

Amended and Restated By-Law No. 1

A by-law relating generally to the
conduct of the activities and affairs of the

Home Construction Regulatory Authority

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Home Construction Regulatory Authority

WHEREAS By-Law No. 1 of the Corporation was passed and made as a by-law of the Corporation on October 24, 2019;

AND WHEREAS it is determined to be in the best interests of the Corporation to restate such by-law, as amended, in the form of this Amended and Restated By-Law No. 1;

NOW THEREFORE BE IT PASSED AND MADE as an amended and restated by-law of the Corporation as follows:

ARTICLE 1 GENERAL

1.1 Definitions

In this By-Law and all other by-laws of the Corporation, unless the context specifically requires otherwise:

“Administrative Agreement” means the agreement so titled and entered into between Her Majesty the Queen in right of Ontario as represented by the Minister and the HCRA, as amended or replaced from time to time;

“Appointed Director” means a director who has been appointed to the Board by the Minister pursuant to section 12 of the NHCLA;

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

“By-Law” means this Amended and Restated By-Law No. 1, and any other by-law of the Corporation, that is from time to time, in force and effect;

“CEO” means the person appointed to the office of Chief Executive Officer (or other similar position as may be determined by the Board) pursuant to Section 9.2 of this By-Law.

“Chair” means the Chair of the Board;

“Corporation” or the **“HCRA”** means the corporation incorporated by Letters Patent dated April 25, 2018 under the Corporations Act with the Ontario corporation number 1994442;

“Corporations Act” means the Corporations Act, R.S.O. 1990, c. C.38;

“Designation of Authority” means the regulation under the NHCLA designating the HCRA as the regulatory authority under the NHCLA;

“Directors” means, collectively, the Appointed Directors and the Elected Directors and **“Director”** means any one of them;

“**Elected Director**” means a director of the Corporation named in the Letters Patent (and any appointed successor) and any director elected to the Board by the Members in accordance with this By-Law;

“**Initial Term**” means the period commencing on the effective date of the original By-Law No. 1 of the Corporation and ending on the date on which the first slate of Elected Directors is elected to the Board following the date of Designation of Authority;

“**Letters Patent**” mean the Letters Patent of the Corporation;

“**Licensee**” means the holder of a licence issued under NHCLA, and includes a director, officer, manager, or employee of a licensee;

“**Member**” means a person who becomes a member of the HCRA in accordance with Section 6.1;

“**Minister**” means the Minister of Government and Consumer Services or such other member of the Executive Council to whom responsibility for the NHCLA is assigned or transferred under the *Executive Council Act* (Ontario);

“**NHCLA**” means the New Home Construction Licensing Act, 2017, c. 33, Sched. 1;

“**Ordinary Resolution**” means a resolution passed by a majority of not less than fifty (50) per cent plus one (1) of the votes cast on that resolution by the Directors or Members, as the case may be, or by the consent in writing of all the Directors or Members entitled to vote thereon, as the case may be;

“**Registrar**” has the meaning given to it in subsection 35(1) of the NHCLA;

“**Special Resolution**” means a resolution passed by the Board and confirmed with or without variation by at least two-thirds (2/3) of the votes cast at a general meeting of Members of the Corporation duly called for that purpose, or in lieu of such confirmation, by the consent in writing of all the Members entitled to vote at such a meeting; and

“**Statutory Director**” means the director appointed pursuant to subsection 36(1) of the NHCLA.

1.2 Interpretation

This By-Law, unless the context otherwise requires, shall be construed and interpreted in accordance with the following:

- (a) all terms contained herein, and which are defined in the Corporations Act shall have the meanings given to such terms in the Corporations Act;
- (b) words importing the singular number shall include the plural and vice versa; and the word “**person**” shall include individuals, bodies corporate, corporations, companies, partnerships, syndicates, trusts, joint ventures, unincorporated organizations, and any number of aggregate persons; and

- (c) the headings used in the By-Law are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions thereof or to be deemed in any way to clarify, modify, or explain the effect of any such terms or provisions.
- (d) unless otherwise indicated, all references in this By-Law to any statute include the regulations thereunder and all applicable guidelines, policies, standards, directives and bulletins made in connection therewith and that are legally binding, in each case, as amended, re-enacted, consolidated or replaced from time to time and, in the case of any such amendment, re-enactment, consolidation or replacement, reference herein to a particular provision will be read as referring to such amended, re-enacted, consolidated or replaced provision.

ARTICLE 2 OBJECTS

2.1 Objects

The HCRA shall be carried on without purpose of gain for its Members, and all profits or other accreditations shall be used in promoting its objects. The objects of the HCRA are set out in its Letters Patent.

ARTICLE 3 HEAD OFFICE AND OPERATIONS

3.1 Acquire or Lease Premises

The Chair, with the approval of the Board, may acquire or lease office premises as are reasonably necessary in order to administer the activities and affairs of the HCRA.

3.2 Location of Head Office

The head office of the HCRA shall be located at such a place in Ontario as the Board shall from time to time determine.

3.3 Responsibility of Head Office

The establishment and operation of a head office for the HCRA shall be the responsibility of the Board.

3.4 Corporate Seal

The Corporation may have a corporate seal in the form approved from time to time by the Board. If a corporate seal is approved by the Board, the CEO of the Corporation shall be the custodian of the corporate seal.

ARTICLE 4 DIRECTORS

4.1 Duties and Number

The Board shall manage or supervise the management of the activities and affairs of the HCRA. The Board shall, among other things, ensure the performance by the HCRA of its obligations under each of the NHCLA, the Corporations Act and the Administrative Agreement.

The Board shall be comprised of nine (9) Directors but may be changed to such other number of Directors as is determined by Special Resolution from time to time, subject to the approval of the Minister.

4.2 Composition of the Board of Directors

The Board will be comprised of six (6) Elected Directors and three (3) Appointed Directors. In no event shall Appointed Directors constitute a majority of the Directors on the Board. Subject to Article 4.4 and 4.5, at least one (1) of the Elected Directors shall be a Licensee under the NHCLA. There shall not be more than three (3) Directors who are Licensees under the NHCLA.

4.3 Term of Office of Directors (Staggered Terms)

At the conclusion of the Initial Term:

- (a) two (2) of the Elected Directors shall be elected for a three-year term;
- (b) two (2) of the Elected Directors shall be elected for a two-year term; and
- (c) two (2) of the Elected Directors shall be elected for a one-year term.

The Board will make recommendations to the Members as to which proposed Director shall fill each of the terms set out above and the Members will elect persons in accordance with such staggered terms.

Thereafter, except where an election is held to fill the unexpired portion of a term, Elected Directors shall be elected for three-year terms.

The total consecutive years of service for an Elected Director may not exceed six years, excluding (for greater certainty):

- (i) any service as a Director prior to the date of this By-Law,
- (ii) any service as a Director during the Initial Term,
- (iii) any term of less than three years, and
- (iii) any portion of a term resulting from a vacancy on the Board in accordance with Section 4.5.

The Appointed Directors will be appointed for terms to be determined by the Minister and are appointed pursuant to the Minister's powers under the NHCLA. The Minister may reappoint such Appointed Directors at the Minister's pleasure.

4.4 Vacancies

The office of a Director shall automatically be vacated if:

- (a) the Director becomes bankrupt or suspends payments of debts generally or compounds with creditors or makes an authorized assignment or is declared insolvent;
- (b) the Director is found by a court of competent jurisdiction to be mentally incompetent or becomes of unsound mind;
- (c) the Director by notice in writing to the HCRA resigns from the Board, which resignation shall be effective at the time it is received by the Chair or at the time specified in the notice, whichever is later;
- (d) the Director is an Elected Director, the Board determines by Ordinary Resolution that the Director no longer satisfies the Competency Criteria;
- (e) in the case of an Elected Director and in the reasonable opinion of the Board, expressed by an Ordinary Resolution of the Board, the Director consistently fails to perform the duties reasonably required of a Director or has conducted themselves in a manner that disparages, discredits, embarrasses or brings into disrepute the HCRA;
- (f) in the case of an Elected Director that is a licensee, if the Director's licence is proposed to be or is suspended or revoked under the NHCLA, or if the Director is charged or convicted of an offence under the NHCLA, or is the subject of Discipline proceedings, a Compliance or Restraining Order or has been found to have contravened the Code of Ethics under the NHCLA;
- (g) if the Director is an Appointed Director, the Minister revokes the appointment; or
- (h) the Director dies.

4.5 Filling Vacancies

A vacancy related to an Elected Director during the term of such Director may be filled by the Board until the expiry of the term of such Elected Director. The replacement shall fill the vacancy at a time deemed appropriate by the Board. For the remainder of the term, that person is deemed to be an Elected Director. Notwithstanding the above, a vacancy related to an Elected Director who is a Licensee shall be filled by appointment by the Board as soon as practicable. Until such appointment takes effect, the requirement in Article 4.2 that at least one of the Elected Directors is a Licensee is not operative and does not invalidate any decision taken or resolution passed.

4.6 Executive Committee

If the Board so chooses, it may establish an executive committee to provide counsel to the HCRA and its Chair.

The executive committee shall be comprised of such Directors, one of which must be the Chair, as the Board may from time to time determine; provided that there will never be fewer than three (3) Directors on the executive committee. The Board may delegate to the executive committee any of the powers of the Board, subject to restrictions, if any, contained in the by-laws or imposed from time to time by the Board, and provided that any such delegation is in compliance with the Corporations Act.

Subject to the by-laws and any resolution of the Board, the executive committee may meet for the transaction of business, adjourn, and otherwise regulate its meetings as it sees fit and may from time to time adopt, amend, or repeal rules or procedures in that regard. Subject to the Corporations Act, the provisions of Article Five as they relate to the holding of meetings and the giving and waiving notice of notices of meetings shall apply with such necessary terminology changes to modify such provisions to the executive committee.

Any executive committee member may be removed as a member of the executive committee by a resolution of the Board. The Board shall by resolution establish the number of executive committee members required for a quorum for the transaction of business by the executive committee, the minimum number of which shall be two (2) executive committee members.

Each member of the executive committee shall have one (1) vote.

The executive committee shall report to the Board at each Board meeting on any and all actions taken by the executive committee in the name of the HCRA since the Board last met.

4.7 Standing Committees

Subject to the Corporations Act, the Board may by resolution from time to time establish and appoint any standing committees with such powers as the Board shall see fit. Unless the Board provides otherwise, the procedures of the Board shall apply for all standing committees other than the executive committee. Subject to the by-laws and any resolution of the Board, the standing committees may meet for the transaction of business, adjourn, and otherwise regulate their meetings as they see fit, and may from time to time adopt, amend, or repeal rules or procedures in that regard. Subject to the Corporations Act, the provisions of Article Five as they relate to the holding of meetings and the giving and waiving of notices of meetings shall apply with such necessary terminology changes to modify such provisions to the standing committees.

The Board may, by resolution, remove any standing committee member thereof. The Board shall by resolution establish the number of standing committee members required for a quorum for the transaction of business by the standing committee, the minimum number of which shall be two (2) standing committee members.

Each member of the standing committee shall have one (1) vote.

4.8 Ad Hoc Committees of the Board

The Board may from time to time, appoint one or more ad hoc or special committees with such powers as the Board shall see fit. Any such committee may formulate its own rules of procedure, subject to such resolutions as the Board may from time to time make. Any committee member may be removed by Ordinary Resolution of the Board. Terms of reference and the membership of each committee will be determined by the Board.

4.9 Finance, Audit and Risk Standing Committee

The Board shall establish, from among the Directors, a finance, audit, and risk standing committee. The Board shall appoint a minimum of three (3) Directors to the finance, audit and risk standing committee. One of those Directors will be designated as the chair of the finance, audit and risk standing committee. The finance, audit and risk standing committee shall perform such duties and have such powers as the Board may determine from time to time and shall report to the Board.

4.10 Governance, People and Culture Standing Committee

The Board shall establish, from among the Directors, a governance, people, and culture standing committee. The Board shall appoint a minimum of three (3) Directors to the governance, people and culture standing committee. One of those Directors will be designated as the chair of the governance, people and culture standing committee. The governance, people and culture standing committee shall perform such duties and have such powers as the Board may determine from time to time and shall report to the Board.

4.11 Advisory Councils and Task Forces

The Board may by resolution appoint one or more advisory councils or task forces for purposes and for any duration as may be established by the Board. Any such advisory council or task force will serve in an advisory capacity as the Board deems necessary or appropriate for such purposes, with terms of reference to be developed by the Board.

4.12 Compensation

The remuneration of Directors will be determined by the Members and will be consistent with the principles of remuneration for Ontario public appointments.

4.13 Expenses

The Directors, officers and employees shall be entitled to be paid their travel and other reasonable out-of-pocket expenses properly incurred by them in the performance of their duties in connection with the activities and affairs of the HCRA and in accordance with the Administrative Agreement.

ARTICLE 5 MEETINGS OF DIRECTORS

5.1 Board Meetings

Meetings of the Board may be held at any time and place to be determined by the Board provided that forty-eight (48) hours (excluding Saturdays, Sundays, and statutory holidays) written notice of such meeting shall be given by any method permitted in Section 15.1, other than posted mail, to each Director, unless all Directors waive notice of a meeting in writing. Notice by posted mail shall be sent at least ten (10) days prior to the meeting.

There shall be at least four (4) meetings per year of the Board. 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.

If the Chair consents thereto generally or in respect of a particular meeting (i) a meeting of the Board or a committee, advisory council or task force of the Board may be held entirely by means of a telephonic, electronic or other communication facility that permits all participants to communicate concurrently with each other during the meeting; or (ii) one or more individual Directors may participate in a meeting of the Board or of a committee, advisory council or task force of the Board by means of a telephonic, electronic or other communication facility that permits all participants to communicate concurrently with each other during the meeting. A Director who is participating in such a meeting by such means is deemed to be present at the meeting. Notwithstanding any other provision of this By-Law, any Director participating in a meeting pursuant to this Section 5.1 who is entitled to vote at that meeting may vote, in accordance with the Corporations Act, by means of any telephonic, electronic, or other communication facility that the HCRA has made available for that purpose. The Directors shall take such reasonable precautions as may be necessary to ensure that such communications facilities are secure from unauthorized interception or monitoring.

For the purposes of this Section 5.1, an exchange of e-mails to, or among, all Directors does not qualify as an electronic or other communication facility that permits all participants to communicate concurrently with each other. However, an exchange of e-mails to, or among, all Directors may be used as a basis to ascertain a consensus of the Directors on a decision or resolution between meetings of the Board, which to be effective must be ratified or confirmed by the Board: (a) at the next meeting of the Board held in accordance with this Section 5.1 and Section 5.5; or (b) by resolution in writing.

5.2 Calling Meetings

- (a) The Chair may call meetings of the Board;
- (b) The Secretary of the Board shall call a meeting of the Board if at least one-third (1/3) of the members of the Board so request it in writing; and
- (c) Notice requirements will be the same for regular meetings of the Board.

5.3 Adjournment

Any meeting of the Board may be adjourned from time to time by (i) the chair of the meeting, with the consent of the Directors or upon his or her own motion, or (ii) by any Director, with the consent of a majority of the Directors, in each case, to a fixed time and place. Notice of any adjourned meeting of the Board is not required to be given to the attending Directors if the time and place of the adjourned meeting is announced at the original meeting. Any Directors not in attendance at the original meeting will receive notice as required under Section 5.1. Any adjourned meeting shall be duly constituted if held in accordance with the terms of the adjournment and a quorum is present thereat. The Directors who formed a quorum at the original meeting are not required to form the quorum at the adjourned meeting. If there is no quorum present at the adjourned meeting, the original meeting shall be deemed to have terminated forthwith after its adjournment. Any business may be brought before or dealt with at any adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

5.4 Regular Meetings

The Board may appoint a day or days in any month or months for regular meetings of the Board at a place or hour to be named by the Board, and a copy of any resolution of the Board fixing the place and time of regular meetings of the Board shall be sent to each Director forthwith after being passed, but no other notice shall be required for any such regular meeting.

5.5 Quorum

Fifty per cent (50%) of the number of Directors of the Board constitutes a quorum. A quorum of Directors may exercise all the powers of the Board.

5.6 Voting

Each Director, including the Chair, is authorized to exercise one (1) vote. Decisions arising at any meeting of the Board shall be decided by a majority of votes. The Chair shall not have a casting or deciding vote. If the Chair is not present at a meeting of the Board, then the Director who is acting as chair of that meeting shall continue to have the authority to exercise one (1) vote.

5.7 Non-Directors Attendance at Board Meetings

With the consent of the Chair, the CEO, Statutory Director, Registrar and/or other HCRA employees may attend Board meetings as an advisor. With the consent of the Chair, observers may also attend Board meetings. Observers attending a Board meeting may be required to sign confidentiality agreements prior to the start of the meeting. The Chair may require that any observers, the CEO, Statutory Director, Registrar and/or other HCRA employees recuse themselves from any meeting of the Board in whole or part.

5.8 Transacting Business by Written Resolution

In lieu of a meeting of the Board, the Board may transact certain of its affairs as determined by the Board by consenting to a written resolution which is then signed by all Directors in one or more counterparts. Such written resolutions will be kept in the minute book of the HCRA, together with all minutes of meetings of the Board and the Members.

ARTICLE 6 MEMBERS

6.1 Members

Membership in the Corporation shall consist of persons who are Directors of the Corporation from time to time while they serve as Directors and such other persons who have been accepted into membership in the Corporation by Ordinary Resolution of the Board. This By-Law may be amended to change the conditions for membership in the HCRA.

6.2 Membership

A membership in the Corporation is not transferable and automatically terminates if the Member resigns, ceases to be a Director or such membership is otherwise terminated in accordance with the Corporations Act.

ARTICLE 7 MEMBERS' MEETINGS

7.1 Annual Meeting

The annual meeting of Members shall be held on a day and at a place within Ontario fixed by the Board. Any Member, upon request, shall be provided, not less than twenty-one (21) days before the annual meeting, with a copy of the financial statements, auditor's report and other financial information required by the by-laws or Letters Patent.

The business transacted at the annual meeting shall include:

- (a) receipt of the agenda;
- (b) receipt of the minutes of the previous annual and subsequent special meetings of Members;
- (c) consideration of the financial statements;
- (d) report of the auditor;
- (e) reappointment or new appointment of the auditor for the coming year;
- (f) election of Directors; and
- (g) such other special business as may be set out in the notice of the meeting.

No other item of business shall be included on the agenda for the annual meeting unless a Member's proposal has been given to the Secretary prior to the giving of notice of the annual meeting in accordance with the Corporations Act, so that such item of new business can be included in the notice of annual meeting.

7.2 Special Meetings

The Board may at any time call a special meeting of the Members. The Board shall convene a special meeting on written requisition of not less than twenty (20) per cent of the Members for any purpose connected with the affairs of the Corporation that does not fall within the exceptions set out in the Corporations Act or is otherwise inconsistent with the Corporations Act, within twenty-one (21) days from the date of the deposit of the requisition.

Other meetings of the Members may be convened by order of the Chair or CEO at any date and time and at any place within Ontario.

7.3 Notice

Subject to the Corporations Act, not less than ten (10) and not more than fifty (50) days' written notice of any annual or special Members' meeting shall be given in the manner specified in the Corporations Act to each Member and to the auditor, unless notice is waived by all of the Members in the case of a special Members' meeting convened by order of the Chair or CEO. Notice of any meeting where special business will be transacted must contain sufficient information to permit the Members to form a reasoned judgment on the decision to be taken. Notice of each meeting must remind the Member of the right to vote by proxy.

7.4 Quorum

A quorum for the transaction of business at a Members' meeting is a majority of the Members entitled to vote at the meeting, whether present in person or by proxy. If a quorum is present at the opening of a meeting of the Members, the Members present may proceed with the business of the meeting, even if a quorum is not present throughout the meeting.

7.5 Chair of the Meeting

The Chair shall be the chair of the Members' meeting. In the Chair's absence, the Members present at any Members' meeting shall choose another Director as chair and if no Director is present or if all the Directors present decline to act as chair, the Members present shall choose one of their number to chair the meeting.

7.6 Voting of Members

Business arising at any Members' meeting shall be decided by a majority of votes unless otherwise required by the Corporations Act or the by-laws, provided that:

- (a) each Member shall be entitled to one (1) vote at any meeting;
- (b) votes shall be taken by a show of hands among all Members present and the chair of the meeting, if a Member, shall have a vote;
- (c) an abstention shall not be considered a vote cast;
- (d) before or after a show of hands has been taken on any question, the chair of the meeting may require, or any Member may demand, a written ballot. A written ballot so required or demanded shall be taken in such manner as the chair of the meeting shall direct;
- (e) if there is a tie vote, the chair of the meeting shall require a written ballot, and there shall not be a second or casting vote. If there is a tie vote upon written ballot, the motion is lost; and
- (f) whenever a vote by show of hands is taken on a question, unless a written ballot is required or demanded, a declaration by the chair of the meeting that a resolution has been carried or lost and an entry to that effect in the minutes shall be conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the motion.

7.7 Adjourments

The Chair may, with the majority consent of any Members' meeting, adjourn the same from time to time and no notice of such adjournment need be given to the Members, unless the meeting is adjourned by one or more adjournments for an aggregate of thirty (30) days or more. Any business may be brought before or dealt with at any adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

7.8 Persons Entitled to be Present

The only persons entitled to attend a Members' meeting are the Members, the Directors, the auditors of the Corporation and others who are entitled or required to attend under any provision of the Corporations Act, the Letters Patent, or the by-laws to be present at the meeting. Any other person may be admitted only if invited by the Chair of the meeting or with the consent of the majority of Members present at the meeting.

Pursuant to the Administrative Agreement, the annual meeting of Members shall be open to the public and the Board shall make reasonable efforts to inform the general public of the annual meeting of members.

7.9 Transacting Business by Written Resolution

In lieu of a meeting of the Members, other than the annual meeting of Members, the Members may transact certain of its affairs as determined by the Members by consenting to a written resolution which is then signed by all Members in one or more counterparts. Such written resolutions will be kept in the minute book of the HCRA, together with all minutes of meetings of the Board and the Members.

ARTICLE 8 POWERS OF DIRECTORS

8.1 Board's Mandate

The Board shall manage or supervise the management of the activities and affairs of the HCRA. Without limiting the generality of the foregoing sentence, but, subject to any limitations in the Act, or the Corporations Act, the Board has the authority and responsibility to govern and manage the operation of the Corporation in accordance with this By-Law.

8.2 Election, Term and Duties of the Chair

The Chair may be appointed by the Minister pursuant to the NHCLA. If the Minister does not so appoint a Chair from among the Directors, the Chair shall be elected or confirmed by the Directors on an annual basis from among the current Directors, at the first meeting of the Board following the annual meeting of Members.

The duties of the Chair shall include, but not be limited to, ensuring that the objects of the HCRA are fulfilled, and that policies, priorities, and goals, as established by the Board, are attended to in accordance with the by-laws. The Chair is the principal spokesperson for the Board. The Chair shall be the person to whom the CEO reports on matters arising between

meetings of the Board. The Chair shall provide to the CEO such direction as may be required from time to time, provided that such direction is consistent with the policies and rules established by the Board and in accordance with the NHCLA and the Administrative Agreement. The Chair shall, when present, preside at all meetings of the Board and shall attend to such duties and responsibilities as may be assigned to the Chair by the Board from time to time.

8.3 Election, Term and Duties of the Vice-Chair

The Vice-Chair, if one is appointed, may be elected from among the current Directors in order to fill in for the Chair during temporary absences. If the Chair is absent or unable or refuses to act, the Vice-Chair of the Board, if any, shall when present, preside at all meetings of the Board. The election or confirmation of the Vice-Chair shall occur on an annual basis from among the current Directors at the first meeting of the Board following the annual meeting of the Members.

8.4 Expenditures

The Board shall have the power to authorize expenditures on behalf of the HCRA for the purpose of furthering the objects of the HCRA.

Without limiting the authority of the Board, the Board may delegate, by resolution, to an officer or officers of the HCRA, the right to employ and pay salaries to employees of the HCRA or to authorize such other expenditures as may be approved by the Board.

8.5 Borrowing Power

The Board may from time to time:

- (a) borrow money on the credit of the HCRA;
- (b) limit or increase the amounts to be borrowed;
- (c) issue, sell or pledge debt obligations (including bonds, debentures, notes or other like liabilities whether secured or unsecured) of the HCRA;
- (d) charge, mortgage, hypothecate or pledge all or any currently owned or subsequently acquired real or personal, movable, or immovable property of the HCRA, including book debts, rights, powers, and undertakings, to secure any debt obligations or any money borrowed, or other debt or liability of the HCRA; and
- (e) delegate the powers conferred on the Board under this paragraph to such officer or officers of the HCRA and to such extent and in such manner as the Directors shall determine.

The powers hereby conferred by this Section 8.5 shall be deemed to be in supplement of and not in substitution for any powers to borrow money for the purposes of the HCRA possessed by the Board or officers of the HCRA independently of this By-Law.

8.6 Agents and Employees

The Board may assign to the CEO the power to appoint such agents and engage such employees as the CEO 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 CEO at the time of such appointment. The remuneration and terms of employment of all agents and employees shall, subject to the other provisions of the by-laws, be fixed by the CEO with the approval of the Board.

ARTICLE 9 OFFICERS

9.1 Appointment

The Board will appoint a Chair if the Minister does not appoint a Chair pursuant to the NHCLA. The Board will appoint Chief Executive Officer (CEO) or equivalent executive position and a Secretary, and may appoint a Treasurer and Vice Chair and such other officers as it may require and may, if necessary, revoke such appointment. Both the Chair and Vice Chair shall be Directors and Members of the HCRA. The Secretary and Treasurer may be Directors and Members. None of the other officers shall be Directors or Members. The Board may from time to time appoint such other officers and agents as it shall deem necessary who shall have such authority and shall perform such duties as may from time to time be prescribed by the Board and may revoke such appointments. The duties of the officers shall include the following and such other duties as may be assigned by resolution of the Board.

9.2 Duties of the Chief Executive Officer

The Board will appoint the CEO for a term to be determined by a resolution approved by the majority of the Board. The CEO shall be responsible for the day to day operations and performance of the HCRA, serving as the main link between the Board and the rest of the organization, and such other duties as may be assigned by the Board from time to time. The CEO shall not be a member of the Board.

9.3 Duties of the Secretary

The Secretary shall give or cause to be given notices for all meetings of the Board or committees of Directors, if any, and Members when directed to do so and shall have charge of the minute books of the HCRA and of the documents and registers as well as other such duties as may be determined by the Board from time to time.

9.4 Duties of the Treasurer

If appointed, the Treasurer shall have such powers and duties as the Board may specify and will attend to the financial matters and accounting of the HCRA.

9.5 Vacancies

Notwithstanding the foregoing, each incumbent officer appointed by the Board, shall continue in office until the earlier of that officer's:

- (a) resignation, which resignation shall be effective at the time the written resignation is received by the Chair or at the time specified in the resignation, whichever is later;
- (b) removal in accordance with Section 9.5 and the appointment of a successor; or
- (c) death.

If the office of any officer of the HCRA shall be or become vacant, the Board may, by resolution, in accordance with the requirements of the Corporations Act, appoint a person to fill such vacancy for the duration of the term.

9.6 Removal of Officers

Any officer, other than the Chair if appointed by the Minister, shall be subject to removal by a majority vote on a resolution by the Board at any time, with or without cause.

9.7 Duties of Officers May be Delegated

In case of the absence or inability to act of any officer of the HCRA or for any other reason that the Board may deem sufficient, the Board may authorize the delegation of all or any of the powers of any such officer to any other officer or to any Director for such time as the Board may determine.

9.8 Powers

All officers shall sign such contracts, documents, or instruments in writing as require their respective signatures and shall respectively have and perform all powers and duties incident to their respective offices and such other powers and duties respectively as may from time to time be assigned to them by the Board.

ARTICLE 10 STATUTORY APPOINTMENTS

10.1 Statutory Director

As provided in subsection 36(1) of the NHCLA, the Board shall appoint a director and may appoint one or more deputy directors. The director or deputy director(s) shall not:

- (a) be a member of the Board unless the Board has approved guidelines providing for the independent exercise of the director's statutory duties;
- (b) be a registrar or deputy registrar under the NHCLA;
- (c) hold a position in the HCRA that is subordinate to the registrar or deputy registrar;
- (d) be a licensee under the NHCLA.

10.2 Registrar

As provided for in subsection 35(1) of the NHCLA, the Board shall appoint a registrar and may appoint one or more deputy registrars. The registrar and any deputy registrar(s) shall be employees of the HCRA and shall not be:

- (a) a member of the Board;
- (b) a director or deputy director under the NHCLA;
- (c) an employee or director of a trade association representing the interests of the regulated sector;
- (d) a licensee under the NHCLA.

10.3 Independent Decision-Making

The HCRA acknowledges that the director and registrar under the Act, any deputy or deputies and any other statutory appointments thereof exercise statutory duties that require independent decision-making and, for that purpose, the HCRA agrees that the Board shall not interfere with the independent exercise of these statutory responsibilities but may review the manner in which those responsibilities are carried out, consistent with the Board's corporate and regulatory governance responsibilities.

ARTICLE 11 PROTECTIONS FOR DIRECTORS AND OFFICERS

11.1 For the Protection of Directors and Officers

Except as otherwise provided in the Corporations Act, no Director or officer of the HCRA shall be liable for:

- (a) the acts, receipts, neglects or defaults of any other Director or officer or employee;
- (b) any loss, damage or expense incurred by the HCRA through the insufficiency or deficiency of title to any property acquired by the HCRA or for or on behalf of the HCRA;
- (c) the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to the HCRA shall be placed out or invested;
- (d) any loss or damage arising from the tortious act of any person or corporation including any person or corporation with whom or with which any monies, securities or effects shall be lodged or deposited;
- (e) any loss, conversion, misapplication, or misappropriation of or any damage resulting from any dealings by others with any moneys, securities or other assets belonging to the HCRA; or
- (f) any other loss, damage or misfortune that may happen in the execution of the duties of the Directors' or officer's respective office or trust or in relation thereto,

unless the same shall happen by or through the Director's or officer's own dishonesty, negligence, or wilful misconduct.

11.2 Indemnities to Directors and Officers

Every Director or officer of the HCRA and their heirs and legal personal representatives shall be indemnified and saved harmless against and from any losses, costs, damages, expenses and liabilities of whatsoever kind, including amounts paid to settle an action or to satisfy a judgment and including all legal fees and other expenses (a "claim" or collectively, the "claims") which the Director or officer may sustain or become the subject to by reason of being or having been a Director or officer of the HCRA, but this indemnity does not apply with respect to claims:

- (a) arising from any circumstances for which coverage is provided under an insurance policy or claims fund to the extent that the Director or officer is indemnified or covered under such policy or fund;
- (b) arising out of circumstances in which the Director or officer did not act in the performance of or intended performance of the Director's or officer's duties as a Director or officer of the HCRA; or
- (c) brought about or contributed to by the Director's or officer's fraud or wilful misconduct if there is a judgment or other final adjudication adverse to the Director or officer which establishes that there was fraud or wilful misconduct on the Director's or officer's part which was material to the cause of action as adjudicated.

ARTICLE 12 CODE OF CONDUCT AND CONFLICT OF INTEREST

12.1 Requirement for a Code of Conduct

The Board shall adopt a binding code of conduct for the Board members to prevent the possibility of any Board member advancing his or her personal or business interests, or the interests of another person or organization, ahead of the interests of the HCRA. The code of conduct for Board members, as it may be amended from time to time, is subject to the approval of the Minister. Upon approval by the Minister, such code shall be attached to the Administrative Agreement as Schedule "D".

12.2 Conflict of Interest

A Director who is directly or indirectly interested in a contract or transaction or proposed contract or transaction with the HCRA shall make the disclosure required by the Corporations Act. Except as provided by the Corporations Act, no such Director shall attend any part of a meeting of the Board or vote on any resolution to approve such contract or transaction.

ARTICLE 13 EXECUTION OF INSTRUMENTS

13.1 Execution of Instruments

Contracts, documents, or any instruments in writing, requiring the signature of the HCRA may be signed by any two (2) Directors and all contracts, documents and instruments in writing so signed shall be binding upon the HCRA without any further authorization or formality. The Board shall have the power from time to time by resolution to also delegate these powers to one (1) Director and the CEO or appoint any officer or officers or any person or persons on behalf of the HCRA to sign specific contracts, documents, or instruments in writing.

The term “**contracts, documents or instruments in writing**” as used in this By-Law shall include but not be limited to deeds, mortgages, hypothecs, charges, conveyances, transfers, and assignments of property real or personal, immovable or movable, agreements, releases, receipts, and discharges for the payment of money or other obligations, conveyances, transfers, and assignments of shares, share warrants, stocks, bonds, debentures or other securities and all paper writings.

ARTICLE 14 CHEQUES, DRAFTS, NOTES, ETC.

14.1 Cheques, Drafts, Notes, Etc.

All cheques, drafts, or orders for the payment of money and all notes and acceptances and bills of exchange shall be signed by such officer or officers or person or persons, whether or not officers of the HCRA and in such manner as the Board may from time to time designate by resolution.

ARTICLE 15 NOTICES

15.1 Service

Unless provided otherwise in the by-laws, any notice or other document required by the Corporations Act or the by-laws to be sent to any Director, Member or to the auditor shall be delivered personally or sent by prepaid mail or by electronic mail or facsimile to any such Director or Member at their latest address as shown in the records of the HCRA and to the auditor at its business address, or if no address be given therein then to the last address of such Director or Member known to the Secretary or by such other methods of service as the Board may by resolution direct; provided always that notice may be waived or the time for the notice may be waived or abridged at any time with the consent in writing of the person or corporation entitled thereto, which consent may be sent to the HCRA by electronic mail or facsimile.

15.2 Signature to Notices

The signature of any Director or officer of the HCRA to any notice or document to be given by the HCRA may be written, stamped, typewritten or printed or partly written, stamped, typewritten or printed.

15.3 Computation of Time

Where a given number of days' notice or notice extending over a period is required to be given under the by-laws of the HCRA, the day of service or posting of the notice shall not, unless it is otherwise provided, be counted in such number of days or other period.

15.4 Proof of Service

With respect to every notice or other document sent by post it shall be sufficient to prove that the envelope or wrapper containing the notice or other document was properly addressed as provided in Section 15.1 and put into an office or letter box of Canada Post Corporation. With respect to every notice or other document sent electronically or by electronic mail or facsimile or by such other methods of service as the Board may by resolution direct, it shall be sufficient to prove that such notice was sent from the HCRA. A certificate of an officer of the HCRA, indicating that the envelope or notice of transmission or receipt was properly addressed shall be conclusive evidence of the delivery thereof and shall be binding on every Director, officer, or auditor of the HCRA as the case may be.

15.5 Giving Notice

No error or omission in the giving of notice to any person entitled thereto, and no non-receipt of such notice, shall invalidate any decision taken or resolution passed thereat.

ARTICLE 16 POLICIES

16.1 Policies

The Board may by resolution make or prescribe such policies or rules not inconsistent with the by-laws, the Administrative Agreement or applicable law relating to the management and operation of the HCRA and such other matters as in any way relate to the HCRA, its objects or the conduct of its affairs.

ARTICLE 17 BY-LAWS

17.1 By-laws

Subject to the Corporations Act, the Board may from time to time enact or amend or repeal by-laws relating in any way to the management of the HCRA and for the conduct and administration of the HCRA's activities and affairs.

17.2 Minister's Approval

In accordance with the Administrative Agreement, the HCRA shall obtain the Minister's prior approval of any change in the by-laws respecting Board composition, the selection criteria, selection process and term of office of its Board members prior to the Board's final approval of any such amendments.

17.3 Available to the Public

The HCRA shall make the by-laws and any change thereto available to the public, on its website and by any other means that the HCRA determines, within the time prescribed by regulation made under the NHCLA or within thirty (30) days after the by-laws are made by the Board if no time is prescribed in regulation.

17.4 Amendment

The Board may, by resolution and with any required Member approval, amend or repeal any by-laws that regulate the activities or affairs of the HCRA. Any such by-law, amendment or repeal shall be effective from the date of the resolution of the Board.

**ARTICLE 18
AUDITOR**

18.1 Auditor

The Members shall at each annual meeting of Members appoint an auditor to audit the accounts of the HCRA who shall hold office until the next following annual meeting; provided, however, that the Members may fill any vacancy in the office of the auditor. Regardless of the length of the term of appointment, the Members will continue to have the authority to change and/or renew the auditor on a yearly basis. The maximum period for a firm to be appointed and reappointed by the HCRA as its auditor is ten (10) years. The appointed auditor shall provide a report to the Directors on the audited accounts of the HCRA at a time determined by the Board, to be reviewed and approved by the Board prior to its inclusion in the Annual Report which is to be made public at the next annual meeting of Members following the auditor's appointment. The remuneration of the auditor shall be fixed by the Board.

**ARTICLE 19
FINANCIAL YEAR**

19.1 Financial Year

The financial year of the HCRA shall terminate on the 31st day of March in each year or on such other date as the Directors may from time to time by resolution determine.

**ARTICLE 20
GENERAL**

20.1 By-Law Interpreted According to the Law of Ontario

This By-Law shall be interpreted according to the laws of the Province of Ontario.

20.2 Presumptions in By-law

Where appropriate in the circumstances, this By-Law may be read with changes of gender or number presumed, unless such presumption patently changes the intended meaning of the By-law.

20.3 Severability

If any provision of this By-Law is determined to be void or illegal, such finding shall not affect the balance of this By-Law.

20.4 Amendment and Restatement

With effect as of the date hereof, this Amended and Restated By-Law No. 1 amends and restates in full and supersedes the original By-Law No. 1.

The amendment and restatement of any by-law of the Corporation, in whole or in part, shall not in any way affect the validity of any act done or right, privilege, obligation or liability acquired or incurred thereunder prior to such amendment and restatement. All directors, officers and other persons acting under any by-law amended or restated, in whole or in part, shall continue to act as if elected or appointed under the provisions of this amended and restated By-Law.

DATED as of February 1, 2021.