

A By-law relating generally to the conduct  
of the affairs of

**CANADA MEDIA FUND / FONDS DES MÉDIAS DU CANADA**

(the “**Corporation**”)

**BE IT ENACTED** as a By-law of the Corporation as follows:

**ARTICLE I**  
**INTERPRETATION**

**1.1 Definitions** – In this By-law and all other By-laws and resolutions of the Corporation, unless the context otherwise requires:

“**Act**” means the *Canada Not-for-profit Corporations Act* S.C. 2009, c.23, including the Regulations made pursuant to the Act, and any statute or regulations that may be substituted, as amended from time to time;

“**Articles**” means the original or restated articles of incorporation or articles of amendment, amalgamation, continuance, reorganization, arrangement or revival of the Corporation;

“**Board**” means the Board of Directors of the Corporation;

“**By-laws**” means this By-law and all other By-laws of the Corporation as amended and which are, from time to time, in force and effect;

“**Chair**” means the chairperson of the Board;

“**Director**” means a member of the Board;

“**Meeting of Members**” includes an annual meeting of Members and a special meeting of Members;

“**Special Meeting of Members**” means a special meeting of all Members entitled to vote at an annual meeting of Members and a meeting of any class or classes of Members entitled to vote on the question at issue;

“**Member**” means a member of the Corporation;

“**Officer**” means an officer of the Corporation;

“**President**” and “**President and CEO**” mean the chief executive officer of the corporation;

“**Proposal**” means a proposal submitted by a Member of the Corporation that meets the requirements of Section 163 (Shareholder Proposals) of the Act;

**“Regulations”** means the regulations made under the Act, as amended, restated or in effect from time to time; and

**"Vice-Chair"** means the vice-chairperson of the Board.

**1.2 Interpretation** – In the interpretation of this By-law, unless the context otherwise requires, the following rules shall apply:

- (a) except where specifically defined in this By-law, words, terms and expressions appearing in this By-law shall have the meaning ascribed to them under the Act;
- (b) words importing the singular number only shall include the plural and vice versa;
- (c) the word “person” shall mean an individual, body corporate, a partnership, a trust, a joint venture or an unincorporated association or organization; and
- (d) the headings used in the By-laws are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions of the By-laws or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions.

## **ARTICLE II** **GENERAL**

**2.1 Registered Office** – The registered office of the Corporation shall be in the City of Toronto in the Province of Ontario or elsewhere in Canada as may be determined from time to time by the Board. The Corporation may establish such other offices and agencies elsewhere within Canada as the Board may designate.

**2.2 Corporate Seal** – The Corporation may, but need not, have a corporate seal. If adopted, the seal shall be in the form approved from time to time by the Board and the Corporate Secretary of the Corporation shall be the custodian of the corporate seal.

**2.3 Fiscal Year** – The fiscal year of the Corporation shall end on March 31 of each year or as otherwise set by the Board.

**2.4 Language** – The business of the Corporation may be carried on in English or French and both languages shall have equal status in the operation of the Corporation.

**2.5 Execution of Documents** – Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by the Corporation may be signed by the Chair and one of the Vice-Chair or the President and CEO and all such documents so signed shall be binding upon the Corporation without any further authorization or formality. The Board may also from time to time direct the manner in which and the person or persons by whom a particular document or type of document shall be executed. Any person authorized to sign any document may affix the corporate seal to the document and may certify a copy of any document to be a true copy thereof.

**2.6 Banking** – The banking business of the Corporation shall be transacted at such bank, trust company or other firm or corporation carrying on a banking business in Canada as the Board may designate, appoint or authorize from time to time by resolution. The banking business or any part of it shall be transacted by an Officer or Officers of the Corporation and/or other persons as the Board may by resolution from time to time designate, direct or authorize.

**2.7 Books and Records** – The Directors shall see that all necessary books and records of the Corporation required by the By-Laws of the Corporation or by any applicable statute or law are regularly and properly kept.

**2.8 Invalidity of any Provisions of this By-Law** – The invalidity or unenforceability of any provision of this By-law shall not affect the validity or enforceability of the remaining provisions of this By-law.

### **ARTICLE III** **MEMBERS**

**3.1 Membership Conditions** – Subject to the Articles, there shall be one class of Members in the Corporation. It shall be a condition of membership that the Members shall be: Her Majesty the Queen as represented by the Minister of Canadian Heritage (“**Heritage**”); and Canadian Coalition for Cultural Expression (“**CCCE**”). The following benefits of membership shall apply:

1. Each Member shall be entitled to receive notice of, attend and vote at all Meetings of Members and each such Member shall be entitled to one (1) vote at such meetings.
2. Members shall be entitled to nominate Directors as set out in section 5.3 hereof.

**3.2 Transferability of Membership** – Membership in the Corporation is not transferable; not even to the Corporation.

**3.3 Termination of Membership** – The rights of a Member lapse and cease to exist when the membership terminates for any of the following reasons:

- (a) the Member resigns or is dissolved or otherwise ceases to exist; or
- (b) the Corporation is liquidated or dissolved pursuant to the Act.

Subject to the Articles, upon any termination of membership, the rights of the Member, including any rights in the property of the Corporation, automatically cease to exist.

**3.4 Resignation** – Any Member may resign as a Member by delivering a written resignation to the Corporate Secretary, in which case such resignation shall be effective from the date specified in the resignation.

**3.6 Membership Dues** – The Members are not liable to pay annual membership contributions or any other fees related to the grant of membership.

**ARTICLE IV**  
**MEETINGS OF MEMBERS**

**4.1 Place of Meetings** – Meetings of the Members may be held at any place within Canada determined by the Board or, if all of the Members entitled to vote at such meeting so agree, outside Canada.

**4.2 Annual Meetings** – The Board shall call an annual meeting not later than fifteen (15) months after the last preceding annual meeting and in no event later than six (6) months after the end of the Corporation’s preceding financial year.

The Board shall call an Annual Meeting of Members for the purpose of:

- (a) considering the financial statements and reports of the Corporation required by the Act to be presented at the meeting;
- (b) electing Directors; and
- (c) appointing an auditor and transacting such other business as may properly be brought before the meeting or is required under the Act.

Any other matters of business shall constitute special business and a special meeting will need to be held.

**4.3 Proposals at Annual Meeting** – Subject to compliance with Section 163 of the Act, a Member entitled to vote at an annual meeting may submit to the Corporation notice of any matter that the Member proposes to raise at the annual meeting (a “**Proposal**”). Any such Proposal may include nominations for the election of Directors if the Proposal is signed by not less than 5% of Members entitled to vote at the meeting at which the Proposal is to be presented. The Corporation shall include the Proposal in the notice of meeting and if so requested by the Member, shall also include a statement by the Member in support of the Proposal and the name and address of the Member. All the costs of the proposal and any statement in the notice of meeting at which the Proposal is to be presented shall be borne by the Corporation unless otherwise provided by unanimous resolution of the Members present at the meeting.

**4.4 Special Meetings** – The Board may at any time call a Special Meeting of Members for the transaction of any business which may properly be brought before the Members. The Board shall call a Special Meeting of Members in accordance with Section 167 of the Act, on written requisition of Members carrying not less than five per cent (5%) of the voting rights. If the Directors do not call a meeting within twenty-one (21) days of receiving the requisition, any Member who signed the requisition may call the meeting.

**4.5 Notice of Meetings** – Notice of the time and place of a Meeting of Members shall be sent to the following:

- (a) to each Member entitled to vote at the meeting (which may be determined in accordance with any record date fixed by the Board or failing which, in accordance with the Act);
- (b) to each Director; and
- (c) to the auditor of the Corporation.

Such notice shall be provided in accordance with the requirements of Article XI of this By-law and shall, subject to the Act, include any Proposal submitted to the Corporation under Section 4.3. Notice of a Meeting of Members at which special business is to be transacted shall state the nature of that business in sufficient detail to permit the Member to form a reasoned judgment on the business and provide the text of any resolution or by-law to be submitted to the meeting. Such notice shall remind the Member of the requirement to appoint a proxy to represent the Member, given neither Member is an individual.

**4.6 Waiving Notice** – A person entitled to notice of a Meeting of Members may in any manner and at any time waive notice of a Meeting of Members, and attendance of any such person at a Meeting of Members is a waiver of notice of the meeting, except where such person 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.

**4.7 Persons Entitled to be Present** – The only persons entitled to be present at a Meeting of Members shall be those entitled to vote at the meeting, the Directors and the public accountant of the Corporation and such other persons who are entitled or required under any provision of the Act, Articles or By-laws of the Corporation to be present at the meeting. Any other person may be admitted only on the invitation of the Chair or with the consent of the meeting.

**4.8 Chair of the Meeting** – In the event that the Chair and the Vice-Chair are absent, the Members who are present and entitled to vote at the meeting shall choose one of their number to chair the meeting.

**4.9 Quorum** – A quorum at any meeting of the Members shall be both Members. If at any time during the course of the meeting quorum is no longer present, the meeting shall be adjourned. For the purpose of determining quorum, a Member may be present in person, or, if authorized under Section 4.11, by telephonic and/or other electronic means.

**4.10 Participation at Meetings by Telephone or Electronic Means** – Any person entitled to attend a Meeting of Members may participate in the meeting using telephonic, electronic or other communications means that permit all participants to communicate adequately with each other during the meeting, if the Corporation makes available such a communication facility or the person in question has access to such a communication facility. A person participating in the meeting by any such means shall be deemed to have been present at that meeting. A person participating by telephonic, electronic or other communication facility may vote by any such means if the facility, when necessary, can be adapted so that the votes can be gathered in a

manner that permits their subsequent verification and permits the tallied votes to be presented to the Corporation without it being possible for the Corporation to identify how a particular Member or group of Members voted.

**4.11 Meeting Held by Electronic Means** – If the Directors or Members call a Meeting of Members, those Directors or Members, as the case may be, may determine that the meeting shall be held, in accordance with the Act, entirely by means of a telephonic, an electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting.

**4.12 Adjournment** – The Chair may, with the consent of the meeting, adjourn the same from time to time to a fixed time and place and no notice of such adjournment need be given to the Members provided the adjourned meeting takes place within thirty-one (31) days of the original meeting. Any business may be brought before or dealt with at any adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

**4.13 Absentee Voting** – Subject to compliance with the Act, in addition to voting in person, every Member entitled to vote at a Meeting of Members may vote by any of the following means, subject to the fact that as neither Member is an individual, each Member must provide a proxy for each meeting in any event:

- (a) by appointing a proxyholder or one or more alternate proxyholders who need not be Members, as the Member's nominee to attend and act at the meeting in the manner and to the extent and with the authority conferred by the proxy, subject to the following requirements:
  - (i) a proxy is valid only at the meeting in respect of which it is given or at a continuation of that meeting after an adjournment;
  - (ii) a Member may revoke a proxy by depositing an instrument or act in writing executed by the Member
    - (A) at the registered office of the Corporation no later than the last business day preceding the day of the meeting, or the last business day preceding the day of the continuation of that meeting after an adjournment of that meeting, at which the proxy is to be used, or
    - (B) with the Chair on the day of the meeting or the day of the continuation of that meeting after an adjournment of that meeting;
  - (iii) a proxyholder or an alternate proxyholder has the same rights as the Member by whom they were appointed, including the right to speak at a Meeting of Members in respect of any matter, to vote by way of ballot at the meeting, to demand a ballot at the meeting and, except where a proxyholder or an alternate proxyholder has conflicting instructions from more than one Member, to vote at the meeting by way of a show of hands;

- (b) by using a mailed-in ballot in the form provided by the Corporation provided that the Corporation has a system that enables the votes to be gathered in a manner that permits their subsequent verification and permits the tallied votes to be presented to the Corporation without it being possible for the Corporation to identify how each Member voted; or
- (c) by means of a telephonic, electronic or other communication facility, if the facility enables the votes to be gathered in a manner that permits their subsequent verification and permits the tallied votes to be presented to the Corporation without it being possible for the Corporation to identify how each Member voted.

**4.14 Votes to Govern** – As provided in the Articles, all questions proposed for consideration of the Members shall be determined by a unanimous vote whereby each Member shall cast a vote in favour of a resolution. If both Members do not vote in favour of a resolution, the resolution will not pass.

**4.15 Show of Hands** – Subject to the Act and Section 4.14, except where a ballot is demanded, voting on any question proposed for consideration at a Meeting of Members shall be by show of hands, and a declaration by the Chair of the meeting as to whether or not the question or motion has been carried and an entry to that effect in the minutes of the meeting shall, in the absence of evidence to the contrary, be evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the motion.

**4.16 Ballots** – For any question proposed for consideration at a Meeting of Members, either before or after a vote by show of hands has been taken, the Chair of the meeting, or any Member or proxyholder may demand a ballot, in which case the ballot shall be taken in such manner as the Chair directs and the decision of the Members on the question shall be determined by the result of such ballot.

**4.17 Resolution in Lieu of Meeting** – Except where, pursuant to Section 166 of the Act, a written statement is submitted to the Corporation by a Director or representations in writing are submitted to the Corporation by a public accountant:

- (a) a resolution in writing signed by all the Members entitled to vote on that resolution at a Meeting of Members is as valid as if it had been passed at a meeting of the Members; and
- (b) a resolution in writing dealing with all matters required by the Act to be dealt with at a Meeting of Members, and signed by all the Members entitled to vote at that meeting, satisfies all the requirements of the Act relating to that Meeting of Members.

A copy of every resolution referred to above shall be kept with the minutes of meetings of Members.

**4.18 Annual Financial Statements** – The Corporation shall send to the Members a copy of the annual financial statements and other documents referred to in subsection 172(1) (Annual

Financial Statements) of the Act or a copy of a publication of the Corporation reproducing the information contained in the documents.

**4.19 Rules, Regulations and Guidelines** - The Board may prescribe such rules, regulations and guidelines not inconsistent with these By-Laws relating to the management and operation of the Corporation as it deems expedient, provided that such rules, regulations or guidelines shall have force and effect only until the next Annual Meeting of the Members of the Corporation when they shall be confirmed, and in default of confirmation at such Annual Meeting of Members shall at and from that time cease to have force and effect.

## **ARTICLE V** **DIRECTORS**

**5.1 Powers** – Subject to the Act and the Articles, the Board shall manage or supervise the management of the activities and affairs of the Corporation.

**5.2 Number** – Until changed in accordance with the Act, the Board shall consist of seven (7) Directors.

**5.3 Qualifications** – The following persons are disqualified from being a Director of the corporation:

- (a) anyone who is less than 18 years of age;
- (b) anyone who has been declared incapable by a court in Canada or in another country;
- (c) anyone who is not an individual;
- (d) anyone who has the status of bankrupt; and
- (e) anyone who is not “independent”.

For the purposes of this by-law “independent” has the meaning described in Schedule “A”. If a nominee is determined not to be independent as required, the Member whose nominee is ineligible will be entitled to nominate an alternative Director in accordance with these By-laws.

Eligibility for election to the office of Director shall be confined to individuals nominated by the Members. The Members shall have the right to nominate the following number of Directors:

Heritage may nominate two Directors; and

CCCE may nominate five Directors.

The Members shall provide the names of their nominees for election as Directors in writing upon the request of the Corporate Secretary.



**5.4 Election and Term** – The Members of the Corporation shall elect by unanimous resolution, at each annual meeting at which an election of Directors is required, Directors to hold office for a one year term expiring not later than the close of the annual Meeting of Members following the election. All Directors, if qualified, are eligible for re-election to serve additional terms. If Directors are not elected at a Meeting of Members, the incumbent Directors continue in office until their successors are elected.

**5.5 Consent** – A Director who is elected or appointed must consent to hold office as a Director:

- (a) if present at the meeting at which the election or appointment takes place, by not refusing to hold office,
- (b) if not present at the meeting at which the election or appointment takes place, by either:
  - (i) consenting to hold office in writing before the election or appointment takes place or within ten (10) days; or
  - (ii) by acting as a Director after such person's election or appointment.

**5.6 Vacation of Office** – A Director ceases to hold office when the Director dies, resigns, is removed from office by the Members, or becomes disqualified to serve as Director.

**5.7 Resignation** – A Director may resign from office by giving a written resignation to the Corporation and such resignation becomes effective when received by the Corporation or at the time specified in the resignation, whichever is later.

**5.8 Removal** – The Members may, by unanimous resolution passed at a special Meeting of Members, remove any Director from office before the expiration of the Director's term and may elect a qualified individual to fill the resulting vacancy for the remainder of the term of the Director so removed.

**5.9 Statement** - A Director is entitled to submit a written statement giving reasons for resigning or for opposing the removal or replacement of the Director at any meeting called for that purpose.

**5.10 Vacancies** – The Directors may, by resolution, fill a vacancy on the Board for the remainder of the term with a qualified individual nominated by the Member who nominated the Director whose departure created the vacancy.

**5.11 Delegation** – The Board may appoint from their number a managing Director or a committee of Directors (which may be referred to as an executive committee) and delegate to the managing Director or committee any of the powers of the Board except those which may not be delegated by the Board pursuant to subsection 138(2) of the Act. Unless otherwise determined by the Board, such a committee shall have the power to fix its quorum at not less than a majority of its Members, to elect its Chairman and to otherwise regulate its procedure.

### **5.12 Governance and Human Resources Committee.**

- (a) The Directors shall appoint a Governance and Human Resources Committee to assist the Board to fulfill its responsibilities with respect to governance and human resources management.
- (b) The Governance and Human Resources Committee shall have the duties, responsibilities and authorities set out in the *Governance and Human Resources Committee Charter* approved by the Board on March 12, 2010, as amended from time to time.
- (c) The Governance and Human Resources Committee shall be composed of at least three Directors.
- (d) The members of the Governance and Human Resources Committee shall serve until they resign, cease to be a Director or are removed or replaced by the Board.
- (e) The Board shall designate one of the Directors on the Governance and Human Resources Committee as the Chair of the Governance and Human Resources Committee.
- (f) The Corporate Secretary shall be secretary of the Governance and Human Resources Committee.

### **5.13 Audit Committee.**

- (a) The Directors shall appoint an Audit Committee to assist the Board in fulfilling its corporate governance and oversight responsibilities with respect to accounting and financial reporting processes, internal financial control structure and external audit function.
- (b) The Audit Committee shall have the duties, responsibilities and authorities set out in the *Audit Committee Charter* approved by the Board on September 15, 2009, as amended from time to time.
- (c) The Audit Committee shall be composed of at least three Directors:
  - (i) all of whom are *financially literate* (i.e., have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the accounting issues that can reasonably be expected to be raised by the financial statements of the Corporation);
  - (ii) at least one of whom is *financially sophisticated* (i.e., has past employment experience in finance or accounting, requisite professional certification in accounting or other comparable experience or background that results in his or her financial sophistication).

- (d) Members of the Audit Committee shall serve until they resign, cease to be a Director or are removed or replaced by the Board.
- (e) The Board shall designate one of the Directors who is a member of the Audit Committee as Chair of the Audit Committee.
- (f) The Corporate Secretary shall be secretary of the Audit Committee.

**5.14 Other Committees** – The Board may from time to time appoint any other committee or other advisory body, as it deems necessary or appropriate for such purposes and, subject to the Act, with such powers as the Board shall see fit. Any such committee may formulate its own rules of procedure, subject to such regulations or directions as the Board may from time to time make. 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.

The Directors shall establish a budget for each committee.

**5.15 Consultation Policy** - The Board shall adopt a consultation policy to provide for meaningful, formal, ongoing and inclusive consultations with stakeholders.

**5.16 Remuneration and Expenses** –The Members may by unanimous resolution fix the reasonable remuneration of the Directors. Any Director, Officer or employee of the Corporation may receive reimbursement for their expenses incurred on behalf of the Corporation in their respective capacities as a Director, Officer or employee.

## **ARTICLE VI** **MEETINGS OF DIRECTORS**

**6.1 Place of Meetings** – Meetings of the Board may be held at the registered office of the Corporation or at any other place within or outside of Canada as the Board may determine.

**6.2 Calling of Meetings** – Meetings of the Board may be called by the Chair, the Vice-Chair, or any two (2) Directors at any time.

**6.3 Notice of Meeting** – Notice of the time and place for the holding of a meeting of the Board shall be given in the manner provided in the section on giving notice of meeting of Directors of this by-law to every Director of the Corporation not less than five days before the time when the meeting is to be held. Notice of a meeting shall not be necessary if all of the Directors are present, and none objects to the holding of the meeting, or if those absent have waived notice of or have otherwise signified their consent to the holding of such meeting. Notice of an adjourned meeting is not required if the time and place of the adjourned meeting is announced at the original meeting. Every notice of meeting must specify the purpose or the business to be transacted at the meeting.

**6.4 First Meeting of New Board** – Provided that a quorum of Directors is present, a newly-elected Board may, without notice, hold its first meeting immediately following the Meeting of Members at which such Board is elected.

**6.5 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 named. A copy of any resolution of the Board fixing the place and time of such regular meetings of the Board shall be sent to each Director immediately after being passed, but no other notice shall be required for any such regular meeting except if Section 136(3) (Notice of Meeting) of the Act requires the purpose thereof or the business to be transacted to be specified in the notice.

**6.6 Quorum** – A majority of the number of Directors then in office constitutes a quorum at any meeting of the Board. For the purpose of determining quorum, a Director may be present in person, or, if authorized under Section 6.8, by teleconference and/or by other electronic means.

**6.7 Resolutions in Writing** – A resolution in writing, signed by all the Directors entitled to vote on that resolution at a meeting of Directors or of a committee of Directors, shall be as valid as if it had been passed at a meeting of Directors or committee of Directors. A copy of every such resolution in writing shall be kept with the minutes of the proceedings of the Directors or committee of Directors.

**6.8 Participation at Meeting by Telephone or Electronic Means** – Subject to the Act, a Director may, if all Directors are in agreement and have provided their consent, participate in a meeting of Directors or of a committee of Directors using telephonic, electronic or another communication facility that permits all participants to communicate adequately with each other during the meeting. A Director participating in the meeting by such means shall be deemed for the purposes of the Act to have been present at that meeting.

**6.9 Chair of the Meeting** – In the event that the Chair and the Vice-Chair are absent, the Directors who are present shall choose one of their number to chair the meeting.

**6.10 Votes to Govern** – Unless otherwise provided for in these By-Laws, at all meetings of the Board, every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes, the Chair shall not have a second or casting vote. Directors may not appoint proxies to attend meetings in their stead.

## **ARTICLE VII** **OFFICERS**

**7.1 Appointment** – Subject to the Act and the Articles, the Board may designate the offices of the Corporation, appoint such Officers and agents as it may from time to time determine are necessary or desirable, including a President and CEO, specify their duties and delegate to such Officers the power to manage the affairs of the Corporation. Two or more offices may be held by the same person.

**ARTICLE VIII**  
**DESCRIPTION OF OFFICES**

**8.1 Description of Offices** – The Board shall appoint from among its members a Chair at the first meeting of the Board following the Annual Meeting of Members. Unless otherwise specified by the Board, the offices of the Corporation, if designated and if Officers are appointed, shall have the following duties and powers associated with their positions:

- (a) Chair of the Board – The Chair of the Board (the “**Chair**”) shall be a Director. The Chair, if any, shall, when present, preside at all meetings of the Board and of the Members. The Chair shall have such other duties and powers as the Board may specify.
- (b) Vice-Chair of the Board – The Vice-Chair of the Board (the “**Vice-Chair**”), if one is to be appointed, shall be a Director. If the Chair is absent or is unable or refuses to act, the Vice-Chair, if any, shall, when present, preside at all meetings of the Board and of the Members and shall have such others duties and powers as the Board may specify.
- (c) Corporate Secretary - The secretary shall attend and be the secretary of all meetings of the Board, Members and committees of the Board. The secretary shall enter or cause to be entered in the Corporation’s minute book, minutes of all proceedings at such meetings; the secretary shall give, or cause to be given, as and when instructed, notices to Members, Directors, the public accountant and members of committees; the secretary shall be the custodian of all books, papers, records, documents and other instruments belonging to the Corporation. Such records shall be open at all reasonable times to the inspection of Members.
- (d) Treasurer - If appointed, the treasurer shall have such powers and duties as the Board may specify.

The powers and duties of all other Officers of the Corporation shall be such as the terms of their engagement call for or the Board or President and CEO requires of them. The Board may from time to time and subject to the Act, vary, add to or limit the powers and duties of any Officer.

**ARTICLE IX**  
**CODE OF BUSINESS CONDUCT**

**9.1 Code** – The Corporation shall adopt a code of business conduct which shall deal with, among other things, conflicts of interest.

**ARTICLE X**  
**PROTECTION OF DIRECTORS, OFFICERS AND OTHERS**

**10.1 Standard of Care** – Every Director and Officer of the Corporation, in exercising such person’s powers and discharging such person’s duties, shall act honestly and in good faith with a view to the best interests of the Corporation and shall exercise the care, diligence and skill that a

reasonably prudent person would exercise in comparable circumstances. Every Director and Officer of the Corporation shall comply with the Act, the regulations, Articles, and By-laws.

**10.2 Limitation of Liability** – Provided that the standard of care required of the Director or Officer under the Act and the By-laws has been satisfied, no Director or Officer shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer or employee, or for joining in any receipt or other act for conformity, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in or upon which any of the money of the Corporation shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the money, securities or effects of the Corporation shall be deposited, or for any loss occasioned by any error of judgment or oversight on the Director or Officer's part, or for any other loss, damage or misfortune which shall happen in the execution of such person's duties of office, unless the same are occasioned by the Director or Officer's own wilful neglect or default or otherwise result from the Director or Officer's failure to act in accordance with the Act or the regulations.

**10.3 Indemnification of Directors and Officers** –The Corporation may indemnify a Director, an Officer of the Corporation, a former Director or Officer of the Corporation, or another individual who acts or acted at the Corporation's request as a Director or Officer or in a similar capacity of another entity, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by such person in respect of any civil, criminal, administrative, or investigative action or other proceeding in which the individual is involved because of that association with the Corporation or other entity if:

- (a) the person acted honestly and in good faith with a view to the best interests of the Corporation or, as the case may be, to the best interests of the other entity for which the individual acted as Director or Officer or in a similar capacity at the Corporation's request; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the person had reasonable grounds for believing that the conduct was lawful.

**10.4 Insurance** – Subject to the Act, the Corporation may purchase and maintain insurance for the benefit of any person entitled to be indemnified by the Corporation pursuant to Section 10.3 against any liability incurred by the 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.

**10.5 Advances** – With respect to the defence by a Director or Officer or other individual of any claims, actions, suits or proceedings, whether civil or criminal, for which the Corporation is liable to indemnify a Director or Officer pursuant to the terms of the Act, the Board may authorize the Corporation to advance to the Director or Officer or other individual such funds as may be reasonably necessary for the defence of such claims, actions, suits or proceedings upon written notice by the Director or Officer to the Corporation disclosing the particulars of such

claims, actions, suits or proceedings and requesting such advance. The Director or Officer shall repay the money advanced if the Director or Officer does not fulfill the conditions of Section 151(3) of the Act.

## **ARTICLE XI** **NOTICES**

**11.1 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 Articles, the By-laws, or otherwise, to a Member, Director, Officer or member of a committee of the Board or to the public accountant shall be sufficiently given:

- (a) if delivered by mail, courier or personal delivery to each Member entitled to vote at the meeting, to such person's address as shown in the records of the Corporation or in the case of notice to a Director to the latest address as shown in the last notice that was sent by the Corporation during a period of 21 to 60 days before the day on which the meeting is to be held; or
- (b) by electronic, telephonic, or other communication facility to each Member entitled to vote at the meeting, during a period of 21 to 35 days before the day on which the meeting is to be held.

A unanimous resolution of the Members is required to make any amendment to the By-laws of the Corporation to change the manner of giving notice to Members entitled to vote at a Meeting of Members.

**11.2 Notice** - A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box; and a notice so sent by any means of electronic or similar communication shall be deemed to have been given when delivered to the appropriate electronic server or equivalent facility. The secretary may change or cause to be changed the recorded address of any Member, Director, Officer, public accountant or member of a committee of the Board in accordance with any information believed by the secretary to be reliable. The declaration by the secretary that notice has been given pursuant to this By-law shall be sufficient and conclusive evidence of the giving of such notice. The signature of any Director or Officer of the Corporation to any notice or other document to be given by the Corporation may be written, stamped, type-written or printed or partly written, stamped, type-written or printed.

**11.3 Omissions and Errors** – The accidental omission to give any notice to any Member, Director, Officer, member of a committee of the Board or public accountant, or the non-receipt of any notice by any such person where the Corporation has provided notice in accordance with the By-laws or any error in any notice not affecting its substance shall not invalidate any action taken at any meeting to which the notice pertained or otherwise founded on such notice.

**11.4 Waiver of Notice** – Any person entitled to notice may waive or abridge the time for any notice required to be given to such person, and such waiver or 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 such notice, as the case may be. Any such waiver or abridgement shall be in writing.

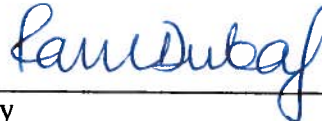
**ARTICLE XII**  
**BY-LAWS AND EFFECTIVE DATE**

**12.1 By-laws and Effective Date** – The Board may not make, amend or repeal any By-laws that regulate the activities or affairs of the Corporation without having the By-law, amendment or repeal confirmed by the Members by unanimous resolution. The By-law, amendment or repeal is only effective on the confirmation of the Members and in the form in which it was confirmed.

**ENACTED** this 28<sup>th</sup> day of June 2012.



Chair



Secretary

**CONFIRMED** by the Members this 28<sup>th</sup> day of June, 2012.



## SCHEDULE "A"

### Independence requirements

#### 1. *Definition of Independence*

An individual is independent if he or she:

- is not an employee, independent contractor or consultant to the Corporation; and
- does not have any direct or indirect material relationship with the Corporation, a Funder or a Beneficiary that could or could reasonably be perceived to interfere with the exercise of independent judgment by the individual or the ability of the individual to carry out his or her responsibilities as a Director of the Corporation;
- is not an Officer, provided that for this purpose, the Chair and Vice-Chair are not deemed not to be independent merely by the fact they are Officers.

#### 2. *Criteria for Material Relationship*

The criteria the Board will use to assist in assessing whether an individual has a direct or indirect material relationship with the Corporation, a Funder or a Beneficiary are set out below.

An individual is presumed to have a direct or indirect material relationship with the Corporation, a Funder or a Beneficiary if he or she meets any one of the criteria set out below.

An individual may be found not to have a material relationship with the Corporation, a Funder or a Beneficiary even if he or she meets one of the criteria set out below if a reasonable person examining all the relevant facts could reasonably conclude that the relevant relationship is of such a minor nature or scope that it does not affect the individual's *de facto* independence.

An individual may be found to have a material relationship with the Corporation, a Funder, or a Beneficiary even if he or she does not meet all of the criteria set out below if a reasonable person examining all the relevant facts could reasonably conclude that the relevant relationship is of such a nature or scope that it would affect the individual's *de facto* independence.

- (a) *An Immediate Family Member is an Officer or employee of the Corporation.*
- (b) *The individual or an Immediate Family Member is a Significant Shareholder, partner, Director, Officer or employee of a Funder or a Beneficiary or an Affiliate of a Funder or a Beneficiary, unless:*

the individual or the Immediate Family Member is an employee of the Funder, the Beneficiary or the Affiliate, the responsibilities of the individual or the Immediate

Family Member do not relate directly or indirectly to the Corporation or the Canada Media Fund Program and, where the individual is the employee, the fiduciary obligations of the individual to the Funder, the Beneficiary or the Affiliate would not likely be in conflict with his or her obligations to the Corporation.

- (c) *The individual or an Immediate Family Member provides Professional Advisory Services to the Corporation, a Funder, a Beneficiary or an Affiliate of a Funder or a Beneficiary, unless:*

in the case of an Immediate Family Member, the services do not relate directly or indirectly to the Corporation or to the Canada Media Fund Program and the consulting or advisory fees or payments received by the Immediate Family Member during any 12 month period do not exceed C\$75,000.

- (d) *The individual or an Immediate Family Member is a Significant Shareholder, partner, Director, Officer or employee of an entity which provides Professional Advisory Services to the Corporation, a Funder, a Beneficiary or an Affiliate of a Funder or a Beneficiary, unless:*

the individual or the Immediate Family Member is an employee of the entity, does not participate in any material way in the provision of services to the Corporation, the Funder, the Beneficiary or the Affiliate and, based on all relevant facts, the individual or the Immediate Family Member could not reasonably be seen as drawing a significant pecuniary or other benefit specific to the provision of the services.

- (e) *The individual or Immediate Family Member has a direct or indirect material contractual or business relationship with the Corporation, a Funder, a Beneficiary or an Affiliate of a Funder or a Beneficiary.*

The test of whether a contractual or business relationship is material will be based on the circumstances relevant to the individual.

### 3. ***Definitions***

In this Schedule "A", the following terms have the meanings set out below:

- (a) *Affiliate.*

An Affiliate of a Funder or a Beneficiary is a person who controls, is controlled by or is under common control with the Funder or Beneficiary. A person controls another person if the first person, alone or in combination with other persons, directly or indirectly, owns or exercises control or direction over voting securities of the other person that materially affect the control of the other person.

(b) *Beneficiary.*

A Beneficiary is any direct or indirect beneficiary or potential beneficiary of the Corporation's program resources.

(c) *Funder.*

A Funder is the Government of Canada through the Department of Canadian Heritage or any broadcast distribution undertaking that makes contributions to the Corporation or to the Canada Media Fund program.

(d) *Immediate Family Member.*

An Immediate Family Member of an individual is (a) the individual's spouse or common law partner, (b) a minor child or stepchild of the individual, or (c) a child or stepchild of the individual who is not a minor and who shares the individual's home.

(e) *Officer.*

An Officer of a corporation or any other type of entity (including the Corporation, a Funder, a Beneficiary or an Affiliate) includes an individual who performs a policy making function in respect of the entity or who makes, or participates in making, decisions that affect all or a substantial part of the business of the entity, whether or not the individual is an employee of the entity or does so directly or through another entity.

(f) *Professional Advisory Services.*

Professional Advisory Services include auditing, accounting, actuarial, consulting, legal, investment banking or financial advisory services.

(g) *Significant Shareholder.*

A Significant Shareholder of a Funder or a Beneficiary or an Affiliate is a person who, directly or indirectly, beneficially owns or exercises control or direction over securities of the Funder, the Beneficiary or the Affiliate carrying 10% or more of the voting rights attached to all of the outstanding voting securities of the Funder, the Beneficiary or the Affiliate.

4. *Assessment Process*

In the case of the first Board elected under the new governance structure, the Independent Directors in office at the time these By-Laws are enacted will determine whether an individual nominated as a Director of the Corporation is independent. Thereafter, the determination will be made by the Board. The determination will require the affirmative vote of two-thirds of the Directors.

The Board will assess whether an individual is independent annually and whenever new information is provided to the Corporate Secretary. The Board will consider all relevant information in assessing whether an individual is independent.

Each nominee for election as a Director of the Corporation (including existing Directors) will provide the Corporate Secretary with information sufficient to enable the Board to assess whether the he or she is independent, including information with respect to the criteria set out above. Each Director of the Corporation will provide the Corporate Secretary with any new information relevant to the assessment of his or her continued independence as soon as practicable after it becomes available.

If a Director of the Corporation ceases to be independent, he or she immediately ceases to be a Member of the Board.