

BY-LAW NO. 7 - GENERAL BY-LAWS

DEFINITIONS

1. In these By-laws and in all other By-laws of the Corporation hereafter passed, unless the context otherwise requires:
 - (a) “**Act**” means the *Canada Not-for-profit Corporations Act*, S.C. 2009, c. 23 and any act that may be substituted therefor, as from time to time amended;
 - (b) “**Articles**” means the articles of continuance of the Corporation, as from time to time amended;
 - (c) “**Board**” means the Board of Directors of the Corporation;
 - (d) “**By-laws**” means the By-laws of the Corporation, as from time to time amended;
 - (e) “**Chair**” means the Chair of the Board;
 - (f) “**Corporation**” means General Insurance OmbudService/Service de conciliation en assurance de dommages;
 - (g) “**Directors**” means Industry Directors and the Independent Directors, collectively;
 - (h) “**Due Date**” has the meaning set out in section 15;
 - (i) “**Independent Directors**” means the Directors elected pursuant to section 39(b);
 - (j) “**Industry Directors**” means the Directors elected pursuant to section 39(a);
 - (k) “**Lloyd’s**” means the society incorporated by *Lloyd’s Act 1871 (UK)* by the name of Lloyd’s;
 - (l) “**Lloyd’s managing agent**” means an underwriting agent who is listed on the Register of Underwriting Agents at Lloyd’s as a managing agent;
 - (m) “**Member**” means any one of the current Independent Directors or Industry Directors;
 - (n) “**Member of Lloyd’s**” means any person (body corporate, Scottish limited partnership or individual) admitted to membership of Lloyd’s;
 - (o) “**Secretary**” means the Secretary of the Corporation;

- (p) **“Standards”** has the meaning set out in section 68;
- (q) **“Subscribers”** has the meaning set out in section 13;
- (r) **“The Council of Lloyd’s”** means the Council constituted by section 3 of the *Lloyd’s Act 1982* (UK); and
- (s) **“Vice Chair”** means the Vice-Chair of the Corporation.

INTERPRETATION

- 2. In these By-laws and in all other By-laws hereafter passed, unless the context otherwise requires, words importing the singular number or the masculine gender shall include the plural number or the feminine gender, as the case may be, and *vice versa*, and references to persons shall include individuals, firms and corporations. The division of these By-laws into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation hereof.

CORPORATE SEAL

- 3. The seal of the Corporation shall be in such form as shall be prescribed by the Board from time to time and shall bear the name of the Corporation. The custody of the seal shall be the responsibility of the Secretary.

FINANCIAL YEAR

- 4. Unless otherwise determined by the Board, the financial year-end of the Corporation shall be April 30.

REGISTERED OFFICE

- 5. The registered office of the Corporation shall be in the City of Toronto, in the Province of Ontario and the Corporation may have such other offices in Canada as may be deemed by the Board to be appropriate from time to time.

MEMBERSHIP CONDITIONS

- 6. The Members shall be comprised of the current Independent Directors and Industry Directors. The Members shall be entitled to receive notice of, to attend and to exercise one (1) vote on each issue which properly comes before each meeting of Members.
- 7. An applicant for membership in the Corporation shall submit an application to the Secretary in the appropriate form acceptable to the Board, provided that an individual shall not be elected as an Independent Director or Industry Director unless that individual has consented to serve as a Director and applied to become a Member.
- 8. An applicant for membership in the Corporation shall become a Member as of the effective date of such Director's election to the Board.
- 9. No membership fees or dues shall be levied by the Corporation in respect of Members.

10. A Director ceases to be a Member when such individual ceases to be a Director.
11. Any Member may withdraw from membership in the Corporation by delivering to the Corporation, care of the Secretary, a written resignation at least ninety (90) days in advance of the date of the then-current financial year end of the Corporation. Any such resignation shall be effective as of the conclusion of the last day of such financial year. The Corporation shall publish notice of any resignation of a Member in its annual report.
12. Membership in the Corporation is not transferable.

SUBSCRIPTION CONDITIONS

13. The Subscribers shall be comprised of (a) insurers licensed in Canada to carry on the business of general insurance; and (b) Lloyd's, which, in each case, have been admitted as Subscribers pursuant to section 14 (collectively, the "**Subscribers**"). Subscribers in good standing shall be entitled to receive notice of, to attend and to be heard at all meetings of Members but shall not be entitled to vote thereat. For greater certainty, Subscribers are not Members of the Corporation for purposes of the Act, but are each a "member" for purposes of section 486.1 of the *Insurance Companies Act* S.C. 1991, c. 47, and those Subscribers who are "insurers" under *The Insurance Act* S.S. 2015, c I-9.11 shall, subject to the provisions thereof, each be a "member" for purposes of section 10-46 thereof, as applicable.
14. An applicant to become a Subscriber shall submit an application to the Secretary in the appropriate form acceptable to the Board, provided that (a) an insurer shall not be accepted by the Board for admission as a Subscriber unless the applicant has agreed to abide by the Standards; or (b) Lloyd's shall not be accepted by the Board for admission as a Subscriber unless The Council of Lloyd's has agreed to require the Members of Lloyd's and/or Lloyd's managing agents to abide by the Standards.
15. No subscription fees, dues or assessments shall be levied by the Corporation in respect of Subscribers, except as determined by the Board. When levied, all subscription fees, dues or assessments of Subscribers shall be payable on the earlier of thirty (30) days after the mailing of the notice of the fees, dues or assessments to the Subscriber with respect thereto or September 30 in each year (the "**Due Date**") in respect of the then-current financial year of the Corporation. Any Subscriber who has not paid its fees, dues or assessment by the Due Date in each year shall be deemed to have ceased to be in good standing for the purposes of these By-laws until it pays such fees, dues or assessment. A Subscriber not in good standing shall not be entitled to the benefits of being a Subscriber including those specified in section 13. The Corporation shall publish a list of Subscribers not in good standing from time to time. Any Subscriber who has not paid its subscription fees, dues or assessment by October 31 in each year shall be automatically removed as a Subscriber, provided that no such removal shall relieve the former Subscriber from its obligation to pay any subscription fees, dues or assessments outstanding on the date of removal and provided further that the Board may determine that any such Subscriber not be removed as a Subscriber if such Subscriber establishes to the satisfaction of the Board that exceptional circumstances have caused the delay in payment. The Corporation shall publish a list of former Subscribers who have been removed as Subscribers in accordance with the foregoing provisions from time to time. Subscription fees, dues or assessments, once paid, are non-refundable.

16. If a catastrophic event occurs that was not reasonably foreseeable, and the Board determines that such event has had, or is reasonably expected to have, a material adverse effect on the solvency of the Corporation, the Board may impose a special levy on the Subscribers solely as an interim measure and solely to the extent required to maintain the solvency of the Corporation. Any such special levy will be payable by the Subscribers on the date determined by the Board.
17. An insurer ceases to be a Subscriber immediately on the vote of at least two-thirds (2/3rds) of the votes cast by the Members in favour of such Subscriber's removal at a special meeting of Members called for that purpose, provided that the Subscriber has been granted an opportunity to be heard at such meeting. Among other things, a failure to pay its subscription fees, dues or assessments, or a special levy, in a timely manner or a persistent failure by the insurer to comply with the Standards shall be sufficient cause for removal of the insurer as a Subscriber. The Corporation shall publish notice of such removal in its annual report.
18. Any Subscriber may resign by delivering to the Corporation, care of the Secretary, a written resignation at least ninety (90) days in advance of the date of the then-current financial year end of the Corporation. Any such resignation shall be effective as of the conclusion of the last day of such financial year. The resigning Subscriber shall be obligated to pay all subscription fees, dues, assessments, and any special levy payable up to and including the effective date of resignation. Any Subscriber who delivers a written resignation to the Corporation less than ninety (90) days in advance of the date of the then-current financial year end of the Corporation shall remain a Subscriber and be obligated to pay applicable subscription fees, dues, assessments, and any special levy until the conclusion of the next succeeding financial year of the Corporation. The Corporation shall publish notice of any resignation of a Subscriber in its annual report.
19. A Subscriber cannot transfer its rights hereunder to another person without the prior written consent of the Board.

MEETINGS OF MEMBERS

20. The annual or any special meeting of the Members shall be held at the registered office of the Corporation or at any place in Canada as the Board may determine and on such day as the Board shall appoint.
21. An annual meeting of the Members of the Corporation shall be held at least once in every calendar year and not more than (a) fifteen (15) months after the holding of the last preceding annual meeting, and (b) six (6) months after the end of the Corporation's preceding financial year. At every annual meeting, in addition to any other business that may be transacted:
 - (a) the audited financial statements, the report of the Directors and the report of the public accountant shall be presented to the Members;
 - (b) the Directors shall be elected in accordance with section 40; and
 - (c) the public accountant shall be appointed for the ensuing year and the remuneration of the public accountant shall be fixed or the Board shall be authorized to fix such remuneration.

22. The Board or the Chair (on behalf of the Board) shall have power to call at any time any meeting of the Members of the Corporation. In addition, the Board shall call a special meeting of the Members on written requisition of Members holding not less than five (5) percent of the voting rights.
23. A majority of Members present in person or by proxy, provided that such majority includes a total number of Independent Directors or their proxies greater than the total number of Industry Directors or their proxies, shall be necessary to constitute a quorum for the transaction of business at meetings of the Members. No business shall be transacted at any meeting of the Members unless a quorum is present at the commencement of and throughout the meeting.
24. (a) At least twenty-one (21) days' written notice of the time and place of a meeting of the Members shall be given to each Member of any annual or special meeting of Members. Such notice may also be sent by electronic means, such as e-mail or facsimile provided that (i) such notice generates a record of notice sent, and (ii) the Member has consented in writing to receive notice by such means.
- (b) Notice shall be given to each Member who, at the close of business on the record date for notice, or if no record date for notice is fixed, at the close of business on the day preceding the day on which the notice is given, is entered in the register of Members. Notice of any meeting where special business will be transacted shall (i) contain sufficient information to permit the Member to form a reasoned judgment on the decision to be taken, and (ii) state the text of any resolution that must be passed by at least two-thirds (2/3rds) of the votes of Members cast on the resolution. For purposes of this section, all business transacted at any annual or special meeting of the Members, except consideration of the audited financial statements, the public accountant's report, the election of the Directors, and the re-appointment of the incumbent public accountant, is "**special business**".
- (c) Notice of each meeting of Members must also remind each Member that he or she or it has the right to appoint and, where applicable, to vote by proxy.
- (d) Subscribers and the public accountant of the Corporation are entitled to receive all notices and other communications relating to any meetings of Members that any Member is entitled to receive, and are entitled to attend such meetings.
- (e) Notice of any annual meeting shall include a statement informing the Members that the comparative financial statements, report of the public accountant, and any other documents required by the Act, are available at the registered office of the Corporation and that the Members may, upon request, obtain a copy of those financial statements and other documents free of charge at the registered office or by prepaid mail.
25. A meeting of Members may be held at any time and place without notice if all Members are present or if not present, either before or after the meeting, waive notice or otherwise consent to such meeting being held, and the attendance of a Member at a meeting is a waiver of notice of the meeting unless the Member attends the meeting for the express purpose of objecting to the transaction of business on the grounds that the meeting is not lawfully called.

26. Each Member may, by means of a written proxy, appoint a proxyholder to attend and act at a particular meeting of Members in the manner and to the extent authorized by the proxy. Any person may be a proxyholder and a proxyholder need not be a Member.
27. Any person entitled to attend a meeting of Members may participate in the meeting or any adjourned meeting of the Members by such conference telephone facilities as permit all persons participating in the meeting to communicate adequately with each other, and a Member participating in such a meeting by such means is deemed to be present at the meeting. Quorum shall be established and subject to section 29, votes shall be recorded by voice or televisual identification of each Member by a roll-call of Members participating in the Meeting.
28. The Members may meet by any other electronic means that permits each Member to communicate adequately with each other, provided that the Board has passed a resolution addressing the mechanics of holding such a meeting, including how security issues should be handled, the procedure for establishing quorum and subject section 29, recording votes.
29. Except where a ballot is demanded, each vote cast by a Member participating by means of conference telephone facilities or any other electronic means shall be recorded in the minutes of the Corporation. Where a ballot is demanded, each vote cast by a Member shall be gathered in a manner that permits (a) its subsequent verification, and (b) the tallied votes to be presented to the Corporation without it being possible for the Corporation to identify how each Member voted.
30. Any meeting of the Members may be adjourned to any time and from time to time and such business may be transacted at such adjourned meeting as might have been transacted at the original meeting from which such adjournment took place. If the meeting is adjourned:
 - (a) for less than thirty-one (31) days, it is not necessary to give notice of the adjourned meeting, other than by announcement at the earliest meeting that is adjourned; or
 - (b) by one or more adjournments for an aggregate of more than thirty (30) days, notice of the adjournment will be given as if for an original meeting.Such adjournment may be made notwithstanding that no quorum is present.
31. No error or omission in giving notice of any annual or special meeting or any adjourned meeting of the Members shall invalidate such meeting or make void any proceedings taken thereat. For the purpose of sending notice to any Member, Subscriber, Director or officer for any meeting or otherwise, the address shall be the last address recorded on the books of the Corporation for the Member, Subscriber, Director or officer.
32. A resolution in writing signed by all of the Members entitled to vote on that resolution at a meeting of Members is as valid as if it had been passed at a meeting of Members, provided that matters which are required by the Act to be dealt with at a meeting are excluded from this provision.

VOTING OF MEMBERS

33. At any meeting of the Members, every question shall, unless otherwise required by the Act or the By-laws be determined by the majority of the votes of Members duly cast on the question.
34. Unless the Act or the By-laws otherwise provide, each Member present in person or by proxy shall, at all meetings of Members, be entitled to one (1) vote on each question.
35. All votes at any such meeting shall be decided by a show of hands unless:
 - (a) prior to a show of hands, a majority of the Members present resolve to vote on the matter by secret ballot, in which case the chair of the meeting shall distribute and collect ballots for such purpose and the result of the vote by secret ballot shall be the decision of the Members upon the said question; or
 - (b) after a show of hands, a poll thereon is required or demanded by the chair of the meeting or any Member on the question, in which case the procedures set forth hereinafter shall be followed.
36. Whenever a vote by secret ballot or show of hands shall have been taken upon a question, (unless in the latter case a poll thereon is so required or demanded), a declaration by the chair of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be, in the absence of evidence to the contrary, proof of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution in respect of the said question, and the result of the vote so taken shall be the decision of the Members upon the said question.
37. If a poll is required or demanded, the poll shall be taken in such manner as the chair of the meeting shall direct. A demand for a poll may be withdrawn at any time prior to the taking of the poll. The result of the poll shall be the decision of the Members upon the said question.
38. In the case of an equality of votes of Members at any meeting of Members, either upon a show of hands or upon a poll, the chair of the meeting shall have a second or casting vote.

BOARD OF DIRECTORS

39. The Board shall consist of seven (7) Directors, of whom:
 - (a) the Industry Directors shall be two (2) persons nominated by the board of directors of Insurance Bureau of Canada or its successors, who are subsequently elected by the Members pursuant to section 40. The nomination of Industry Directors shall be confirmed by a written communication to the Secretary of the Corporation from a representative of the board of directors of Insurance Bureau of Canada or its successors;
 - (b) the Independent Directors shall be five (5) persons who: (i) meet the eligibility criteria for Independent Directors that may be adopted by the Board from time to time pursuant to section 41; (ii) are nominated by the Independent Directors'

Committee of the Corporation; and (iii) are subsequently elected by the Members pursuant to section 40; and

- (c) all shall be individuals of at least 18 years of age with the power under law to contract.

The number of Directors may only be changed by amendment of these By-laws.

- 40. The Corporation shall prepare a slate consisting of the nominees under subsections 39(a) and 39(b) for inclusion by the Board in the notice of an annual meeting of the Members. At each annual meeting, the Members shall elect the individuals listed on such slate to the Board. For greater certainty, the slate delivered to the Members hereunder shall be final and there shall be no nominations from the floor of any Members' meetings.
- 41. The Independent Directors' Committee, in recommending the Independent Directors for election, shall apply the eligibility criteria for Independent Directors that may be adopted by the Board from time to time.
- 42. The powers of the Directors may be exercised by resolution passed at a meeting of the Board at which a quorum is present. The presence of a majority of the number of Directors in office from time to time – provided that no less than two (2) Directors are present and such majority constitutes a total number of Independent Directors greater than the total number of the Industry Directors present at the meeting – shall be necessary to constitute a quorum for the transaction of business at meetings of the Board. No business shall be transacted at any meeting of the Board unless a quorum is present at the commencement of and throughout the meeting. The Directors may not appoint proxyholders or other persons to attend and act on their behalf at any meeting of the Directors. Where there is a vacancy on the Board, a majority of the remaining Directors may exercise all the powers of the Board, provided that no less than two (2) Directors are present and such majority constitutes a total number of Independent Directors greater than the total number of the Industry Directors present at the meeting.
- 43.
 - (a) The Industry Directors shall be elected in the manner described in section 40 and shall retire in rotation. At every annual meeting at which an Industry Director's term expires, Insurance Bureau of Canada or its successors may re-nominate the retiring Industry Director (subject to section 43(c)) or nominate another Industry Director, and each Industry Director elected hereunder shall hold office for a period of up to three (3) years or until his or her successor is elected.
 - (b) The Independent Directors shall be elected in the manner described in section 40 and shall retire in rotation. At every annual meeting at which the term of an Independent Director expires, there shall be elected by the Members present at the meeting a number of Independent Directors equal to the number of Independent Directors whose term of office expires at the close of such meeting so that the total number of Independent Directors shall be a number totalling not less than two (2) greater than the total number of Industry Directors, and each Independent Director so elected shall hold office for a period of up to three (3) years or until his or her successor is elected. An Independent Director whose term has expired shall be eligible for re-election as an Independent Director, subject to section 43(c).

- (c) To ensure renewal of the Board, a Director shall not be eligible for re-election as a Director beyond the close of the ninth annual meeting after such Director was first elected as a Director. Notwithstanding the foregoing, an Independent Director may serve as an Independent Director until the close of the tenth annual meeting after such Independent Director was first elected as a Director in exceptional circumstances, as determined by unanimous resolution of the Board (excluding the Independent Director). Exceptional circumstances that may warrant a longer term include, but are not limited to:
- (i) providing for an adequate tenure of the Independent Director as Chair, where the Independent Director was appointed as Chair following his or her fifth (5th) year in office as an Independent Director;
 - (ii) providing for instances where, in the opinion of the Independent Directors' Committee, there is no candidate who is a suitable replacement for the Independent Director; or
 - (iii) providing for instances where the Independent Director is involved in specific work that remains (or is likely to be) unfinished at the end of ninth annual meeting after such Director was first elected as a Director and, which, in the opinion of the Independent Directors' Committee, cannot reasonably be finished without the continued involvement of the Independent Director.

44. The office of Director shall be automatically vacated:

- (a) if the Director shall resign as such by delivering a written resignation to the Secretary (with such resignation to be effective at the time the resignation is sent to the Corporation or at the time specified in the resignation, whichever is later);
- (b) if the Director has been declared incapable by a court in Canada or in another country;
- (c) if the Director has the status of a bankrupt; or
- (d) if the Director shall die.

45. With the exception of the resignation of a Director pursuant to the dissolution of the Insurance Bureau of Canada or its successors, in which case the number of Directors of the Corporation shall be five (5), if any vacancy shall occur for any reason pursuant to section 44, a person may be nominated to fill the vacancy for the remainder of the term of the vacating Director by:

- (a) the board of directors of the Insurance Bureau of Canada or its successors if the vacating Director was an Industry Director; or
- (b) by the Independent Directors' Committee if the vacating Director was an Independent Director.

Provided a quorum is present, the Board shall fill a vacancy with the applicable nominee(s) under subsection (a) or subsection (b), and any such Director shall hold office as a Director for the unexpired term of their predecessor.

46. The office of Director shall also be automatically vacated if a Director is removed from office for cause other than that described in section 44 at a special meeting of Members by a resolution that is passed by a majority of the votes of Members cast at the meeting. In the event that a vacancy so occurs, a person shall be elected to fill the vacancy for the remainder of the term of the vacating Director in accordance with the manner of election of the vacating Director set out in section 40.

MEETINGS OF THE BOARD

47. Meetings of the Board may be held at any time and place to be determined by the Directors or the Chair provided that five (5) business days' notice of such meeting shall be given by electronic means, such as e-mail or facsimile, or by another means other than by mail to each Director provided that (a) such notice generates a record of the notice sent, and (b) the Director has consented in writing to receive notice by such means. If notice is given by mail, it shall be sent at least fourteen (14) days prior to the meeting. Notice of a meeting of the Board shall specify any matter referred to in section 138(2) of the Act that is to be dealt with at the meeting. There shall be at least two (2) meetings of the Board in each financial year of the Corporation. No error or omission in giving notice of any meeting of the Board or any adjourned meeting of the Board shall invalidate such meeting or make void any proceedings taken thereat and any Director may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat.
48. A meeting of the Board may be held at any time and place without notice if all Directors who are present or if those who are not present, either before or after the meeting, waive notice or otherwise consent to such meeting being held, and the attendance of a Director at a meeting is a waiver of notice of the meeting unless the Director attends the meeting for the express purpose of objecting to the transaction of business on the grounds that the meeting is not lawfully called.
49. Any meeting of the Board may be adjourned to any time and from time to time and such business may be transacted at such adjourned meeting as might have been transacted at the original meeting from which such adjournment took place and such adjournment may be made provided a quorum is present.
50. Subject to the Act, the Articles and the By-laws, any question arising at any meeting of the Board shall be decided by a majority of votes. Each Director is entitled to exercise one (1) vote. All votes at any such meeting shall be taken by a show of hands. Whenever a vote by show of hands shall be taken upon a question, a declaration by the chair of the meeting that a resolution has been carried or defeated and an entry to that effect in the minutes shall be, in the absence of evidence to the contrary, proof of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution, and the result of the vote so taken shall be the decision of the Board upon the question. Voting by proxy is prohibited.
51. In the case of an equality of votes, the chair of the meeting shall have a second or casting vote.
52. If all the Directors consent thereto generally or in respect of a particular meeting, a Director may participate in a meeting of the Board or of a committee of the Board by means of such conference telephone facilities as permit all persons participating in the meeting to communicate adequately with each other, and a Director participating in such

a meeting by such means is deemed to be present at the meeting. Quorum shall be established and votes shall be recorded by voice or televisual identification of each Director by a roll-call of Directors participating in the meeting.

53. The Board may meet by any other electronic means that permits each Director to communicate adequately with each other Director provided that the Board has passed a resolution addressing the mechanics of holding such a meeting, including how security issues should be handled, the procedure for establishing quorum and recording votes. Each Director must have equal access to the specific means of communication to be used and each Director must consent in advance to meeting by electronic means using the specific means of communication proposed for the meeting.
54. The Board may appoint such agents and engage such employees as the Board 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 at the time of such appointment.
55. The Independent Directors shall be paid such remuneration as may be decided, from time to time, by resolution of the Members at any annual or special meeting of the Members.
56. It shall be the duty of every Director who is in any way, whether directly or indirectly, interested in a contract or transaction or proposed contract or transaction with the Corporation to declare such interest, and to refrain from voting thereon, in accordance with the Act.

POWERS AND DUTIES OF THE BOARD

57. The Board shall supervise the management of the activities and affairs of the Corporation and may administer the activities and affairs of the Corporation in all things. The Board may 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, generally may exercise all such other powers and do all such other acts and things as the Corporation is by its charter or otherwise authorized to exercise and do.
58. The Board shall:
 - (a) approve a business plan for the Corporation and update such plan at least annually; and
 - (b) adopt, implement and oversee procedures to encourage (i) compliance by Subscribers with the Standards; and (ii) compliance by Members of Lloyd's and/or Lloyd's managing agents, with the Standards, and shall update the Standards from time to time.
59. The Board shall have power to authorize expenditures on behalf of the Corporation from time to time and may delegate by resolution to an officer or officers of the Corporation the right to authorize payment of the day-to-day expenditures of the Corporation, to enter into any contract on behalf of the Corporation in the usual and ordinary course of the Corporation's business, to cause the Corporation to employ employees and agents, and to fix a reasonable remuneration for all officers, agents and employees or consultation groups.

60. The Board shall have the power to enter into a trust arrangement with a trust company for the purpose of creating a trust fund in which the capital and interest may be made available for the benefit of promoting the interest of the Corporation in accordance with such terms as the Board may prescribe.
61. The Board shall see that all necessary books and records of the Corporation required by the By-laws of the Corporation or by any applicable statute or law, including without limitation, the minutes of meetings of the Board and of committees of the Board, are regularly and properly kept and made available for viewing to all Members and Subscribers.
62. The Board has the power to create, amend and repeal policies, rules and regulations with respect to procedural matters affecting the Corporation not covered in the By-laws and not in contravention of the Act. The policies, rules and regulations shall not include provisions concerning any one or more of the following matters:
- (a) conditions of membership;
 - (b) conditions of being a Subscriber, including societies or companies becoming Subscribers;
 - (c) mode of holding meetings, provision for quorum, rights of voting and of enacting by-laws;
 - (d) mode of repealing or amending by-laws;
 - (e) election and removal of Directors, trustees, committees and officers, and their respective powers and remuneration;
 - (f) audit of accounts and appointment of public accountant;
 - (g) how a Member may withdraw from the Corporation;
 - (h) how a Subscriber may withdraw from the Corporation; or
 - (i) custody of the corporate seal and certifying documents issued by the Corporation.
63. The Board may by resolution adopt and amend the Standards and such other policies, rules and regulations relating to the management of insurance customer complaints as it deems appropriate from time to time consistent with these By-laws and the Articles of the Corporation. The Board shall make reasonable efforts to ensure that such Standards, policies, rules and regulations are adhered to including, without limitation, responding generally to complaints or advice that such Standards, policies, rules or regulations are not being followed by those persons retained by it provided that neither the Board nor any Director shall participate directly in the management of any particular insurance customer complaint. The Board shall make reasonable efforts to publicize the contents of such Standards, policies, rules and regulations from time to time as the same may be amended and to be cognizant of the current standards, policies, rules and regulations used by other entities carrying on undertakings similar to those of the Corporation.

BOARD COMMITTEES

64. Subject as hereafter provided, the Independent Directors of the Corporation at any time shall comprise the Independent Directors' Committee. The Chair of the Board shall act as chair of the Independent Directors' Committee. The duties of the Independent Directors' Committee shall include, among other duties assigned by the Board from time to time, the review of appropriate candidates for election as Independent Directors for recommendation to the Members.

Any member of the Independent Directors' Committee may be removed from such committee at any time at the discretion of the Board only upon a resolution of the Board being passed that was supported by at least a two-thirds (2/3rds) majority of the votes cast by the remaining Independent Directors.

65. The Board shall appoint a Governance & Standards Committee having, in addition to such other purposes and duties as the Board may prescribe, the duty to recommend Standards and any amendment thereto from time to time to the Board for approval, which, when approved by the Board, shall be applicable to the Corporation and to Subscribers. The Council of Lloyd's shall require all Members of Lloyd's and/or Lloyd's managing agents to comply with any Standards approved by the Board.
66. The Board may from time to time constitute such other committees of the Board as it deems necessary, for such purposes and with such duties, other than as set out in sections 64 and 65, as may be prescribed by the Board, and whose members shall serve at the pleasure of the Board. The presence of a majority of committee members – provided that such majority constitutes a total number of those committee members who are Independent Directors greater than the number of those committee members who are Industry Directors present at the meeting – shall be necessary to constitute a quorum for the transaction of business at committee meetings. No business shall be transacted at any committee meeting unless a quorum is present at the commencement of and throughout the meeting. The duties of such committees may include, among other duties assigned by the Board from time to time:
- (a) the review of the proposed budget of the Corporation prior to approval by the Board;
 - (b) the review of the remuneration and benefits of officers, agents and employees and committee members annually prior to the Board's approval of the budget for the next financial year and the committee shall report to the Board on the review; and
 - (c) the review of the audited annual financial statements of the Corporation before they are approved by the Board and meeting with the public accountant to discuss the financial statements of the Corporation.
67. Each committee of the Corporation may formulate its own rules of procedure subject to such regulations and/or directions as the Board may from time to time make in respect thereof. Committees may meet for the transaction of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting of a committee shall be decided by a majority of votes. The Board may fix any remuneration to be paid, if any, to members of any committee. Any member of any such committee shall be removable from such committee at any time at the discretion of the Board.

STANDARDS

68. “**Standards**” means, collectively: a set of standards for dealing with general insurance consumer concerns and complaints, which standards shall reflect a commitment to, among other things, accessibility, timeliness, courtesy, clarity, accuracy, consistency, knowledge, fairness and impartiality, confidentiality, objectivity and independence.
69. The Corporation’s public accountant or such other independent person or persons designated by the Board shall review and report on compliance by the Corporation with the Standards.
70. The Board or any other independent person or persons designated by the Board shall review and report on compliance by the Subscribers or, in the case of Lloyd’s, by any Member of Lloyd’s or any Lloyd’s managing agent, with the Standards.

OFFICERS

71. The officers of the Corporation shall be a Chair, a Vice-Chair, a Secretary, and any such other officers as the Board may determine. Any two offices may be held by the same person, who need not be a Director, except as otherwise specifically provided in the Corporation’s By-laws.
72. The Chair shall be appointed by the Board from among the Independent Directors following each annual meeting of Members. In the event that the Chair resigns or in the event of the long-term absence or disability of the Chair, the Board may appoint a new Chair from among the Independent Directors to serve for the remainder of the term of the preceding Chair.
73. The Vice-Chair shall be appointed by the Board from among the Independent Directors following each annual members meeting at which the Directors are elected. In the event that the Vice-Chair resigns or in the event of the absence or disability of the Vice-Chair, the Board may appoint a member, preferably the chair, of the Governance & Standards Committee as an interim Vice-Chair to serve for the remainder of the term of the preceding Vice-Chair or until the Vice-Chair is able to resume his or her duties, as applicable.
74. The Secretary shall be appointed by the Board following each annual meeting of Members at which the Directors are elected. The Secretary shall be subject to removal by the Board at any time with or without cause.
75. The officers of the Corporation, other than the employees of the Corporation, shall hold office for one (1) year from their date of appointment or until their successors are appointed in their stead.

DUTIES OF OFFICERS

76. The Chair shall preside at all meetings of the Members, the Board and the Independent Directors’ Committee. The Chair shall see that all orders and resolutions of the Board are carried into effect. The Chair shall have such other powers and shall perform such other duties as may from time to time be assigned to the Chair by resolution of the Board or as are incidental to the office.

77. In the event of the short-term absence or disability of the Chair, the Vice-Chair shall preside at any meeting of the Members, the Board or the Independent Directors' Committee, and to perform such other duties of the Chair as the Board may direct.
78. The Secretary may be empowered by the Board to carry on the affairs of the Corporation generally under the supervision of the officers thereof and shall attend all meetings and act as clerk thereof and record all votes and minutes of all proceedings in the books to be kept for that purpose. The Secretary shall give or cause to be given notice of all meetings of the Members, of the Board and of committees, and shall perform such other duties as may be prescribed by the Board or the Chair.
79. The duties of all other officers of the Corporation shall be such as the terms of their engagement call for or the Board requires of them.

INDEMNITIES TO DIRECTORS AND OTHERS

80. Subject to the provisions of the Act and to section 83, the Corporation shall indemnify a Director or officer of the Corporation, a former Director or officer of the Corporation or another individual who acts or acted at the Corporation's request as a Director or officer, or an individual acting in a similar capacity, of another entity, and his or her heirs and legal representatives against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgement, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative or other proceeding in which the individual is involved because of that association with the Corporation or other entity.
81. Subject to section 83, the Corporation shall advance moneys to a Director, officer or other individual for the costs, charges and expenses of a proceeding referred to in section 80. The individual shall repay the moneys if the individual does not fulfil the conditions of section 82.
82. The Corporation may not indemnify an individual under section 80 unless the individual
 - (a) acted honestly and in good faith with a view to the best interests of the Corporation, or, as the case may be, to the best interests of the other entity for which the individual acted as Director or officer or in a similar capacity at the Corporation's request; and
 - (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the individual had reasonable grounds for believing that their conduct was lawful.
83. The Corporation shall with the approval of a court, indemnify an individual referred to in section 80, or advance moneys under section 81, in respect of an action by or on behalf of the Corporation or other entity to procure a judgement in its favour, to which the individual is made a party because of the individual's association with the Corporation or other entity as described in section 80 against all costs, charges and expenses reasonably incurred by the individual in connection with such action, if the individual fulfils the conditions set out in section 82.
84. The Corporation will also indemnify the individuals referred to in section 80 in any other circumstances that the Act permits or requires. Nothing in these By-laws will limit the right of any person entitled to indemnity to claim indemnity apart from the provisions of these By-laws.

85. The Board may authorize the purchase of such directors' and officers' insurance or any other insurance as it deems necessary or advisable to be paid for out of the funds of the Corporation.

EXECUTION OF DOCUMENTS

86. The following are the only persons authorized to sign any document on behalf of the Corporation, other than in the usual and ordinary course of the Corporation's business:
- (a) any one (1) Director or officer of the Corporation, provided that no individual shall execute, acknowledge, or verify any instrument in more than one capacity; or
 - (b) any individual or individuals appointed by resolution of the Board to sign a specific document or type of document or generally on behalf of the Corporation.

Any document so signed may, but need not, have the corporate seal applied.

87. The signatures of any person authorized to sign documents on behalf of the Corporation may, if specifically authorized by the Board, be written, printed, stamped, engraved, lithographed or otherwise reproduced. Anything so signed shall be as valid as if it had been signed manually, even if that person has ceased to hold office when anything so signed is issued or delivered, until revoked by the Board.
88. The banking business of the Corporation shall be transacted with such banks, trust companies or other financial institutions as may from time to time be designated by or under the authority of the Board. Such banking business or any part of it shall be transacted under such agreements, instructions and delegations of powers as the Board may, from time to time, prescribe or authorize.
89. The securities of the Corporation may be deposited, from time to time, for safekeeping with one or more banks, trust companies or other financial institutions selected by the Board or, if so authorized by the Board, with such other depositories or in such other manner as may be determined from time to time by the Board. Any and all securities so deposited may be withdrawn, from time to time, only upon the written order of the Corporation signed by such Director or Directors, officer or officers, agent or agents of the Corporation, and in such manner as shall from time to time be determined by the Board and such authority may be general or confined to specific instances. Any institution so selected as custodian by the Board shall be fully protected in acting in accordance with the directions of the Board and shall in no event be liable for the due application of the securities so withdrawn from deposit or the proceeds thereof.

PUBLIC ACCOUNTANT

90. The Members, at each annual meeting, shall appoint a public accountant to hold office until the close of the next annual meeting and, if an appointment is not so made, the public accountant in office will continue in office until a successor is appointed. The Directors shall immediately fill any vacancy in the office of public accountant. A person other than a retiring public accountant is not capable of being appointed public accountant at such a meeting unless the notice requirements of the Act have been met.

91. The responsibilities of the public accountant shall be:
 - (a) to audit the financial statements of the Corporation; and
 - (b) to report to the Members at each annual meeting on whether the financial statements of the Corporation are fairly presented in accordance with generally accepted accounting principles.
92. No Director, officer or employee of the Corporation or of an affiliated corporation or associated with that Director, officer or employee may be appointed as public accountant.
93. The remuneration of a public accountant appointed by the Members shall be fixed by the Members or by the Board if it is authorized to do so by the Members, and the remuneration of a public accountant appointed by the Board shall be fixed by the Board.

AMENDMENT OF BY-LAWS

94. The By-laws of the Corporation not embodied in the Articles may be repealed or amended by By-law enacted by a majority of the Directors at a meeting of the Board provided that no repeal or amendment of any By-law shall be enforced or acted upon until it has been sanctioned by an affirmative vote of at least two-thirds (2/3rds) of the votes cast by Members at a meeting duly called for the purpose of considering the said By-law.