

**BYLAW NUMBER 1**

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Registrar of Corporations  
Province of Alberta

**A BYLAW RELATING GENERALLY TO THE  
TRANSACTION OF THE BUSINESS AND AFFAIRS OF THE**

**RED DEER REGIONAL AIRPORT AUTHORITY**

**Effective: November 27, 1996.**

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**EFFECTIVE DATE**

11.01	Effective Date	
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**BE IT ENACTED** as a bylaw of Red Deer Regional Airport Authority as follows:

**PART I**

**DEFINITIONS AND INTERPRETATION**

**1.01 Definitions**

In the Bylaws of the Red Deer Regional Airport Authority, unless the context otherwise requires:

- (a) "Act" means the *Regional Airports Authorities Act* and includes the Regulations;
- (b) "Affiliate" means, in relation to Red Deer Regional Airport Authority,
  - (i) a Subsidiary,
  - (ii) an Associate,
  - (iii) a person who has entered into a partnership or joint venture with Red Deer Regional Airport Authority or with any of its Subsidiaries;
- (c) "Airport Master Plan" means a plan as amended from time to time for each airport managed and operated by Red Deer Regional Airport Authority and adopted by the Board; which plan shall be consistent with the annual operations goals published by Red Deer Regional Airport Authority, shall contain a statement of the role of the airport and shall be used as a general guide for planning the development and use of the airport;
- (d) "Appoint" includes "elect" and vice versa;
- (e) "Appointer" means the body or bodies corporate from time to time named as the appointer or appointers for Red Deer Regional Airport Authority in its Articles;
- (f) "Appointer Representative" means those persons appointed by the Appointers to represent and act on behalf of the Appointer on Red Deer Regional Airport Authority matters except for the appointment and removal of Directors;
- (g) "Articles" means Red Deer Regional Airport Authority's articles of incorporation, including all amendments made to them, and includes, prior to Red Deer Regional Airport Authority's creation, the petition made to the Lieutenant Governor in Council under section 4 of the Act;

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- (h) "Associate" means, in relation to a person,
  - (i) a corporation of which that person beneficially owns or controls, directly or indirectly,
    - (A) shares or securities currently convertible into shares carrying more than 10% of the voting rights under all circumstances or under any circumstances that have occurred and are continuing, or
    - (B) a currently exercisable option or right to purchase those shares or those convertible securities,
  - (ii) a partner of that person acting on behalf of the partnership of which they are partners,
  - (iii) a trust or estate in which that person has a substantial interest or in respect of which he serves as a trustee or in a similar capacity,
  - (iv) a spouse of that person, or
  - (v) a relative of that person or of his spouse if that relative has the same residence as that person;
- (i) "Audit Committee" means that committee established and appointed by the Board pursuant to section 4.02 (b) of this Bylaw and section 32 of the Regulations;
- (j) "Board" means Red Deer Regional Airport Authority's board of directors;
- (k) "Bylaws" means all bylaws of Red Deer Regional Airport Authority, including this bylaw from time to time in force and effect;
- (l) "Chairman" means that Officer of Red Deer Regional Airport Authority appointed by Resolution under section 5.01;
- (m) "Directors" means directors of Red Deer Regional Airport Authority;
- (n) "Red Deer Regional Airport Authority" means the authority brought into existence by an order issued by the Lieutenant Governor under the Act;
- (o) "Governance Committee" means that established and appointed by the Board pursuant to section 4.02(a);

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- (p) "Policies" means the policies required by the Regulations together with any other policies established by Resolution;
- (q) "Records Address" means in the case of an Appointer, the address of that Appointer as recorded in the register of Appointers maintained by Red Deer Regional Airport Authority and, in the case of a Director, officer, auditor, member of a committee of the Board, Appointer Representative, or member of an advisory body, the last address as recorded in the records of Red Deer Regional Airport Authority;
- (r) "Registrar" means the Registrar of Corporations appointed under the *Business Corporations Act*;
- (s) "Regulations" means the Regional Airports Authorities Regulation;
- (t) "Resolution" means a resolution passed by the Board;
- (u) "Secretary" means that officer of Red Deer Regional Airport Authority appointed by Resolution under section 5.01;
- (v) "Signing Officer" means, in relation to any instrument or class of instruments, any officer of Red Deer Regional Airport Authority authorized to sign that instrument or class of instruments on behalf of Red Deer Regional Airport Authority by section 2.05 or by a Resolution passed pursuant to that section;
- (w) "Special Resolution" means a resolution of Red Deer Regional Airport Authority:
  - (i) passed at a Board meeting by a majority of at least 2/3 of the Directors present at that meeting, or
  - (ii) signed by all the Directors,notice of which must be given in accordance with the Act;
- (x) "Subsidiary" means the meaning assigned to it by the *Business Corporations Act*;
- (y) "Vice-Chairman" means that officer of Red Deer Regional Airport Authority appointed by Resolution under section 5.01.

## 1.02 INTERPRETATION

Except where stated in section 1.01 or where the context does not permit:



**PART II**

**BUSINESS OF RED DEER AIRPORT**

**2.01 REGISTERED OFFICE**

Red Deer Regional Airport Authority shall have a head office in Alberta and its head office is its registered office.

**2.02 CORPORATE SEAL**

The corporate seal of Red Deer Regional Airport Authority shall be in the form impressed in the margin opposite this section 2.02.

**2.03 AUTHORITY RECORDS**

Red Deer Regional Airport Authority shall prepare and maintain at its registered office records containing:

- (a) the Articles and Bylaws, including all amendments;
- (b) minutes and resolutions of the Board, committees of the Board, Red Deer Regional Airport Authority advisory committees, Appointer and public meetings;
- (c) copies of all notices provided to the Registrar;
- (d) its annual financial statements, together with the auditor's reports on them;
- (e) other information respecting its financial position and the results of its operations that are required by its Bylaws;
- (f) a securities register complying with the requirements of the Act;
- (g) a register of disclosures made pursuant to the Act; and
- (h) any other records prescribed by the Act.

**2.04 FINANCIAL YEAR**

The fiscal year of Red Deer Regional Airport Authority shall end on December 31 in each year.

## 2.05 AUTHORITY TO EXECUTE INSTRUMENTS

The Board shall specify the manner in which, and the officer or officers by whom, any particular instrument or class of instruments may or shall be signed. Any Signing Officer may affix the corporate seal to any instrument where affixing that seal is necessary or desirable.

## 2.06 MECHANICAL SIGNATURES

The signature of any Signing Officer of Red Deer Regional Airport Authority so authorized to sign may be engraved, lithographed or otherwise mechanically reproduced upon any negotiable instrument, bond, debenture, warrant or certificate of Red Deer Regional Airport Authority and, any negotiable instrument, bond, debenture, warrant or certificate of Red Deer Regional Airport Authority so signed shall be deemed to have been manually signed by the Signing Officer whose signature is so engraved, lithographed or otherwise mechanically reproduced, and shall be as valid for all intents and purposes as if it had been manually signed.

## 2.07 BANKING ARRANGEMENTS

The banking business of Red Deer Regional Airport Authority shall be transacted with the banks, trust companies, Credit Unions, Province of Alberta Treasury Branches and other persons and in the manner as may be specified by the Board. All banking business shall be transacted under the agreements, instructions, delegations and limitations of authority as the Board may prescribe or authorize.

## 2.08 BORROWINGS, DEBT OBLIGATIONS AND SECURITIES

Subject to the limitations imposed by the Act and the Articles, the Board may authorize Red Deer Regional Airport Authority to:

- (a) borrow money on its credit;
- (b) issue, reissue, sell or pledge its debt obligations, within the meaning of the *Business Corporations Act*; and
- (c) create a security interest within the meaning of that Act in its property, whether owned or subsequently acquired.

## 2.09 AFFILIATES

Red Deer Regional Airport Authority may participate with Affiliates provided that such participation is authorized by Special Resolution.

## **2.10 SPECIAL RESOLUTION MATTERS**

The following matters require a Special Resolution:

- (a) amendment of Articles;
- (b) sale, lease or exchange of all or substantially all of the assets of Red Deer Airport;
- (c) the appointment of a Director as a director or officer of an Affiliate;
- (d) the appointment of a Subsidiary director as a director or officer of an Affiliate;
- (e) requests of the Board to the reviewer appointed under section 29 of the Act;
- (f) amendment, replacement or repeal of Bylaws;
- (g) entering into an agreement to manage and operate an airport not previously managed and operated by Red Deer Regional Airport Authority;
- (h) participation with Affiliates; and
- (i) any material change to any Airport Master Plan.

### **PART III**

### **DIRECTORS**

#### **3.01 AUTHORITY OF THE BOARD TO DELEGATE**

- (a) The Board is responsible for the general management of the undertaking and affairs of Red Deer Regional Airport Authority and shall perform its overall stewardship responsibility as a governance board rather than a management board.
- (b) The Board shall have all power to manage the business affairs of Red Deer Regional Airport Authority except as limited or restricted by the Act, the Articles and the Bylaws.
- (c) Subject to any restrictions contained in the Act and Bylaws, the Board may appoint officers, whether from amongst the Directors or not, or any committees of Directors, and may delegate to the Officers or committees any of the Board's powers.

**3.02 NUMBER OF DIRECTORS**

The Board shall consist of the number of Directors as stipulated in the Articles.

**3.03 NOTIFICATION OF DISQUALIFICATION FROM HOLDING OFFICE AS A DIRECTOR**

The Secretary shall notify the Board and the Appointers of any Director's disqualification from holding office pursuant to the Act.

Upon a Director failing to attend three (3) consecutive Board meetings the Secretary shall notify the Board and the Appointer who appointed that Director, if any, of the Director's failure to attend the third Board meeting. Failure to provide this notice does not affect the consequence of the Director's disqualification.

**3.04 TERMS AND ELECTION**

Subject to the Act and Articles, except with respect to the filling of a vacancy, the term of office for a Director is four (4) years.

**3.05 REMOVAL OF DIRECTORS**

The Appointers having the right to appoint a Director or Directors have the right to revoke each appointment in accordance with the following procedure:

The Appointers shall serve the notice of revocation of appointment in writing accompanied by a certified copy of a resolution of the Appointer on the Director whose appointment is being revoked and shall concurrently serve a copy of the said notice and resolution on the registered office of Red Deer Regional Airport Authority. The revocation shall be effective upon the date specified in the notice of revocation.

**3.06 SUSPENSION OF DIRECTORS**

The Board may resolve to exclude or suspend any Director from all further involvement with Red Deer Regional Airport Authority including the right of the Director to receive any compensation or remuneration from Red Deer Regional Airport Authority. In case of a Director appointed by an Appointer, the Secretary shall advise the Appointer of the suspension, the reason for the suspension and recommend that the Appointer revoke the appointment of the Director in accordance with the procedure set out in section 3.05.

### **3.07 VACATION OF OFFICE**

Except as hereafter provided, a Director ceases to hold office:

- (a) upon the death of that Director;
- (b) upon the removal of that Director from office pursuant to section 3.05;
- (c) when that Director ceases to have the qualifications for election as a Director; or
- (d) when the written resignation of that Director is received by Red Deer Regional Airport Authority, or, if a time is specified in the written resignation, at the time so specified, whichever is later.

### **3.08 VACANCIES**

Any vacancy on the Board is to be filled by that Appointer, who at the time of the filling of that vacancy, has the right under the Articles to make the appointment that has been vacated.

### **3.09 BOARD ACTION DESPITE VACANCY**

Where there is a vacancy on the Board, the remaining Directors shall constitute, and may exercise all the powers of the Board so long as a quorum remains in office.

### **3.10 MEETING BY TELEPHONE**

Directors may participate in a meeting of the Board or of a committee of the Board, or such a meeting may be held, by means of telephone or other communication facilities which permit all persons participating in the meeting to hear each other and the Directors participating by those means are deemed to be present at the meeting.

### **3.11 PLACE OF MEETINGS**

Meetings of the Board may be held at any place.

### **3.12 CALLING MEETINGS**

- (a) Meetings of the Board shall be held at the times and the places as the Chairman, or Vice-Chairman (who is also a Director) or a majority of the Directors may specify.

- (b) Upon written request signed by at least 1/3 of the Directors, or upon receiving written notice of a resolution of the Governance Committee, the Chairman must ensure that a meeting of the Board is held within ten (10) days of the request.

### **3.13 NOTICE OF MEETING**

Notice of the time and place of each meeting to the board shall be given in the manner provided in section 9.01 to each Director and, if a Special Resolution is being considered, to each Appointer, not less than (1) day before the day when the meeting is to be held except as otherwise required by the Act and the Articles. A notice of a meeting of Directors need not specify the purpose of, or the nature of the business to be transacted at the meeting except where the Act requires that purpose or nature of that business to be specified.

### **3.14 WAIVER OF NOTICE**

- (a) A Director may in any manner waive notice of or otherwise consent to a meeting of the Board or of a committee of the Board, and attendance of a Director at a meeting of the Directors is a waiver of notice of the meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.
- (b) A waiver of notice by the Director does not constitute a waiver of notice by the Appointer. A waiver of notice by the Appointer must be in writing.

### **3.15 REGULAR MEETINGS**

The Board may appoint a day or days in any month or months for regular meetings of the Board at a place and hour to be fixed or later named. A copy of any resolution fixing the place and time of these regular meetings shall be sent to each Director after being passed and no other notice shall be required for any of these regular meetings except where the Act requires the purpose of or the business to be transacted at the meeting to be specified.

### **3.16 ADJOURNED MEETING**

Notice of an adjourned meeting to the Board is not required if the time and place of the adjourned meeting is announced at the original meeting. The Secretary shall attempt, but not be obligated, to notify a Director, absent at an original meeting of the time and place of the adjourned meeting.

### **3.17 CHAIRMAN OF A BOARD MEETING**

The chairman of any meeting of the Board shall be the Chairman, and in the absence of the Chairman, a Vice-Chairman, who is required to be a Director. If neither of these officers is present, the Directors present shall choose one (1) of their number to be the chairman of that meeting.

### **3.18 QUORUM**

The quorum for the transaction of business at any meeting of the Board shall be a majority of the number of Directors as stipulated in the Articles.

### **3.19 MEETING AGENDA**

The agenda for any meeting to the Board shall be set or approved by the person who is the chairman of that meeting pursuant to Section 3.17.

### **3.20 RULES OF PROCEDURE**

The Board may establish by Resolution the rules of procedure to be followed at all meetings of Red Deer Regional Airport Authority including Board, Appointers' and public meetings.

### **3.21 CONFIDENTIALITY AND NON-DISCLOSURE**

The Board may establish by Resolution certain policies, procedures and obligations with respect to the disclosure of Red Deer Regional Airport Authority information that must be followed by Directors.

### **3.22 RECORDS OF DIRECTORS' MEETING MINUTES**

Records containing the minutes of all meetings and Resolutions of the Board and any committee of Directors shall be maintained. The minutes of any meeting to the Board or any committee of the Directors, if purported to be signed by the chairman of such meeting or by the chairman of the next successive meeting, shall be prima facie evidence of the business conducted at those meetings.

### **3.23 VOTES TO GOVERN**

At all meetings of Red Deer Regional Airport Authority every question shall be decided by a majority of the votes cast on the question except as otherwise required by the Act, Articles or Bylaws. In case of an equality of votes, the person acting as chairman of the meeting shall not be entitled to a second vote, and the resolution shall fail. Votes shall be cast by an open ballot or show of hands unless a secret ballot is requested by a Director.

### 3.24 DISSENT

- (a) A Director who was present at a meeting of the Board or of a committee of Directors is deemed to have consented to any resolution passed or action taken at the meeting, unless:
  - (i) he requested that his abstention or dissent be, or his abstention or dissent is, entered in the minutes of the meeting;
  - (ii) he provided his written dissent to the secretary of the meeting before the meeting was adjourned;
  - (iii) he sent his dissent by registered mail or delivered it to the authority's registered office within 48 hours after the meeting was adjourned; or
  - (iv) he otherwise proves that he did not consent to the resolution or action.
- (b) A Director who voted in favour of a resolution is not entitled to dissent under subsection (a) above.
- (c) On receipt of a written dissent, the authority shall:
  - (i) have the date, time and place it was received certified on it; and
  - (ii) have it placed and kept with the minutes of the meeting at which the resolution was passed or on the action taken.

### 3.25 SIGNED RESOLUTION

A Resolution in writing, signed by all the directors entitled to vote on that Resolution at a meeting of the Board, is as valid as if it had been passed at a meeting of the Board. Red Deer Regional Airport Authority shall keep a copy of every such Resolution.

### 3.26 REMUNERATION AND EXPENSES

The Directors shall be remunerated for their services as the Board may specify. The Directors shall also be reimbursed for traveling and other expenses properly incurred by them in attending meetings of the Board, committees of the Board and committees of Red Deer Airport and other business of Red Deer Regional Airport Authority. Nothing contained in the Bylaws shall preclude any Director from serving Red Deer Regional Airport Authority in any other capacity and receiving remuneration for those services.



**PART IV**

**BOARD COMMITTEES**

**4.01 COMMITTEES OF DIRECTORS**

The Board may elect from amongst the Directors, committees of directors, however designated, and may delegate to the committees any of the powers of the Board except those which pertain to items which, under the Act, the Articles and the Bylaws, a committee of Directors has no authority to exercise. The Board shall annually review the terms of reference for each committee established by it and, except for those committees required by section 4.02, the Board may dissolve any committee at any time.

**4.02 DESIGNATED COMMITTEES**

Notwithstanding any other committees appointed pursuant to section 4.01, the Board shall appoint one (1) or more Directors to and empower the following committees:

- (a) a Governance Committee:
  - (i) that shall have and may exercise those specific powers in accordance with the terms of reference that are adopted from time to time by Resolution to ensure that effective governance policies and procedures are in place for the Board's overall stewardship responsibility of Red Deer Regional Airport Authority, and
  - (ii) The Chairman shall be appointed to the Governance Committee;
- (b) an Audit Committee:
  - (i) the Board shall establish and appoint an Audit Committee for Red Deer Regional Airport Authority consisting of not fewer than three (3) Directors, a majority of whom are not officers or employees of Red Deer Regional Airport Authority or of any of its Affiliates,
  - (ii) the quorum for an Audit Committee meeting is a majority of the number of Audit Committee members appointed, but an officer or employee of Red Deer Regional Airport Authority or an Affiliate does not form part of a quorum,

- (iii) the Audit Committee shall review the financial statements of Red Deer Regional Airport Authority, including any interim statements, before they are submitted to the Board for approval,
- (iv) the auditor is entitled to receive notice of every meeting of the Audit Committee and, at the expense of Red Deer Regional Airport Authority, to attend and be heard at each meeting, and, if so requested by a member of the Audit Committee, shall attend meetings of the Committee, and
- (v) the auditor or a member of the Audit Committee may call a meeting of the Audit Committee.

#### **4.03 TRANSACTION OF BUSINESS**

The powers of a committee of Directors may be exercised by a meeting at which a majority of the members of that committee is present or by resolution in writing signed by all members of that committee who would have been entitled to vote on that resolution at a meeting of that committee.

#### **4.04 PROCEDURES**

Unless otherwise determined by the Board, each committee shall have power to elect its chairman and to regulate its procedure. The respective chairman of each of the committees of the Board shall appoint a Secretary for each committee to carry out the responsibilities set out above as may be relevant to that committee.

#### **4.50 RED DEER REGIONAL AIRPORT AUTHORITY ADVISORY COMMITTEE**

The Board may appoint committees consisting of Directors and others, including members of management or the public at large, to advise the Board on matters of special interest or concern to the Board.

### **PART V**

#### **OFFICERS**

##### **5.01 REQUIRED OFFICERS**

Red Deer Regional Airport Authority shall have the following officers appointed by Resolution for a term specified in the Resolution:

- (a) a Chairman;

- (b) one or more Vice-Chairmen;
- (c) a Secretary.

#### **5.02 OTHER OFFICERS**

The Board may appoint one or more other Vice-Chairmen or any other officers as the Board may consider advisable, including one or more assistants to any of the required officers or other officers so appointed for a term specified in the Resolution. Such Vice-Chairmen or other officers, if not Directors, shall be entitled to notice of meetings pursuant to clause 3.13 above.

#### **5.03 REMOVAL OF OFFICERS BY RESOLUTION**

Officers appointed under section 5.01 and 5.02 may be removed by Resolution.

#### **5.04 DUTIES OF OFFICERS**

Subject to the Act, the Articles and Bylaws, the Board shall specify the duties of and may delegate to the officers, powers to manage the business and affairs of Red Deer Regional Airport Authority.

#### **5.05 QUALIFICATIONS**

Only the Chairman and one of the Vice-Chairmen need be Directors.

#### **5.06 SEVERAL OFFICES**

A person may hold more than one office.

#### **5.07 CHAIRMAN**

The Chairman will have overall responsibility for executive management and leadership for Red Deer Regional Airport Authority, and will act as the sole formal link between management and the Board with responsibilities as specified from time to time by Resolution.

#### **5.08 VICE-CHAIRMAN**

While the Board appoints and thereafter may remove as officers any Vice-Chairmen so appointed, the Vice-Chairmen report to the Chairman, with such powers and duties as may be specified from time to time by the Chairman.

**5.09 SECRETARY**

The Secretary reports directly to the Chairman with responsibilities as specified from time to time by Resolution. Further, the Secretary shall attend and be the secretary of all meetings of the Board and shall enter or cause to be entered in records kept for that purpose minutes of all proceedings. PROVIDED THAT, if the Secretary is unable to attend any meeting of the Board, the Chairman shall appoint a secretary for the purpose of such meeting. The Secretary shall give or cause to be given, as and when instructed, all notices to Directors, Officers, the auditor, the Appointers and members of committees of Directors. The Secretary shall be the custodian of the stamp or mechanical device generally used for affixing the corporate seal of the Authority and of all books, papers, recorded documents and instruments belonging to the Authority, except when another officer or agent has been appointed for that purpose. The Secretary shall have such other powers and duties as the Board or the Chairman may specify.

**5.10 REMOVAL FROM OFFICE**

The Board may remove any officer of Red Deer Regional Airport Authority without prejudice to the rights of that officer under any employment contract with Red Deer Airport. Until an officer is removed or resigns, that officer shall hold office until a successor to that officer is appointed.

**5.11 AGENTS AND ATTORNEYS**

The Board shall have the power to appoint agents and attorneys for Red Deer Regional Airport Authority in or outside Canada with powers of management or otherwise (including the powers to sub-delegate) as the Board may specify.

**5.12 FIDELITY BONDS**

The Board may require one or more officers, employees, agents and attorneys of Red Deer Regional Airport Authority to furnish one or more bonds for the faithful discharge of their powers and duties, in such form and with such surety company or companies as the Board may specify.

**PART VI**

**DISCLOSURE AND RELATIONS WITH APPOINTERS AND THE PUBLIC**

**6.01 ANNUAL APPOINTERS' MEETING**

- (a) Red Deer Regional Airport Authority shall within one hundred thirty-five (135) days after the end of each fiscal year of Red Deer Regional Airport Authority, convene a meeting between Red Deer Regional Airport Authority and its Appointers.
- (b) Notice of the said meeting shall be sent to each Appointer at least thirty (30) days prior to the meeting date.
- (c) Attendance at the meeting shall be, subject to the Act and the Articles, limited to the Appointer Representative, persons invited by the Board and the Appointers, and the Board. At least one-third (1/3) of the Directors shall be present at each meeting.
- (d) The agenda of each meeting shall be prepared by the Chairman and shall include matters raised by the Appointers, written notice of which must be received by Red Deer Regional Airport Authority at least fourteen (14) days prior to the meeting.
- (e) Materials for agenda items, if any, shall be provided by Red Deer Regional Airport Authority to each of the Appointers at least seven (7) days prior to the meeting date and shall always include for Red Deer Regional Airport Authority's previous fiscal year, copies of Red Deer Regional Airport Authority's annual financial statements, the auditor's report upon the financial statements, Red Deer Regional Airport Authority's annual report, and a statement of Red Deer Regional Airport Authority's operational goals for the current fiscal year, documents received by Red Deer Regional Airport Authority from any Appointer with respect to any matter on the agenda, together with any other information required by the Act.

**6.02 ADDITIONAL APPOINTERS' MEETINGS**

Unless amended by Resolution, Red Deer Regional Airport Authority shall:

- (a) if requested by an Appointer hold additional meetings of Appointers; and
- (b) if requested by an Appointer, meet with that Appointer's governing body.

### **6.03 APPOINTERS' SPECIAL INFORMATION**

Unless amended by Resolution, Red Deer Regional Airport Authority shall provide the following special information:

- (a) a review of the annual business plan to a meeting of Appointers;
- (b) copies of the annual business plan to each Appointer;
- (c) summary minutes of each Board meeting to each Appointer;
- (d) the results of an annual performance review of the Board collectively to each Appointer; and
- (e) the results of an annual performance review of each Director to that Director's Appointer.

### **6.04 APPOINTER REPORTING**

A Director appointed by an Appointer, may report to that Appointer, or that Appointer's representative, in general terms, information on the undertaking and affairs of Red Deer Regional Airport Authority that is not confidential to Red Deer Regional Airport Authority or any Affiliate.

### **6.05 APPOINTER RESIGNATION**

An Appointer may resign its position as such by sending Red Deer Regional Airport Authority a certified copy of a resolution of its governing body to that effect, and the resignation shall become effective upon the effective date when the Articles are amended to remove that Appointer's name and address as Appointer.

### **6.06 MEETINGS WITH THE PUBLIC**

- (a) Red Deer Regional Airport Authority shall hold a public meeting at least once in each year in premises in Red Deer Regional Airport Authority's region that are adequate for the size of audience that may reasonably be anticipated.
- (b) Red Deer Regional Airport Authority shall give at least thirty (30) days prior notice of each public meeting in the following form and manner:
  - (i) in prominent display advertisements in at least two (2) consecutive issues of one or more daily newspapers whose circulation coverage or combined

coverage generally encompasses all the places where the principal offices of the Appointers are located, and

- (ii) in form of a notice kept posted at a prominent location at the airport for which Red Deer Regional Airport Authority is responsible during the whole of the thirty (30) days prior to the meeting.
- (c) Everyone is entitled to attend the public meeting and Red Deer Regional Airport Authority shall afford reasonable opportunity for the asking of questions and the expression of views.
- (d) Red Deer Regional Airport Authority shall ensure that at least one-third (1/3) of its Directors are present at each public meeting.
- (e) Red Deer Regional Airport Authority shall present to the first public meeting in each year, copies of its annual financial statements, together with the auditor's report on them, and its annual report, for the previous fiscal year and a statement of its operational goals for the current fiscal year.

#### 6.07 PERFORMANCE REVIEW

- (a) At least once in every period prescribed by the Act or upon the request of a majority of the Appointers, Red Deer Regional Airport Authority shall have a review of Red Deer Regional Airport Authority's management, operation and financial performance conducted by a person who is independent, within the meaning prescribed in the Regulations, of Red Deer Regional Airport Authority.
- (b) The person making the review shall prepare a written report containing his findings on the review.
- (c) The report must include an assessment of the extent to which and how well Red Deer Airport fulfilled its purposes during the period covered by the review and any other prescribed information about Red Deer Airport including:
  - (i) the terms of reference of the review, including its scope, extent and nature,
  - (ii) the extent to which Red Deer Airport is operating,
    - (A) a safe and efficient service to the public, and
    - (B) an efficiently run undertaking in accordance with its business plans,

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- (iii) in relation to Red Deer Regional Airport Authority and its Subsidiaries, the extent to which their financial and management control and information systems and management practices were maintained in a manner that provided reasonable assurance that,
  - (A) the assets of each such corporation were safeguarded and controlled, and
  - (B) the financial, human and physical resources of each such corporation were managed economically and efficiently and its operations carried out effectively,
- (iv) any concerns or qualifications that the reviewer has with respect to any matter described in clause (ii) or (iii),  
and must include any further information that is required by a Special Resolution.
- (d) Red Deer Regional Airport Authority shall forthwith provide free of charge, a copy of the report to each of the Appointers.
- (e) Upon completion of the performance review, Red Deer Regional Airport Authority shall convene a meeting of the Appointers with the person who conducted such review to discuss the review and determine the course of action to be taken to resolve any problems disclosed therein.

**6.08 FINANCIAL STATEMENTS**

- (a) Red Deer Regional Airport Authority shall prepare and distribute the financial statements for each fiscal year together with the auditor's report for Red Deer Regional Airport Authority and each of its Subsidiaries in the manner prescribed by the Act, the Articles and the Bylaws.
- (b) Red Deer Regional Airport Authority shall not issue, publish or circulate copies of the annual financial statements unless those financial statements:
  - (i) have previously been approved by the Board and the Board's approval is evidenced by the signatures of two (2) or more Directors on the statements, and
  - (ii) are accompanied by the auditor's report on them.



## **6.09 ANNUAL REPORT**

Red Deer Regional Airport Authority shall, subject to the Act, the Articles and the Bylaws, provide to the Registrar and each of the Appointers, at the time that the annual audited financial statements are provided to them, an annual report, for which the annual financial statements may form part, that includes a general summary of its undertaking and affairs during the previous fiscal year.

## **6.10 CONFLICT OF INTEREST POLICIES**

The Directors shall establish policies designed to prevent real or perceived conflicts between on the one hand, the interests of Red Deer Regional Airport Authority and its Affiliates and, on the other hand, of:

- (a) the Directors, officers and employees of Red Deer Regional Airport Authority and its Subsidiaries;
- (b) directors of Affiliates other than Subsidiaries, who are elected or appointed as such by Red Deer Regional Airport Authority or by any of its Subsidiaries;
- (c) persons holding shares issued by an Affiliate that are beneficially owned by Red Deer Regional Airport Authority;
- (d) trustees or other persons representing Red Deer Regional Airport Authority in relation to a trust or estate in which Red Deer Regional Airport Authority has a substantial interest; and
- (e) persons representing Red Deer Regional Airport Authority or its subsidiary in relation to a partnership or joint venture into which it has entered.

## **PART VII**

### **PROTECTION OF APPOINTERS, DIRECTORS, OFFICERS AND OTHERS**

#### **7.01 INDEMNIFICATION OF APPOINTERS**

Red Deer Regional Airport Authority shall indemnify an Appointer against costs, charges and expenses, including any amount paid to settle an action or satisfy a judgment reasonably incurred by it with respect to any civil, criminal or administrative action or proceeding to which it is made a party by reason of anything done or omitted to be done by the Appointer, in good faith, in the administration or discharge of any powers or duties that are intended or

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authorized to be executed or performed by the Appointer pursuant to the Act, the Regulations, Articles, or these Bylaws.

**7.02 INSURANCE FOR THE BENEFIT OF APPOINTERS**

Red Deer Regional Airport Authority may purchase and maintain insurance for the benefit of an Appointer for all or any portion of the liability which may be incurred by an Appointer as set out in section 7.01.

**7.03 INDEMNIFICATION OF DIRECTORS AND OTHERS**

- (a) Red Deer Regional Airport Authority shall indemnify a person who:
  - (i) is a present or former Director or officer of Red Deer Regional Airport Authority, or
  - (ii) acts or acted at Red Deer Regional Airport Authority's request as a Director or officer of a corporation (in this section referred to as the "other corporation") of which Red Deer Regional Airport Authority is or was a shareholder or creditor against costs, charges and expenses, including any amount paid to settle an action or satisfy a judgment, reasonably incurred by him with respect to a civil, criminal or administrative action or proceeding to which he is made a party by reason of his being or having been such a Director or officer, but only in accordance with this section 7.03;
- (b) Notwithstanding anything in section 7.03(a), Red Deer Regional Airport Authority may indemnify the person under subsection (a) only if:
  - (i) he acted honestly and in good faith,
  - (ii) he acted with a view to the best interests,
    - (A) if he is a person referred to in subsection (a)(i) above, or of Red Deer Regional Airport Authority, or
    - (B) if he is a person referred to in subsection (a)(ii) above,
      - (1) of the other corporation, and
      - (2) subject to his prior obligations to the other corporation, of Red Deer Regional Airport Authority,

and

- (iii) in the case of a criminal or administrative action or proceeding, he had reasonable grounds for believing that the conduct was lawful.

#### **7.04 INSURANCE FOR THE BENEFIT OF DIRECTORS AND OFFICERS**

Red Deer Regional Airport Authority may purchase and maintain insurance for the benefit of any person referred to in section 7.03 against those liabilities and in the amounts as the Board may specify and as are permitted by the Act.

### **PART VIII**

#### **OFFICE OF AUDITOR**

##### **8.01 APPOINTMENT**

The Board shall appoint and ensure that at all times Red Deer Regional Airport Authority has an auditor.

##### **8.02 REMUNERATION**

The remuneration of an auditor may be fixed by resolution of the Board.

##### **8.03 FILLING OF VACANCIES**

- (a) The Board shall forthwith fill a vacancy in the office of auditor.
- (b) An auditor appointed to fill a vacancy holds office for the unexpired term of his predecessor.

##### **8.04 REMOVAL OF AUDITOR**

- (a) The Board may remove the auditor from office by Resolution.
- (b) Red Deer Regional Airport Authority shall after each change in auditor, send a written notice of the new appointment to each of the Appointers.

**PART IX**

**NOTICES**

**9.01 METHOD OF GIVING NOTICES**

Any notice (which term includes any communication or document) to be given (which term includes "sent", "delivered" or "served") pursuant to the Act, the Regulations, the Bylaws or otherwise to any Director, officer, Appointer, auditor or member of a committee of the Board shall be sufficiently served or sent:

- (a) if delivered personally to that person;
- (b) if delivered to the Records Address of that person;
- (c) if mailed by prepaid ordinary mail to the Records Address of that person; or
- (d) if transmitted prepaid to the Records Address of that person by any means of electronic recorded transmission.

**9.02 DEEMED RECEIPT OF NOTICE**

A notice given in any of the ways provided in section 9.01 shall be deemed to have been received by the person to whom it is to be given:

- (a) on the day of actual delivery if delivered personally to that person;
- (b) on the day following the day of actual delivery, if delivered to the Records Address of that person;
- (c) three (3) days following the day when the notice was deposited in a post office or public letter box; or
- (d) on the day of actual transmission, if delivered by any means of electronic recorded transmission.

**9.03 CHANGE OF RECORDS ADDRESS**

The Secretary shall change the Records Address of any Director, officer, Appointer, auditor or member of a committee of the Board in accordance with any notice provided by such Director, officer, Appointer, auditor or member effective the date the notice was received.

**9.04 SIGNATURES TO NOTICES**

The signature on any notice contemplated by section 9.01 may be written, stamped, typewritten or printed or partly written, stamped typewritten or printed.

**9.05 COMPUTATION OF TIME**

In computing the date when notice must be given under any provisions requiring a specified number of days' notice of any meeting or other event, the deemed date of receipt of the notice shall be excluded and the date of the meeting or other event shall be included.

**9.06 OMISSIONS AND ERRORS**

The accidental omission to give any notice to any Director, officer, Appointer, auditor or member of a committee of the Board, or the non-receipt of any notice by any of these persons or any error in any notice not affecting its substance shall not invalidate any action taken at any meeting held pursuant to that notice or otherwise founded on it.

**9.07 WAIVER OF NOTICE**

Any person entitled to attend a meeting may at any time waive any notice or waive or abridge the time for any notice, required to be given under the Act, the Articles, the Bylaws or otherwise and that waiver of abridgement, whether given before or after the meeting or other event of which notice is required to be given, shall cure any default in the giving or in the time of that notice, as the case may be. Any waiver or abridgement shall be in writing except a waiver of notice of a meeting which may be given in any manner.

**PART X**

**AMENDMENT OF BYLAWS**

**10.01 AMENDMENT OF BYLAWS**

Subject to the Articles, the Board may amend or repeal the Bylaws by Special Resolution.

**PART XI**

**EFFECTIVE DATE**

**11.01 EFFECTIVE DATE**

This Bylaw #1 shall come into force on the date specified by the Board.

Certified as enacted by the Board in accordance with the Act as of the 27 day of November, 1996.

**RED DEER REGIONAL AIRPORT AUTHORITY**

PER: \_\_\_\_\_

Merv Phillips

PER: \_\_\_\_\_

Don Oszli

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