



TICO's By-Law No. 1 has been amended to comply with Ontario's Not-for-Profit Corporations Act, 2010. The amended By-Law No. 1 has been approved by the TICO Board of Directors for confirmation by members at the 2024 Annual Meeting.

TRAVEL INDUSTRY COUNCIL OF ONTARIO

(hereinafter referred to as the "Corporation")

BY-LAW NO. ONE

ARTICLE 1: NAME AND LOGO

- 1.1 The Corporation shall be known as "Travel Industry Council of Ontario" or "TICO".
- 1.2 The Board shall be entitled to adopt, by majority vote from time to time, such logo or other graphic representation of the name or purpose of the Corporation as it sees fit.

ARTICLE 2: DEFINITIONS

- 2.1 In these By-Laws unless the context otherwise specifies or requires and subject to Article 2.2, the following terms shall have the following meanings:
 - (a) "Act" means the *Travel Industry Act, 2002*, S.O. 2002, c. 30, Sched. D and the regulations passed pursuant to it from time to time, all as amended from time to time, and any statute substituted therefor.
 - (b) "Administrative Agreement" means the written agreement dated April 28, 2022 between the Minister and the Corporation and all amendments or successors thereto.
 - (c) "Advisory Council" means the Advisory Council established pursuant to Article 11.3.
 - (d) "Annual Report" means the annual report of the Corporation as provided for in section 8 and Schedule "E" of the Administrative Agreement.
 - (e) "Appointed Director" means a Director appointed by the Minister pursuant to the SCSAA .

- (f) "Articles" means any instrument that incorporates the Corporation or modifies its incorporating instrument, including articles of incorporation, restated articles of incorporation, articles of amendment, articles of amalgamation, articles of arrangement, articles of continuance, articles of dissolution, articles of reorganization, articles of revival, letters patent, supplementary letters patent or special act;
- (g) "Board" means the board of directors of the Corporation.
- (h) "By-Law" means any by-law of the Corporation from time to time in force and effect, and "By-Laws" has a corresponding meaning.
- (i) "Chair" means the chair of the Board;
- (j) "Code of Conduct" regarding Registrant Members means the Code of Conduct referred to in Article 13.1.
- (k) "Code of Conduct for Directors" means the Code of Conduct for Directors referred to in Article 13.3.
- (l) "Director in Good Standing" shall have the meaning ascribed to that term in Article 6.14.
- (m) "Director Member" means a director of the Corporation described in Article 3.3.
- (n) "Elected Director" means a director of the Corporation elected by the Registrant Members.
- (o) "Industry Elected Directors" shall have the meaning ascribed to that term in Article 5.3(c)(II));
- (p) "Member" means a Director Member or a Registrant Member.
- (q) "Minister" means the cabinet minister responsible for the Ministry.
- (r) "Ministry" means the Ministry responsible for the Act or the SCSAA as the case may be.
- (s) "Officer" means an officer of the Corporation referred to in Article 8 or Article 9.
- (t) "ONCA" means the Ontario *Not-for-Profit Corporations Act, 2010* and the regulations passed pursuant to it from time to time, all as amended from time to time, and any statute substituted therefor;
- (u) "Ordinary Resolution" means a resolution passed at a meeting of the Members by at least a majority of the votes cast.
- (v) "Person" means an individual, proprietorship, partnership, incorporated company, joint venture or other legally recognized entity.
- (w) "Public Elected Directors" shall have the meaning ascribed to that term in Article 5.3(c)(III));

- (x) "Registrant" means a Person registered as a Travel Agent or Travel Wholesaler pursuant to the Act.
- (y) "Registrant Member" means a member of the Corporation as referred to in Article 3.1 and who has met the requirements in Article 3.2.
- (z) "Representative" means the individual selected from time to time by a Registrant Member to represent it in all regards with respect to the Corporation, whose selection shall be the responsibility of the Registrant Member.
- (aa) "SCSAA" means the *Safety and Consumer Statutes Administration Act, 1996*, S.O. 1996, c. 19 and the regulations passed pursuant to it from time to time, all as amended from time to time, and any statute substituted therefor.
- (bb) "Special Resolution" means a resolution passed by the Board and submitted to a special meeting of the Members of the Corporation duly called for the purpose of considering the resolution and passed at the meeting, with or without amendment, by at least two-thirds (2/3) of the votes cast.
- (cc) "Telephonic or Electronic Means" means any means that uses the telephone or any other electronic or other technological means to transmit information or data, including telephone calls, voice mail, fax, email, an automated touch-tone telephone system, computer or computer networks.
- (dd) "Travel Agent" shall have the same meaning as in the Act.
- (ee) "Travel Wholesaler" shall have the same meaning as in the Act.
- (ff) "Vice-Chair" means the vice-chair of the Board.

2.2 In these By-Laws, the meanings of terms which are used in these By-Laws and defined in the Act shall be those meanings attributed to those terms in the Act as it may be amended from time to time, and the meaning of any term or provision in this By-Law which is affected by the meaning of a term which is defined in the Act shall be deemed to be amended in the event that such term defined in the Act is amended from time to time.

ARTICLE 3: VOTING MEMBERSHIP

3.1 There shall be two (2) classes of membership in the Corporation, being:

- (a) Registrant Members, and
- (b) Director Members,

which together shall be referred to as "Members".

3.2 A Registrant Member shall be a Registrant in good standing in all respects.

3.3 A Director on the Board shall by virtue of that office be a Director Member. Status as a Director Member shall be conferred automatically upon any individual who is selected as a Director.

- 3.4 Status as a Director Member shall be terminated upon:
- (a) the Director Member ceasing to be a Director on the Board;
 - (b) termination of such Director Member's status as a Director in Good Standing of the Corporation as described in Article 6.14;
 - (c) the death of the Director Member;
 - (d) the Director Member:
 - (i) having the status of a bankrupt; or
 - (ii) being a person who has been found under the *Substitute Decisions Act, 1992* (or its successor) or under the *Mental Health Act* (or its successor) to be incapable of managing property; or
 - (iii) being a person who has been found to be incapable by any court in Canada or elsewhere;
 - (e) other than for Appointed Directors, the termination of the membership of the Registrant Member with which the Director is associated (if applicable);
 - (f) the receipt by the Chair or the Chief Executive Officer of the Director Member's written resignation as such;
 - (g) other than for Appointed Directors, the receipt by the Board of the Director Member's resignation as such which the Director Member will be deemed to have submitted one (1) month after the termination of all or substantially all of the relationship between the Director Member and the Registrant Member with which the Director Member was associated, (if applicable); or
 - (h) other than for Appointed Directors, a Director Member failing, or refusing to attend at least three-quarters (3/4) of the meetings of directors held in any twelve (12) month period of their term.
- 3.5 An application to become a Registrant Member shall be granted to any Person who:
- (a) is a Registrant, and
 - (b) has not had such membership terminated, without subsequent reinstatement, pursuant to the provisions of this By-Law.
- 3.6 Status as a Registrant Member is not transferable, except in accordance with the Act.
- 3.7 Status as a Registrant Member shall be terminated upon the:
- (a) death, incompetency, bankruptcy, dissolution, winding-up or other termination of the legal existence of the Person, which is the Registrant Member,
 - (b) expiry, lapse, revocation, voluntarily termination, suspension or other termination of the Registrant Member's status as Registrant under the Act or this By-Law,

provided that if such status is suspended, Registrant Membership shall be reinstated once the period of suspension has expired and any other conditions to reinstatement have been satisfied.

For greater certainty, a Registrant Member who is suspended shall be deemed not to be in good standing.

- 3.8 A Registrant Member shall be notified in writing of any registration, annual or other fee at any time payable in respect of its status as a Registrant or as a Registrant Member. All of such fees shall be set from time to time by the Board, and shall be paid on or before such date as the Board shall decide. Failure to pay such fees shall constitute a default which terminates membership in the Corporation.
- 3.9 Any Registrant Member whose membership in the Corporation is terminated by any means shall not be entitled to a refund.
- 3.10 The Corporation may from time-to-time issue to Registrant Members such cards, certificates and other forms of identification as the Board may by resolution approve.
- 3.11 Members shall meet at least once in every calendar year, at such time as the Board deems appropriate, and at such other times as are deemed by the Board to be necessary. In addition, the Board shall call a meeting of Members within twenty-one (21) days of receipt, by the Chair or Vice-Chair, of a written request for such meeting, signed by at least ten per cent (10%) of the Members. Such meetings shall be held anywhere in Ontario as determined by the Board and shall be called upon notice to all Members of at least thirty (30) days but not more than fifty (50) days.
 - 3.11.1 A meeting of the Members may be held by Telephonic or Electronic Means, or by a hybrid of these means and in-person such that all persons entitled to attend the meeting are able to reasonably participate. A Member who by Telephonic or Electronic Means votes at or attends the meeting is deemed to be present at the meeting.
 - 3.11.2 Any Member participating in a meeting of Members and entitled to vote at that meeting, may vote and that vote may be held, by means of the Telephonic or Electronic Means that the Corporation has made available for that purpose. A vote at a Members' meeting may be conducted entirely by one (1) or more Telephonic or Electronic means or by a combination of one (1) or more Telephonic or Electronic means and voting in person.
- 3.12 Notice as aforesaid shall be given in the manner set forth in Article 12.7. Notice of any meeting at which special business is to be transacted shall contain sufficient information as to permit the Members generally to form a reasoned judgment on the matter in issue. In addition, reasonable effort shall be made to provide to the general public notice of the time, date, and place of each meeting of Members. Any person entitled to notice of a meeting of Members shall be entitled to waive such notice. Attendance by a Member at a meeting shall be deemed to constitute waiver of notice except where such person attends for the sole and express purpose of objecting to the transaction of business thereat on the grounds that the meeting is not lawfully called.
- 3.13 The quorum for the transaction of business at any meeting of Members (unless a greater number is required by the Articles or the applicable legislation) shall be five (5) Members. Proxies shall be allowed if written and properly authorized in the sole and unappealable

opinion of the chair of the meeting. No business shall be transacted unless the requisite quorum is present at that time.

- 3.14 At the annual meeting of Members, the Members shall be entitled to:
- (a) receive any report and statement required by law to be laid before Members,
 - (b) elect such Elected Directors as are to be elected thereat,
 - (c) appoint auditors for the Corporation, and authorize the Board to fix the remuneration therefor,
 - (d) approve of any amendment to this By-Law according to the process set forth herein, and
 - (e) transact such other business as may be properly brought before the meeting.
- 3.15 A Member entitled to vote at an annual meeting of Members may give the Corporation notice of any matter that the Member proposes to raise at the meeting (referred to as a "proposal") in accordance with the ONCA.
- 3.16 Each Registrant Member who has paid all requisite fees and who is in good standing shall be entitled to one (1) vote, in person or by proxy, for each registration held, on every question submitted.
- Each Director Member shall be entitled to one (1) vote, in person or by proxy, on every question submitted.
- 3.17 Subject to this By-Law, voting shall be conducted by a show of hands unless a poll or a secret ballot is requested by any Member. A request for a poll may be withdrawn. Regardless of the manner by which the vote is conducted, the declaration of an outcome by the chair of the meeting shall be recorded in the minutes and shall be conclusive evidence of the fact. Numbers, percentages, abstentions and the identity of those opposed may but do not need to be recorded.
- 3.18 Unless otherwise specified by law or in this By-Law, a vote of a majority of those voting shall be required in order that a motion pass.
- 3.19 In the case of an equality of votes, the chair of the meeting shall have a casting vote.
- 3.20 The Chair, or in the Chair's absence, the Vice-Chair, or in the absence of both the Chair and the Vice-Chair, such other individual as is identified by the Members, shall serve as chair of meetings of Members.
- 3.21 A Member may appoint a proxyholder. A proxy shall be in writing, shall be in favour of a Representative, another Registrant Member or its Representative, or a Director Member and shall be executed by the Member entitled to vote or the Member's attorney authorized in writing or, if the Member is a body corporate, by an officer or attorney thereof duly authorized. A proxy is valid only at the meeting of the Members for which it is given or, if that meeting is adjourned, at the meeting or meetings that continues or continue the

adjourned meeting. A proxy which has not been dated shall be deemed to bear the date on which it is received by the Corporation.

A proxy may be in the form prescribed by the Board from time to time in accordance with ONCA.

In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Member or by the Member's attorney authorized in writing or, if the Member is a corporation, by an officer or attorney thereof duly authorized, and deposited either at the registered office of the Corporation at any time up to and including the last business day preceding the day of the meeting, or any adjournment thereof, at which the proxy is to be used or with the chair of such meeting on the day of the meeting, or any adjournment thereof, and upon either of such deposits the proxy is revoked.

The Board may from time to time:

- (a) by resolution fix a time not exceeding forty-eight (48) hours, excluding Saturdays and holidays, preceding any meeting or adjourned meeting of Members before which time proxies to be used at the meeting must be deposited with the Corporation or an agent thereof; and
 - (b) make regulations regarding the depositing of proxies at some place or places other than the place at which a meeting or adjourned meeting of Members is to be held, and for particulars of such proxies to be deposited by Telephonic or Electronic Means or in writing before the meeting or adjourned meeting to the Corporation, and providing that proxies so deposited may be voted upon as though the proxies themselves were produced at the meeting or adjourned meeting and votes given in accordance with such regulations shall be valid and shall be counted. The chair of any meeting of Members may, subject to any regulations made as aforesaid, in the chair's discretion accept communication sent by Telephonic or Electronic Means or written communication as to the authority of any person claiming to vote on behalf of and to represent a Member, notwithstanding that no proxy conferring such authority has been deposited with the Corporation, and any votes given in accordance with such communication by Telephonic or Electronic Means or written communication accepted by the chair of the meeting shall be valid and shall be counted.
- 3.22 The persons entitled to be present at a meeting of the Members shall be the Members, the Officers and the auditors of the Corporation and others who are entitled or required under any provision of the Act, ONCA, the Articles, the By-Laws or the Administrative Agreement to be present at the meeting. Any other individual may be admitted as determined from time to time by the Board or on the invitation of the Chair of the meeting or with the consent of the meeting.
- 3.23 All meetings of the Members shall be conducted in accordance with the rules of order set out in Robert's Rules of Order, as revised, amended or supplemented from time to time, provided that if any such rule of order conflicts with the provision of the Act, ONCA, the Articles or the By-Laws, the provision set out in the Act, ONCA, the Articles or the By-Laws shall govern and prevail.

- 3.24 The chair of the meeting shall be entitled, with consent of the meeting or upon the chair's own motion, to adjourn any meeting of Members to a fixed time and place. No further notice of such adjourned meeting shall be required unless the new date is more than thirty (30) days thereafter. For all purposes, the adjourned meeting shall be treated as if it were the original meeting.

ARTICLE 4: PROCESSING OF MEMBERSHIP APPLICATIONS

- 4.1 The Board shall from time to time determine procedures, timetables, application forms, and so forth respecting all categories of membership in the Corporation.
- 4.2 The Secretary shall maintain a roll of all Members in all categories of membership, which shall include but not be limited to each Member's name, address, Representative, and category of membership.

ARTICLE 5: BOARD OF DIRECTORS

- 5.1 Except to the extent that such power and authority is, by the Act, the SCSAA, ONCA, the Administrative Agreement or the Articles, conferred upon or reserved by the Members, the affairs of the Corporation shall be managed by the Board.
- 5.2 This By-Law is subject to any orders of the Minister made under the SCSAA. The Corporation shall amend this By-Law as necessary to comply with any order of the Minister.
- 5.3 The Board shall be comprised of nine (9) Directors as follows:
- (a) No more than thirty-four per cent (34%) of the Directors on the Board shall be drawn from among any of the following classes of persons:
 - (i) Travel Agents.
 - (ii) Travel Wholesalers.
 - (iii) Individuals who are directors, officers, employees or agents of Travel Agents or Travel Wholesalers.
 - (iv) individuals who are directors, officers, employees, members or agents of an industry association representing the interests of Travel Agents or Travel Wholesalers.
 - (v) individuals who within the one-year period before becoming a Director of the Board met the description in any of the clauses (i) through (iv).
 - (b) For clarity, the thirty-four per cent (34%) in (a) is calculated with reference to the full nine (9) member Board even if some positions are vacant.
 - (c) The nine (9) member Board will include Appointed Directors and Elected Directors as follows:
 - I. individuals appointed at pleasure by the Minister, who may include representatives of consumer groups, business, government organizations,

or such other interests as the Minister determines, and who may not constitute a majority of the Board.

- II. subject to Article 5.3 (a), up to three (3) Directors elected from the travel industry by Registrant Members pursuant to the provisions of Article Six (“Industry Elected Directors”). Industry Elected Directors shall be drawn from among any of the following classes of persons:
 - i. Travel Agents.
 - ii. Travel Wholesalers.
 - iii. individuals who are directors, officers, employees or agents of Travel Agents or Travel Wholesalers.
 - iv. individuals who are directors, officers, members or agents of an industry association representing the interests of Travel Agents or Travel Wholesalers.
 - v. individuals who within the one-year period before becoming a Director of the Board met the description in any of clauses (i) through (iv).
- III. the balance elected from the general public by Registrant Members (“Public Elected Directors”).

(d) No person may sit as a member of the Board while the person is an employee of a trade association representing the interests of the regulated industry in accordance with subsection 7.1 (4) of the Administrative Agreement.

5.4 The Board shall meet with such regularity, and on such days and in such locations, as may be determined by the Board or pursuant to Article 5.5. In the event that the Board establishes by resolution a regular schedule of meetings and a copy of such resolution is provided to each Director, no other notice of such meetings shall be required.

5.5 A meeting of Directors can be convened by the Chair, or by the Vice-Chair who is a Director or by any four (4) Directors. Notice of all meetings other than those referred to in Article 5.4 shall be served in the manner set forth in Article 12.7, no less than seven (7) days (exclusive of the day on which the notice is delivered or sent, but inclusive of the day for which notice is given) before the meeting is to take place, provided that:

- (a) any Director may waive notice,
- (b) a Director’s attendance at a meeting shall be deemed to constitute such waiver except where attendance is for the sole purpose of objecting to the transaction of business thereat on the grounds that the meeting is not lawfully called.

If, in the opinion of the Directors calling the meeting, an emergency situation exists such that it is not in the best interests of the Corporation to give two (2) days’ notice of a meeting of the Board, the notice requirement shall be waived if such waiver is ratified by the majority of Directors who participate in the meeting so held.

- 5.6 The Board shall meet at the registered office of the Corporation, at such other location in Ontario as may be determined by the individual(s) who convene(s) the meeting, or by Telephonic or Electronic Means in accordance with Article 5.17.
- 5.7 The quorum for the transaction of business at a meeting of the Board shall be five (5).
- 5.8 The Chair shall act as chair of meetings of the Board. In the absence of the Chair, the Vice-Chair shall so serve. The chair of a meeting shall not be entitled to vote on any question submitted unless the vote on any question results in a tie, in which case the chair of the meeting shall cast the deciding ballot.
- 5.9 With the exception of the Director who is the chair of the meeting, each Director shall have one (1) vote on every question submitted. Voting shall be conducted by show of hands except in cases in which the Board or the Chair determines otherwise.
- 5.10 Proxies shall not be allowed, but the identity of Directors can be changed from time to time by the Person who selected such Director if the change is made in compliance with the applicable rule, By-law, resolution or other mandate. In determining the entitlement of a Director or purported Director to act as such, the decision of the chair of the meeting shall be final and binding.
- 5.11 Unless otherwise specified, a vote of the majority of those Directors voting shall be required in order for a motion to pass.
- 5.12 Each Elected Director must:
- (a) satisfy the conditions set forth in this By-Law;
 - (b) meet the Competency and Selection Criteria for Members of the Board set out in Schedule "C" of the Administrative Agreement, including competencies outlined in the Board Competency Matrix;
 - (c) be a resident of Canada;
 - (d) be at least eighteen (18) years of age;
 - (e) not have the status of bankrupt;
 - (f) not be a person who has been found under the *Substitute Decisions Act, 1992* (or its successor) or under the *Mental Health Act* (or its successor) to be incapable of managing property;
 - (g) not be a person who has been found to be incapable by any court in Canada or elsewhere.
- 5.13 Each director must possess a positive orientation for proactive consumer protection initiatives.
- 5.14 Without limiting the generality of Article 5.1, the Board shall be entitled to:
- (a) set policy for the Corporation;

- (b) administer the Corporation's affairs, appoint and direct its Chief Executive Officer, and buy or lease office space and equipment;
 - (c) raise, invest and expend the Corporation's funds;
 - (d) represent the Corporation in its dealings with government; government or regulatory agencies; Registrant Members; other companies, associations or Persons; the media; and the public;
 - (e) establish, amend, rescind and enforce rules regarding conflicts of interest from time to time; and
 - (f) appoint such individuals or committees as it deems appropriate in order to realize the Corporation's objects.
- 5.15 The Board shall take such steps as it may deem appropriate to enable the Corporation to acquire, accept, solicit or receive legacies, gifts, grants, settlements, bequests, endowments or donations of any kind whatsoever, for the purpose of realizing its objects.
- 5.16 With the consent of the Chair, observers may attend Board meetings.
- 5.17 A Board meeting or a meeting of a committee of Directors may be held by such Telephonic or Electronic Means that permit all persons participating in the meeting to communicate simultaneously and instantaneously with each other during the meeting, and a Director participating in the meeting by those means is deemed to be present at the meeting.

ARTICLE 6: SELECTION AND TERM OF DIRECTORS

- 6.1 The Governance and Nominations Committee of the Board shall oversee searches and identify qualified individuals for membership on the Board. This includes establishing criteria, qualifications, and competencies that applicants for a board position must meet, soliciting applications for positions to be filled, establishing a process for vetting candidates against the criteria identified, and coming up with one (1) or more qualified candidates for each Elected Director's office which may be vacant and for which an election will be held at the annual meeting of Members.
- 6.2 The Governance and Nominations Committee shall consist of the Chair and three (3) other Directors, including at least one (1) Director appointed by the Minister under subsection 8 (1) of the SCSAA.
- 6.3 Pursuant to subsection 7.1 (6) of the Administrative Agreement, the competency criteria for the Board setting out the types of skills and competencies that are required on the Board, shall be approved by the Minister, and attached to the Administrative Agreement as Schedule "C". A Minister's Order is deemed to be an addendum to Schedule "C".
- 6.4 The eligibility criteria developed by the Governance and Nominations Committee for nomination to the Board shall not include a requirement that a nominee must be a member of an industry association representing the interests of Travel Agents or Travel Wholesalers. For greater certainty, this does not preclude nominees from being a member of these relevant associations.

- 6.5 The election or appointment process for Board members shall not authorize industry associations representing the interests of Travel Agents or Travel Wholesalers to name individuals to the Board.
- 6.6 There are two (2) types of Elected Directors eligible to be elected and to continue to serve:
- (a) Industry Elected Directors who must satisfy the requirements of Article 5.3 (c) II and Article 5.12, and
 - (b) Public Elected Directors who must satisfy the requirements of Article 5.3 (c) III and Article 5.12.
- 6.7 Each year, in advance of the annual meeting of Members, the Governance and Nominations Committee will issue a Call for Nominations encouraging interested candidates who meet the eligibility criteria for available Industry Elected Director position(s) and available Public Elected Director position(s) on the Board to apply by a deadline date. The Governance and Nominations Committee will review the applications received, verify whether each candidate meets the requirements in Article 5.12 and other qualifying criteria that is established from time to time by the Board, and evaluate the competencies of candidates.
- 6.8 With respect to candidates for Industry Elected Director positions: the Governance and Nominations Committee will compile a list of candidates who best meet the needs of the Board; and Registrant Members will vote for the industry candidate(s) of their choice from the list of candidates put forward by the Governance and Nominations Committee. With respect to candidates for Public Elected Director positions: the Governance and Nominations Committee will recommend a specific candidate for each position for election by the Registrant Members. The slate of candidates proposed by the Governance and Nominations Committee shall be ratified by the Board and circulated to Members of the Corporation not less than thirty (30) days prior to the annual meeting of Members.
- 6.9 Starting at the annual meeting of Members in 2024, Elected Directors shall hold office for a term of three (3) years calculated from the date of the annual meeting of Members at which the Elected Director assumes office, or until a successor has been elected, and shall retire in rotation.
- 6.10 If otherwise qualified, a Director is eligible for re-election or re-appointment to the Board provided that no Director, other than an Appointed Director, shall serve as such for more than ten (10) years uninterrupted.
- 6.11 If the Governance and Nominations Committee advances more candidates than the number of positions to be filled, the election of Elected Directors will be by ballot, which will contain the names of candidates. The ballot form to be used for the election of Elected Directors shall be prescribed by the Board from time to time.
- 6.12 The election of Elected Directors shall take place at a meeting of Members, and the results shall be announced thereat.
- 6.13 The office of a Director shall be automatically vacated:

- (a) if the Director, other than an Appointed Director, does not continue to satisfy the requirements of Article 5.12 or 6.6, as the case may be;
- (b) if the Director, other than an Appointed Director, submits a written resignation to the Chair and the Chief Executive Officer;
- (c) if the Director is an Appointed Director, the Minister revokes the appointment;
- (d) upon the termination of the Director's status as a Director in Good Standing in accordance with Article 6.14;
- (e) if the Registrant Members by Ordinary Resolution vote to terminate the term of an Elected Director, in which case the Registrant Members shall be entitled to elect a qualified individual as a replacement therefor, who shall serve the balance of the term of the Director so removed;
- (f) if the Director dies;
- (g) upon the expiration of the Director's term of office, other than an Appointed Director;
- (h) only in relation to Industry Elected Directors, upon the termination of the membership of the Registrant Member with which the Director is associated (if applicable);
- (i) other than for Appointed Directors, upon the receipt by the Board of the Director's resignation as such which the Director will be deemed to have submitted one (1) month after the termination of all or substantially all of the relationship between the Director and the Registrant Member with which the Director was associated, (if applicable):
- (j) other than for Appointed Directors, in the event that such Director fails, or refuses to attend at least three-quarters (3/4) of the meetings of directors held in any twelve (12) month period of their term; or
- (k) if the Minister appoints a Director from among the following classes of persons:
 - (i) Travel Agents.
 - (ii) Travel Wholesalers.
 - (iii) individuals who are directors, officers, employees or agents of Travel Agents or Travel Wholesalers.
 - (iv) individuals who are directors, officers, employees, members or agents of an industry association representing the interests of Travel Agents or Travel Wholesalers.
 - (v) individuals who within the one-year period before becoming a Director of the Board met the description in any clauses (i) through (iv).

and such appointment results in there being a greater percentage of Directors drawn from those classes of persons than is permitted by Article 5.3 (a), the Industry Elected Director most recently elected shall immediately cease as an Elected Director effective as of the date of the Minister's appointment. If it is not possible to identify which Industry Elected Director was elected most recently based on the date the Director was elected, the Industry Elected Director whose term of office ends the latest in time shall immediately cease to be an Elected Director effective as of the date of the Minister's said appointment.

- 6.14 Subject to the final sentence of this Article 6.14, in accordance with the Code of Conduct for Directors attached as Schedule "D" to the Administrative Agreement, and Article 6.15 of these by-laws, when the Board has determined that a Director's continued presence on the Board would cause embarrassment to the Corporation or would undermine the confidence of the Corporation's stakeholders, such Director shall: (i) immediately resign; or (ii) ask the Board to determine the matter and then resign if there is a determination not in the Director's favour; or (iii) resign where the Board makes a determination not in the Director's favour after the Board raises the matter itself. Subject to the Minister's discretion with respect to any Appointed Director, prior to the Board making a determination not in the Director's favour, a Director shall have the status of a "Director in Good Standing". Subject to the following sentence, if the Board has made a determination not in the Director's favour, that Director's status as a Director in Good Standing shall be deemed to be terminated. In the event that the Board has made a determination not in the Director's favour in relation to an Appointed Director, the Corporation will inform the Minister of the Board's concerns and the Minister will determine how to address the situation.
- 6.15 For the purposes of Article 6.14, and in accordance with Schedule "D" of the Administrative Agreement, the Board can determine what matters of embarrassment are or matters tending to undermine confidence, which may include, by way of example, charges under the Criminal Code or other matters, which in the opinion of the Board could bring the Corporation's reputation into disrepute with its stakeholders.
- 6.16 The Board will deal with board and committee attendance problems in accordance with the procedures set out in the Corporation's Board and Committee Attendance Policy. If an Elected Director fails, or refuses to attend at least three-quarters (3/4) of the meetings of directors held in any twelve (12) month period of their term, such Elected Director shall be deemed to have resigned from the office of director. If there are attendance concerns with respect to an Appointed Director, the Corporation will inform the Minister of the attendance concerns and the Minister will determine how to address the situation.
- 6.17 A vacancy occurring among the Elected Directors on the Board shall be filled as follows:
- (a) a vacancy among the Elected Directors on the Board may be filled for the remainder of the term by the Directors then in office, if they see fit to do so, so long as there is a quorum of Directors in office. 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, or
 - (b) if there is not a quorum of Directors, the remaining Directors shall forthwith call a meeting of the Members to fill the vacancy. If there are no Directors in office, the meeting may be called by any Member, or

- (c) if the Registrant Members by Ordinary Resolution vote to terminate the term of an Elected Director, the Registrant Members shall be entitled to select a replacement who shall serve the balance of the term of the Director so removed, or
- (d) otherwise, a vacancy shall be filled for the remainder of the term at the next annual meeting of members at which Elected Directors are elected.

ARTICLE 7: POWERS OF DIRECTORS

- 7.1 The Board shall administer the affairs of the Corporation according to law.
- 7.2 The Board shall be entitled to authorize expenditures on behalf of the Corporation and may delegate by resolution any component of such authority, provided such expenditure is for the purpose of furthering the objects of the Corporation.
- 7.3 The Board of the Corporation may from time to time:
 - (a) borrow money on the credit of the Corporation;
 - (b) issue, sell or pledge debt obligations (including bonds, debentures, debenture stock, notes or other like liabilities whether secured or unsecured) of the Corporation;
 - (c) charge, mortgage, hypothecate or pledge all or any currently owned or subsequently acquired real or personal, movable or immovable property of the Corporation, including book debts, rights, powers, franchises and undertakings, to secure any debt obligations or any money borrowed, or other debt or liability of the Corporation; and
 - (d) delegate the powers conferred on the Board under this Article to such Officer or Officers of the Corporation and to such extent and in such manner as the Directors shall determine.

The powers hereby conferred shall be deemed to be in supplement of and not in substitution for any powers to borrow money for the purposes of the Corporation possessed by its Directors or Officers independently of this By-Law.

ARTICLE 8: SELECTION OF OFFICERS

- 8.1 The Chair (if not appointed by the Minister) and Vice-Chair of the Corporation shall be selected (subject to Article 8.4) by and from among the Board as it is constituted from time to time, such selection to take place:
 - (a) by secret ballot;
 - (b) with successive ballots being conducted, after the name(s) of the candidate(s) drawing the fewest number of votes on the prior ballot are deleted, until one (1) candidate has drawn a majority of the votes cast;
 - (c) by a separate election for each position, commencing with the selection of the Chair, if required;

- (d) for a term of three (3) years or until the next annual meeting of Members thereafter for the Chair and for one (1) year or until the next annual meeting of Members thereafter for the Vice-Chair;
 - (e) at the first meeting of the Board following the annual meeting of Members.
- 8.2 The term of any Officer not appointed by the Minister shall be curtailed: (i) upon the majority vote of the Board; or (ii) in the case of an Officer who is a Director, automatically if the officeholder ceases to be a Director pursuant to Article 6.13.
- 8.3 Any vacancy occurring in any of the positions of Officer (other than that of an Officer appointed by the Minister) shall be filled in the manner determined by the Board.
- 8.4 If the Chair is not appointed by the Minister, the Chair shall be elected by the Board from among themselves.

ARTICLE 9: OFFICERS

- 9.1 The Chair shall preside at all meetings of Members and the Board. The Chair shall be responsible for ensuring that the objects of the Corporation are fulfilled, and that policies, priorities, and goals, as laid down by Members and by the Board, are attended to in accordance with the By-Laws. The Chair shall be the Officer to whom the Chief Executive Officer reports on matters arising between meetings of the Board, and who shall provide to the Chief Executive Officer such direction as may be required at such times, provided that such direction is consistent with the policies and practices as established by the Board. The Chair shall sign, under corporate seal or otherwise, all instruments that require the signature of the Chair on behalf of the Corporation and shall attend to such duties and responsibilities as may be assigned to the Chair by the Board from time to time.
- 9.2 The Vice-Chair shall fulfill the role of the Chair upon the temporary absence or inability or refusal of the Chair to do so.
- 9.3
- (a) The Secretary shall:
 - (i) report to and be responsible to the Board;
 - (ii) give or cause to be given all notices required to be given to Members, Directors and members of committees; and shall attend all meetings of the Board, the Board Committees and the Members;
 - (iii) cause to be entered or enter in books kept for that purpose, minutes of all proceedings of such meetings;
 - (iv) be the custodian of the standard mechanical device generally used for the affixing of the corporate seal to instruments belonging to the Corporation;
 - (v) perform such other duties as may from time to time be prescribed to the Secretary; and
 - (vi) attend to all filing obligations imposed on the Corporation by law.

- (b) The Treasurer shall:
- (i) have the care and custody of all the funds and securities of the Corporation, and shall cause the same to be deposited in its name in such bank or banks or with such depository or depositories as the Board may direct;
 - (ii) at all times exhibit the books of accounts to any Director, upon application, at the office of the Corporation during normal business hours;
 - (iii) sign or countersign such instruments as require the Treasurer's signature and shall perform all duties incidental to the Treasurer's office or that are properly required of the Treasurer by the Board;
 - (iv) assist the Board in nominating a company of auditors, subject to the approval of the Members, to ensure the annual audit of the Corporation's financial records;
 - (v) ensure that all accounting and financial matters are attended to with efficiency and dispatch and that all required government reports are completed and fully lodged; and
 - (vi) invoice all Members for their fees in accordance with the tariff of dues agreed upon by the Board, and advise it of any defaulting Registrant Member, in accordance with this By-Law.

9.4 The Board shall appoint a Chief Executive Officer. The Chief Executive Officer shall be a salaried employee of the Corporation, and an advisor to the Board, but shall not be entitled to be an Elected Director or an Appointed Director. As an advisor, the Chief Executive Officer shall be entitled to receive notice of, receive materials, attend and participate at: (i) all meetings of Directors (except for *in camera* sessions of meetings of Directors as specified by the Chair); and all meetings of Members of the Corporation. The Chief Executive Officer shall report and be responsible to the Board and, when it is not in session, to the Chair, acting consistently with the policies and practices of the Board. The Chief Executive Officer shall have full power to manage and direct the day-to-day affairs of the Corporation, and to employ and discharge employees of the Corporation. Among other responsibilities, the Chief Executive Officer, with the approval of the Board, may acquire or lease or hire such facilities as are reasonably necessary in order to administer the affairs of the Corporation, and the Chief Executive Officer shall be responsible for the timely preparation and submission of the Annual Report.

9.5 Each Deputy Chief Executive Officer (if any) shall perform such duties and exercise such powers as are from time to time assigned by the Chief Executive Officer or delegated by the Board to the Deputy Chief Executive Officer.

9.6 In the case of absence, or the inability to act, of any Officer, or for any other reason, the powers of any Officer may be delegated by the Board to any other Officer, or any Director or any other individual.

ARTICLE 10: REGISTERED OFFICE

- 10.1 The registered office of the Corporation shall be in the City of Mississauga, in the Province of Ontario, provided that:
- (a) the location of the registered office within the City of Mississauga may be made by resolution of the Board; and
 - (b) relocating the registered office to another place in Ontario shall be authorized by Special Resolution.

ARTICLE 11: COMMITTEES AND ADVISORY COUNCIL

- 11.1 In addition to the Governance and Nominations Committee contemplated in Article 6, the Board may from time to time appoint any committee or committees, as it deems necessary or appropriate for such purposes and with such powers as the board shall see fit (subject to ONCA). Any such committee may formulate its own rules of procedure, subject to ONCA, the Act, the SCSAA, and to such regulations or directions as the Board may from time to time make, in each case consistent with the principles set forth in Article Five. Any committee member may be removed by resolution of the Board. The Board may fix any remuneration for committee members who are not also directors of the Corporation.
- 11.2 There shall be such Ad Hoc Committees as the Board shall from time to time establish. Upon being established, each Ad Hoc Committee shall be provided by the Board with:
- (i) a mandate,
 - (ii) its composition, or a means of identifying who is to serve upon it,
 - (iii) a term, which shall in no case exceed eighteen (18) months,
 - (iv) a chair, and
 - (v) such other direction as the Board deems fit.
- 11.3 There shall be an Advisory Council comprised of members representing the interests of Travel Agents and Travel Wholesalers. The Advisory Council shall include members who are directors, officers, employees, members or agents of industry associations representing the interests of Travel Agents and Travel Wholesalers, as well as one (1) member from the Board who has been drawn from the travel sales sector. In addition, the Advisory Council may include members from any of the following classes of persons:
- (a) Travel Agents.
 - (b) Travel Wholesalers.
 - (c) individuals who are directors, officers, employees or agents of Travel Agents or Travel Wholesalers.

The Advisory Council's role is strictly advisory, and any decision made by the Advisory Council shall not bind the Corporation. The chair of the Advisory Council shall be a

member of the Board who understands the industry's perspective. The Advisory Council may formulate its own rules of procedure, subject to such regulations or direction as the Board may from time to time make or provide. Any Advisory Council member may be removed by resolution of the Board. The Board may fix any remuneration for Advisory Council members who are not also Directors of the Corporation.

ARTICLE 12: FINANCIAL AND LEGAL

- 12.1 Unless otherwise determined by resolution of the Board, the fiscal year end of the Corporation shall be the 31st day of March.
- 12.2 The Members shall, each year, appoint an Auditor to audit the accounts of the Corporation for the year next following or until a successor is named and to report thereupon to Members at the annual meeting of members. The remuneration to be paid to the Auditors shall be fixed by the Board.
- 12.3 The Board shall be entitled to pro rate or otherwise reduce the fees to be charged to any Member but shall not be authorized to refund to any such person any portion of fees paid but not used.
- 12.4 Any contract, document or any instrument in writing requiring execution by the Corporation, the total value of which exceeds fifty thousand dollars (\$50,000.00), shall be signed by at least two (2) authorized signing officers in accordance with the Corporation's Delegation of Authorities Policy. All contracts, documents and instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. The Board shall have power from time to time by resolution to appoint any other specific individuals to sign specific contracts, documents, and instruments in writing, on behalf of the Corporation. The seal of the Corporation, when required, may be affixed to contracts, documents and instruments in writing signed as aforesaid.
- 12.5 The Chief Executive Officer shall be paid according to the Chief Executive Officer's contract with the Corporation and, subject to the Administrative Agreement, any Director shall be paid an amount to be determined from time to time by the Board. Directors shall also be entitled to be reimbursed for all reasonable expenses incurred by them in so acting in accordance with the expense policies adopted from time to time by the Board.
- 12.6 No error or omission in giving notice of any meeting or adjourned meeting shall invalidate such meeting, or make void any proceedings thereat, and anyone entitled to notice may waive notice and ratify, approve, and confirm all proceedings taken thereat.
- 12.7 A notice communicated by electronic means in accordance with the *Electronic Commerce Act, 2000* (Ontario) or by personal delivery shall be a valid notice and shall be deemed to have been received on the day it was sent if sent before 2:00 p.m., and on the next business day thereafter if sent at or after 2:00 p.m. All other notices shall be sent by prepaid mail and shall be deemed to have been received on the fifth (5th) day after it was sent. A notice sent under the authority or direction of an individual does not need to be signed in the original by such individual. In order to effect as efficiently as possible notice of meetings of Members or other notices of relevance to all Members, the Board shall be entitled to publish such notice in one or more travel trade publication(s) whose circulation, in the opinion of the Board, is such that the notice is likely to come to the attention of all or substantially all of the Members. Notice of a meeting of Members held by Telephonic

or Electronic Means must include instructions for attending and participating in the meeting by the Telephonic or Electronic Means that will be made available for the meeting, including, if applicable, instructions for voting by such means at the meeting. A notice of a meeting of Directors need not specify a place of the meeting if the meeting is to be held entirely by one (1) or more Telephonic or Electronic Means. The notice of a Board meeting or a meeting of a committee of Directors held by Telephonic or Electronic Means must include instructions for attending and participating in the meeting by the Telephonic or Electronic Means that will be made available for the meeting, including, if applicable, instructions for voting by such means at the meeting.

- 12.8 The Board shall be entitled to appoint from time to time such agents, assistants, experts, representatives, or consultants, and to engage such employees as it shall deem necessary. Such persons shall have the authority granted to them by, and the remuneration to be paid to such persons shall be set by, the Board or, if the authority is delegated, by the Chief Executive Officer or the appropriate member of the Leadership Team.
- 12.9 Except as otherwise provided at law, no Director or Officer shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer or employee, or for any loss, damage or expense happening to the Corporation unless the same shall happen by or through the Director's or Officer's own willful neglect or default.
- 12.10
- (a) Every Director or Officer or former Director or Officer of the Corporation or an individual who acts or acted at the Corporation's request as a director or Officer, or in a similar capacity, of another entity, shall be indemnified and saved harmless out of the Corporation's funds from and against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative or other action or proceeding in which the individual is involved because of that association with the Corporation or other entity.
 - (b) The Corporation may advance money to an individual referred to in Article 12.10(a) for the costs, charges and expenses of an action or proceeding referred to in that Article, but the individual shall repay the money if the individual does not fulfil the conditions set out in Article 12.10(c).
 - (c) The Corporation shall not indemnify an individual under Article 12.10(a) unless:
 - (i) the individual acted honestly and in good faith with a view to the Corporation's best interests or other entity for which the individual acts or acted at the Corporation's request as a director or officer, or in a similar capacity, as the case may be; and
 - (ii) if the matter is a criminal or administrative proceeding that is enforceable by a monetary penalty, the individual had reasonable grounds for believing that their conduct was lawful.
 - (d) Subject to applicable laws, the Corporation may purchase and maintain insurance for the benefit of an individual referred to in Article 12.10(a), against any liability

incurred by that individual in the individual's capacity as a Director or an Officer of the Corporation, or, in the individual's capacity as a director or officer, or in a similar capacity, of another entity if the individual acts or acted in that capacity at the Corporation's request.

- 12.11 The seal, an impression of which is stamped in the margin hereof, shall be the seal of the corporation.

**ARTICLE 13: CODE OF CONDUCT, CODE OF CONDUCT FOR DIRECTORS, AND
DECLARATION OF INTEREST**

- 13.1 The Board shall be empowered to adopt and to amend from time to time a Code of Conduct applicable to all Registrant Members.
- 13.2 The Board shall also be empowered to adopt and to amend from time to time a series of enforcement procedures with respect to such Code of Conduct.
- 13.3 The Board shall adopt a Code of Conduct for Directors in accordance with the Administrative Agreement.
- 13.4 In accordance with ONCA, and subject to the Code of Conduct for Directors, the following provisions of this Article 13.4 shall apply to all Directors and Officers of the Corporation.

- (a) Subject to the Code of Conduct for Directors, any Director or Officer who:
- (i) is a party to a material contract or transaction or proposed material contract or transaction with the Corporation; or
 - (ii) is a director or officer of, or has a material interest in, any person who is a party to a material contract or transaction or proposed material contract or transaction with the Corporation;

shall disclose to the Corporation or request to have entered in the minutes of meetings of Directors the nature and extent of their interest.

- (b) Subject to the Code of Conduct for Directors, the disclosure required to be made, pursuant to Article 13.4(a), by a Director shall be made:
- (i) at the meeting at which a proposed contract or transaction is first considered;
 - (ii) if the Director was not then interested in a proposed contract or transaction, at the first meeting after such Director becomes so interested;
 - (iii) if the Director becomes interested after a contract is made or transaction entered into, at the first meeting after the Director becomes so interested; or
 - (iv) if a person who is interested in a contract or transaction later becomes a Director, at the first meeting after such person becomes a Director.

- (c) The disclosure required to be made, pursuant to Article 13.4(a), by an Officer who is not a Director shall be made:
 - (i) forthwith after the Officer becomes aware that the contract or transaction or proposed contract or transaction is to be considered or has been considered at a Board meeting;
 - (ii) if the Officer becomes interested after a contract is made or transaction is entered into, forthwith after they become so interested; or
 - (iii) if a person who is interested in a contract or transaction later becomes an Officer, forthwith after they become an Officer.
- (d) Subject to the Code of Conduct for Directors, in the event that the contract or transaction or proposed contract or transaction in respect of which a disclosure is required to be made for the purposes of Article 13.4(a) is one that, in the ordinary course of the Corporation's business, would not require Directors' or Members' approval, then the Director or Officer shall disclose to the Corporation or request to have entered in the Board meeting minutes the nature and extent of their interest forthwith after the Director or Officer becomes aware of the contract or transaction or proposed contract or transaction.
- (e) Subject to the Code of Conduct for Directors, and except as permitted by ONCA, a director referred to in Article 13.4(a) shall not attend any part of a Board meeting during which the contract or transaction is discussed and shall not vote on any resolution to approve the contract or transaction.
- (f) If no quorum exists for the purpose of voting on a resolution to approve a contract or transaction or proposed contract or transaction in respect of which a disclosure is required only because a Director is not permitted to be present at the meeting by reason of Article 13.4(e), the remaining Directors are deemed to constitute quorum for the purposes of voting on the resolution.
- (g) Subject to the Code of Conduct for Directors, and subject to the provisions of ONCA, if all Directors are required to make such disclosure, the contract or transaction or proposed contract or transaction may only be approved by the Members.
- (h) A contract or transaction for which disclosure is required under Article 13.4(a) is not void or voidable, and the Director or Officer is not accountable to the Corporation or the Members for any profit or gain realized from the contract or transaction, because of the Director's or Officer's interest in the contract or transaction or because the Director was present or was counted to determine whether a quorum existed at the Board or committee meeting that considered the contract or transaction, if:
 - (i) disclosure of the interest was made in accordance with this Article 13.4;
 - (ii) the Board approved the contract or transaction; and

- (iii) the contract or transaction was reasonable and fair to the Corporation when it was approved.
 - (i) Subject to the Code of Conduct for Directors, for the purposes of this Article 13.4, a general notice to the Directors by a Director or Officer declaring that the Director or Officer is a director or officer of or has a material interest in a person, or that there has been a material change in the Director's or Officer's interest in the person, and is to be regarded as interested in any contract or transaction entered into with that person is sufficient declaration of interest in relation to any contract or transaction so made.
 - (j) The provisions of this Article 13.4 are subject to and in addition to the Code of Conduct for Directors adopted by the Board from time to time.
- 13.5 The Board shall be entitled to submit to a meeting of Members any contract, agreement, decision or other act for Members' approval or ratification, and approval or ratification by a majority of votes cast thereat shall be as valid and binding as if it had been approved or ratified by all Members.

ARTICLE 14: WINDING-UP

- 14.1 Upon the winding-up or dissolution of the Corporation, or the surrender of its charter or other termination, any assets of the Corporation remaining after the satisfaction of its debts and liabilities shall be distributed, upon the confirmatory vote of a majority of the Board:
- (a) to any organization with objects similar to those of the Corporation, failing which they shall be distributed;
 - (b) to such Person or Persons as is or are identified by the Board in its absolute discretion,

provided in both cases that the recipient shall operate solely within Ontario.

ARTICLE 15: AMENDMENT TO BY-LAWS

- 15.1 By-Laws of the Corporation may be enacted, repealed, amended, altered, added to or re-enacted in the manner contemplated in, and subject to the provisions of, the Act, the SCSAA and ONCA and in accordance with relevant provisions (if any) of the Administrative Agreement.

ARTICLE 16: GENERAL

- 16.1 No error or omission in the giving of notice to any meeting to any person entitled thereto, and no non-receipt of such notice, shall invalidate any decision taken or resolution passed thereat.
- 16.2 Time shall be of the essence.
- 16.3 This By-Law shall be interpreted according to the laws of the Province of Ontario.

- 16.4 Where appropriate in the circumstances, this By-Law may be read with changes of number presumed, unless such presumption patently changes the intended meaning of the By-Law.
- 16.5 If any provision of this By-Law is determined to be ultra vires or illegal, such finding shall not affect the balance of this By-Law.
- 16.6 Headings used in this By-Law are inserted for reference purposes only and are not to be considered in interpreting the contents of this By-Law.