest, against any Claims arising as a result of such Person acting in such capacity.

6.9 Conflict of Interest and Code of Conduct

- (1) No Director shall, directly or indirectly, receive any profit from his or her position as a Director; provided, however, that any Director who is engaged in, or is a member of a firm or corporation engaged in, any business or profession may, subject to the provisions of the Act and the Corporation's statement of values and code of conduct for its Members, Directors, officers and/or employees (the "**Statement of Values and Code of Conduct**"), as determined and amended from time to time by the Board, act in, and be paid the usual professional fees and business charges for, any professional work or other business required to be done in connection with the administration of the affairs of the Corporation. Prior to the election of any individual as a Director, such individual shall complete a conflict of interest questionnaire in accordance with the Statement of Values and Code of Conduct and shall notify the Board and the Nominator he or she was nominated by, of any business activity by the Nominee or any associate (as that term is defined in the *Canada Business Corporations Act*) which would pose an actual or perceived conflict of interest in his or her capacity as a Director. The Nominator may decide to not approve the nomination and, in any event, the Members of the Corporation, with the individual concerned not taking part in the consideration thereof or any vote thereon, shall then decide whether the Nominee should be disqualified from being elected as a Director. Further, if a change or anticipated change in circumstances creates for a Director a continuing conflict of interest, such Director shall inform the Board and the Nominator which nominated such Director in writing. The Board shall then consult the Nominator and promptly decide thereafter whether the matter should be referred to the Members to consider removal of the Member's membership and position as a Director in accordance with Section 4.9 of these Bylaws.
- (2) The Board shall ensure that all Directors, officers and employees of the Corporation shall adhere to the Statement of Values and Code of Conduct as amended from time to time by the Board, which shall be designed to

prevent real, and to avoid perceived, conflicts of interest. The Statement of Values and Code of Conduct shall be no less stringent than the rules respecting conflict of interests applicable to a director of a corporation incorporated under the *Canada Business Corporations Act*.

- (3) As a member of the Board, each Director owes a fiduciary duty to the Corporation notwithstanding any relationship with his or her Nominator.

ARTICLE 7 OFFICERS OF THE CORPORATION

7.1 Officers

- (1) There shall be a Chairperson of the Board, a President and CEO, a Secretary, a Treasurer and such other officers including, without limitation, honorary officers and vice-presidents, as the Board may determine from time to time.
- (2) One individual may hold more than one office, save and except for the offices of President and CEO and of vice-president (if any).
- (3) The officers of the Corporation shall be appointed by resolution of the Board. In the absence of a written agreement to the contrary, the terms of engagement of all officers (including, without limitation, the remuneration of such officers, if any, and removal from office) shall be determined from time to time by the Board.
- (4) No officer of the Corporation need also be a Director, save and except for the Chairperson of the Board, who shall be a Director.

7.2 Chairperson of the Board

The Chairperson of the Board shall:

- (1) preside as the Chairperson at all meetings of the Board and all meetings of the Members, when present;
- (2) have the other powers and duties from time to time prescribed by the Board which are incidental to the office of Chairperson of the Board; and
- (3) not have been an elected government official or have been employed by, or have provided services on a full time basis under contract to, any

federal, provincial or municipal government, department or agency, or to any corporation owned by Her Majesty the Queen in Right of Canada or Her Majesty the Queen in Right of any Province of Canada, during the two years prior to his or her election as Chairperson of the Board.

7.3 Other Officers

The duties of all other officers of the Corporation shall be those which the terms of their engagement call for, or which may be otherwise specified by the Board from time to time.

ARTICLE 8 COMMITTEES

8.1 Formation of Committees

- (1) The Board shall appoint such committees of the Board as required by the Corporation's ground lease, and may appoint one or more other committees of the Board as it may determine. The Board may delegate to any such committee any of the powers of the Board, except those which pertain to items which, under the Act, a committee of Directors has no authority to exercise.
- (2) Except as otherwise provided in the Act or in the Bylaws, and as may be otherwise determined by the Board, each committee of the Board shall determine its own organization and procedures.

ARTICLE 9 MEMBERS' MEETINGS

9.1 Annual General Meeting

An annual general meeting of the Members (the "**Annual General Meeting**") shall be held during each calendar year within the City of Saskatoon, Saskatchewan, at a time, place and date determined by the Board for the purpose of:

- (1) presenting the report of the Directors, the financial statements and the report of the Corporation's auditors;
- (2) electing Directors in accordance with Article 5;

- (3) appointing the auditor and fixing or authorizing the Board to fix the auditor's remuneration; and
- (4) transacting any other business properly brought before the meeting.

9.2 General Meetings

The Board may at any time call a general meeting of Members for the transaction of any business, the general nature of which is specified in the notice calling the meeting. A general meeting of Members shall be called by the Board on written requisition signed by at least two of the Members.

9.3 Participation in Meetings by Electronic Means

Save and except for the Annual Public Meeting (which meeting shall be held in person), a Member may participate in a meeting of the Members by means of a telephonic, an electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting. A Member participating in a meeting by such means shall be deemed for all purposes to be present at the meeting.

9.4 Notice of Meetings

Notice of the time, place and date of meetings of Members and the general nature of the business to be transacted shall be given by electronic mail or by telephone during a period of 21 to 35 days before the date of the meeting to each Member, Director and auditor of the Corporation. If a Member requests in writing that notice be delivered by non-electronic means, written notice shall be given to that Member in accordance with the Act. Where any special business will be conducted at a Members' meeting (being any business other than that which is required by the Act to be carried out at the Annual General Meeting), the notice shall contain sufficient information in order to allow the Member to make a reasoned decision in respect of such special business.

9.5 Error or Omission in Notice

No error or accidental omission in giving notice of any meeting or any adjourned meeting, whether annual or general, of the Members shall invalidate such meeting or make void any proceedings taken thereat, and any Member may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken at such meeting. For the purpose of sending notice to any Member, Director, officer or auditor for any meeting or otherwise, the address of any Member, Director, officer or auditor shall be his or her last address, electronic mail address or telephone number recorded on the records of the Corporation.

9.6 Quorum

A quorum for the transaction of business of any meeting of Members shall consist of a majority of Members present in person or represented by proxy. If a quorum is present when a meeting is called to order, then a quorum shall be deemed to be constituted throughout the continuance of the meeting. If a quorum is not present at the time and place fixed for the meeting, the meeting shall, without further action, stand adjourned to be convened on the same day of the following week at the same place and at the same time and those members present at the adjourned meeting shall constitute a quorum. No business shall be transacted at any meeting of Members unless the requisite quorum shall be present at the commencement of the meeting.

9.7 Voting by Members

Unless otherwise required by the provisions of the Act or these Bylaws, every question proposed for consideration at a meeting of Members shall be determined by a majority of the votes cast by Members entitled to vote on such question. In the case of an equality of votes, the Chairperson presiding at the meeting shall not, under any circumstances, have a second or casting vote.

9.8 Resolution in Writing

A resolution in writing signed by all of the Members entitled to vote on such resolution shall be as valid and effectual as if it had been passed at a duly called and constituted meeting of the Members.

9.9 Proxies

Every Member entitled to vote at a meeting of Members may, by means of a proxy, appoint an individual, who must be a Member, as his or her nominee, to attend and act at the meeting in the manner, to the extent and with the power confirmed by the proxy. A proxy shall be in writing, shall be executed by the Member entitled to vote, or by his or her attorney authorized in writing, and ceases to be valid one year from its date or at such earlier date as specified in such proxy. The proxy may be in such form as the Board from time to time prescribes or such other form as the Chairperson of the meeting may accept as sufficient, and shall be deposited with the Secretary of the meeting before any vote is called under its authority, or at such earlier time and in such manner as the Board may prescribe. Every notice of a Members' meeting shall either:

- (1) contain a statement to the effect that a Member may grant a proxy to another Member; or

(2) contain a form of proxy which may be used by a Member.

9.10 Show of Hands

At all meetings of Members every question shall be decided by a show of hands unless otherwise required by a Bylaw of the Corporation or unless a poll is required by the Chairperson or requested by any Member entitled to vote. Upon a show of hands, every Member entitled to vote, or every proxy holder for a Member entitled to vote who is present in person shall have one vote. Whenever a vote by a show of hands has been taken upon a question, unless a poll is requested, a declaration by the Chairperson that a resolution has been carried or lost by a particular majority and an entry to that effect in the minutes of the Corporation is conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the motion.

9.11 Chairperson

The Chairperson of the Board shall act as the Chairperson at every Members' meeting. In the absence of the Chairperson of the Board, the Members present at any meeting of Members shall choose another Member as Chairperson.

9.12 Adjournments

Any meeting of the Members may be adjourned from time to time and place to place, but no business shall be transacted at a subsequent meeting other than the business left unfinished at the meeting from which the adjournment took place. Where a meeting is adjourned for ten days or more, notice of the subsequent meeting shall be given as in the case of the original meeting. Except as provided in this Section, it is not necessary to give notice of an adjourned meeting or of the business to be transacted thereat.

9.13 Polls

If at any meeting of Members a poll is requested on the election of a Chairperson or on a question of an adjournment, it must be taken forthwith without adjournment. If a poll is requested on any other question, it shall be taken in the manner and either at once or later at the meeting or after adjournment as the Chairperson directs. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was requested. A request for a poll may be withdrawn at any time prior to taking the poll.

**ARTICLE 10
FINANCIAL YEAR**

10.1 Financial Year

The fiscal year end of the Corporation shall be determined by the Board from time to time.

**ARTICLE 11
EXECUTION OF DOCUMENTS**

11.1 Execution of Documents, Cheques, Drafts, Notes, etc.

- (1) Unless otherwise determined by the Board, all Documents, cheques, drafts, orders for the payment of money, notes and acceptances and bills of exchange shall be signed by any two of the President and CEO, Secretary and Treasurer.
- (2) The corporate seal of the Corporation shall, when required, be affixed to documents executed in accordance with the foregoing.

11.2 Power of Board

Notwithstanding any provisions to the contrary contained in these Bylaws, the Board may at any time by resolution direct the manner in which, and the individual or individuals by whom, any particular Document, cheque, negotiable instrument or other obligation of the Corporation may or shall be executed.

**ARTICLE 12
BOOKS AND RECORDS, AUDIT AND ACCOUNTING**

12.1 Financial Statements

The Board shall at least once in every fiscal year cause financial statements of the Corporation to be prepared and audited. The financial statements shall be prepared in accordance with generally accepted accounting principles.

12.2 Auditor

- (1) At each Annual General Meeting, the Members shall appoint an auditor to hold office until the next Annual General Meeting. No Director, officer or employee of the Corporation shall be entitled to be appointed as the Corporation's auditor.

- (2) The Board shall fill any vacancy occurring in the office of auditor within a reasonable period of time following the occurrence of the vacancy.
- (3) The auditor shall receive notice of all Members' meetings and shall be entitled to attend such meetings.
- (4) The auditor shall audit the accounts of the Corporation in accordance with generally accepted auditing practices and shall report to the Members at the Annual General Meeting.

ARTICLE 13 BANKING ARRANGEMENTS

13.1 Banking

The Board shall designate, by resolution, the officers and other persons authorized to transact the banking business of the Corporation including, without limitation, the borrowing of money and the giving of security to secure the obligations of the Corporation, with a bank, trust company or other financial institution carrying on a banking business that the Board has designated as the Corporation's banker. Such banking business shall be transacted under such agreements, instructions and delegation of powers as the Board may from time to time prescribe or authorize.

ARTICLE 14 NOTICE

14.1 Computation of Time

In computing the date when notice must be given under any provision of the Bylaws requiring a specified number of days' notice of any meeting or other event, the date of giving the notice is, unless otherwise provided, included.

14.2 Omissions and Errors

The accidental omission to give notice of any meeting of the Board, any committee thereof or of the Members, or the non-receipt of any notice by any Director or Member or by the auditor of the Corporation, or any error in any notice not affecting its substance, does not invalidate any resolution passed or any proceedings taken at the meeting. Any Director, Member or the auditor of the Corporation may at any time waive notice of any meeting and may ratify and approve any or all proceedings taken thereat.

**ARTICLE 15
BYLAWS AND AMENDMENTS, ETC.**

15.1 Enactment/Repeal and Amendment

Bylaws of the Corporation may be enacted, repealed, amended, or re-enacted by a resolution of the Board confirmed by a resolution of the Members, and shall only become effective upon such confirmation by the Members. In addition, no provision of this Bylaw relating to any principle listed in the "Public Accountability Principles for Canadian Airport Authorities" released by the Minister on July 13, 1994 (as amended or replaced from time to time) shall be repealed, amended or altered until the written consent of the Minister is first obtained.

**ARTICLE 16
MISCELLANEOUS MATTERS**

16.1 Annual Public Meetings

Within 135 days of the end of each fiscal year, at such time as the Board decides, the Corporation shall hold a public meeting (the "**Annual Public Meeting**"), which shall be open to all members of the public, and which shall be held in premises that are adequate for the size of the audience that may reasonably be anticipated.

16.2 Meetings between the Corporation and the Nominators

The Corporation shall, within 135 days after the end of each fiscal year of the Corporation, convene a meeting between the Corporation and the Authorized Representative of each of the Nominators, or such other individual as a Nominator or its Authorized Representative may select. The only persons entitled to attend such meeting shall be the representatives of the Corporation, the Authorized Representatives of each of the Nominators (or such other individual as may be selected by a Nominator or its Authorized Representative) and those individuals who are invited by both the Corporation and the Nominators. The Corporation shall ensure that a majority of its Directors are in attendance at such meeting. The Corporation shall present to the meeting copies of:

- (1) the annual financial statements of the Corporation for the immediately preceding fiscal year; and
- (2) the auditor's report on the annual financial statements of the Corporation for the immediately preceding fiscal year.

16.3 Effective Date

This Bylaw shall come into force and effect when made by the Board, confirmed by the Members, and approved by the Minister in accordance with Section 15.1 (the "**Effective Date**"). This Bylaw supersedes and replaces all prior Bylaws of the Corporation with effect as of the Effective Date.