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## **Canada Post Corporation**

### **By-Law No. 1**

A By-law relating generally to the transaction of the business and affairs of Canada Post Corporation

BE IT ENACTED AS A BY-LAW OF CANADA POST CORPORATION:

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## 1. INTERPRETATION

**1.01 Definitions** - In this By-law and in any other By-law of the Canada Post Corporation:

“Act” means the *Canada Post Corporation Act*, R.S.C. 1985, Chapter C-10, as from time to time amended;

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

“Committee” means a Committee of the Board;

“By-laws” means this By-law and all other By-laws of the Corporation in addition hereto, or in amendment hereof, or in substitution for all or any part of this By-law, from time to time in force and effect relating to transaction of the business and affairs of the Corporation;

“Chairman” means the Chairman of the Board;

“Chairperson” means the Chairperson of a Committee;

“Corporation” means the Canada Post Corporation;

“President” means the President of the Corporation;

“Regulations” means the Regulations made pursuant to the Act or from time to time amended, and every Regulation that may be substituted therefor;

“Vice-Chairperson” means the Vice-Chairperson of the Board;

“Vice-Chairperson of a Committee” means the Vice-Chairperson of a Committee.

**1.02 Interpretation** - In this By-law and in any other By-law of the Corporation, unless the context otherwise requires and subject to Section 1.01, words and phrases shall be interpreted in accordance with the provisions of the Act.

**1.03 Headings** - Headings are not set out herein for the purpose of modifying or affecting the meaning of any provision of this By-law in any way, but are inserted only for the purpose of assisting in the identification of matters addressed in the sections of the By-law.

## 2. SEAL

**2.01 Description** - The seal, an impression of which is stamped in the margin hereof, shall be the seal of the Corporation.

## 3. BOARD

**3.01 Standards of Conduct** - The Board may, by resolution, enact and adopt Standards of Conduct to be followed by members of the Board in discharging their responsibilities as directors of the Corporation.

**3.02 Chairman** - The Chairman shall recommend to the Board general policies with respect to the exercise of the powers of the Corporation and, under the direction of the Board, shall exercise continuous general supervision over the business and affairs of the Corporation. In addition, he shall undertake such other responsibilities as the Board may specify from time to time.

The Board establishes with the President and Chief Executive Officer at the start of each year that year's performance objectives for the President and Chief Executive Officer. The Board shall annually evaluate the performance of the President and Chief Executive Officer against the established performance objectives for that year. For this purpose, the Board shall establish a check-list against which the evaluation is to be conducted.

**3.03 Vice-Chairperson** - The Board may appoint a director, other than the President, as Vice-Chairperson of the Board, who shall serve during the pleasure of the Board and, in any event, only so long as such director shall be a director of the Corporation.

**3.04 President** - The President shall be the Chief Executive Officer of the Corporation. He/she shall recommend to the Board general policies with respect to the exercise of the powers of the Corporation and, subject to the direction of the Board, shall exercise general management and control over the business and affairs of the Corporation.

Annually, on a date to be determined by the Chairman in consultation with the President, the President shall submit, or cause to be submitted to the Board a report of the costs charged to the office of the President during the reporting period along with a budget for the activities of the President during the next reporting period.

**3.05 Members** - A majority of the members of the Board shall be independent in accordance with the Corporation's standards of independence.

## 4. COMMITTEES

**4.01 Number of Members** – Unless otherwise determined by resolution of the Board, each Committee shall consist of not fewer than five (5) directors, and an ex-officio member of a Committee shall be counted in said number.

**4.02 Ex-officio Member** - Subject to this By-law, the Chairman shall be an ex-officio member of all Committees, with the right to vote.

**4.03 Appointed Members** - Subject to this By-law, the Board may from time to time make appointments to any Committee, from amongst its members, shall designate a Chairperson and may designate a Vice-Chairperson of each Committee established.

**4.04 Term of Office** - Each appointed member shall serve during the pleasure of the Board and, in any event, only so long as such member shall be a director of the Corporation.

**4.05 Vacancies** - The Board may fill vacancies in a Committee, but where vacancies exist in the Committee, the remaining members may exercise all the powers and duties of the Committee so long as a quorum exists.

**4.06 Reports to Board** - Each Committee shall report orally the actions taken and decisions made at each of its meetings to the Board at the next meeting of the Board.

## 5. AUDIT COMMITTEE

**5.01 Committee of the Board** - In accordance with the provisions of the *Financial Administration Act*, an Audit Committee is hereby established.

**5.02 Duties and Responsibilities** - In addition to those duties and functions which are prescribed by Section 148 of the *Financial Administration Act*, the Audit Committee shall perform such other duties and responsibilities as may be assigned to it by the Board from time to time. The Audit Committee may exercise such powers as may be from time to time delegated to it by the Board.

**5.03 Members** - Each member of the Audit Committee shall be independent in accordance with the Corporation's standards of independence.

## **6. CORPORATE GOVERNANCE AND NOMINATING COMMITTEE**

**6.01 Committee of the Board** - A Corporate Governance and Nominating Committee is hereby established.

**6.02 Duties and Responsibilities** - The Corporate Governance and Nominating Committee shall perform such duties and responsibilities as may be assigned to it by the Board from time to time. The Corporate Governance and Nominating Committee may exercise such powers as may be delegated to it by the Board from time to time.

**6.03 Members** - Each member of the Corporate Governance and Nominating Committee shall be independent in accordance with the Corporation's standards of independence.

**6.04 Advisors** - The Board may, from time to time, appoint advisors who are not members of the Board and who are independent in accordance with the Corporation's standards of independence to advise and otherwise assist the Corporate Governance and Nominating Committee in performing its duties and responsibilities.

## **7. HUMAN RESOURCES AND COMPENSATION COMMITTEE**

**7.01 Committee of the Board** - A Human Resources and Compensation Committee is hereby established.

**7.02 Duties and Responsibilities** - The Human Resources and Compensation Committee shall perform such duties and responsibilities as may be assigned to it by the Board from time to time. The Human Resources and Compensation Committee may exercise such powers as may be delegated to it by the Board from time to time.

**7.03 Members** - Each member of the Human Resources and Compensation Committee shall be independent in accordance with the Corporation's standards of independence.

## **8. PENSION COMMITTEE**

**8.01 Committee of the Board** - A Pension Committee is hereby established.

**8.02 Duties and Responsibilities** - The Pension Committee shall perform such duties and responsibilities as may be assigned to it by the Board from time to time. The Pension Committee may exercise such powers as may be delegated to it by the Board from time to time.

**8.03 Members** - Each member of the Pension Committee shall be independent in accordance with the Corporation's standards of independence.

## **9. OTHER COMMITTEES**

**9.01 Duties and Responsibilities** – The Board by resolution may from time to time appoint from among its members, under such terms of reference as the Board may determine from time to time, one or more other Committees to consider, review, monitor or supervise on behalf of the Board and make recommendations to the Board on the matters so referred to such Committee or Committees. A Committee may exercise such powers as may be from time to time delegated to it by the Board.

## **10. MEETINGS**

### **10.01 Calling of Meeting -**

(a) A meeting of the Board shall be held at such time and place as the Chairman, and in his absence the Vice-Chairperson, or in the absence of both the Chairman and the Vice-Chairperson, any two (2) directors may from time to time decide.

(b) A meeting of a Committee shall be held at such time and place as the Chairperson of the Committee, or in his/her absence, the Vice-Chairperson of the Committee, or in the absence of both the Chairperson and the Vice-Chairperson of the Committee, any two (2) members of the Committee may from time to time decide.

### **10.02 Notice of Meeting**

(a) Notice of a meeting of the Board shall be given to each director, and notice of a meeting of a Committee shall be given to each member of such Committee, by personal delivery, by mail, or by facsimile or other means of electronic communication, to his/her ordinary place of residence or other address designated by him/her.

(b) Notice shall be given not less than two (2) clear days before the date on which the meeting is to be held.

(c) Notice given by personal delivery shall be deemed to have been given on the day of actual delivery; notice sent by mail shall be deemed to have been given on the fourth (4<sup>th</sup>) day following date of mailing thereof; and notice sent by facsimile or other means of electronic communication shall be deemed to have been given on the day of transmission thereof.

(d) No notice of a meeting shall be necessary if all the directors, or all the members of the Committee, are present at the place of the meeting or if those absent from the place of the meeting have previously waived notice of the meeting, or have otherwise signified their consent to the holding of such meeting.

(e) No error or omission in the giving of notice of a meeting or in the notice itself shall invalidate such a meeting or render void any proceedings taken or had at such a meeting; and any director, or any member of a Committee, may at any time waive notice of such meeting and may ratify and approve any or all proceedings taken at that meeting.

**10.03 Quorum** - Six (6) directors and, unless otherwise determined by resolution of the Board, three (3) members of a Committee shall constitute a quorum of the Board and of a Committee respectively, for the transaction of business and, notwithstanding any vacancy among the directors, or among the members of a Committee, a quorum of directors or of members of a Committee may exercise all the powers of the Board or of the Committee respectively.

#### **10.04 Chairman or Chairperson of a Meeting**

(a) The Chairman, or in his absence, the Vice-Chairperson, shall preside at meetings of the Board; in the absence of both the Chairman and of the Vice-Chairperson, the directors present shall appoint one of their number, other than the President, to preside at said meeting.

(b) The Chairperson or in his/her absence, the Vice-Chairperson of a Committee shall preside at meetings of said Committee. In the absence of both the Chairperson and the Vice-Chairperson of said Committee at any meeting thereof, the members of the Committee present shall appoint one of their number to preside at said meeting.

**10.05 Votes to Govern** - At all meetings of the Board and of Committees, every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes, the Chairman or the Chairperson of the meeting, as the case may be, shall be entitled to a second or casting vote in addition to his/her original vote.

**10.06 Participation by Telephone** - Unless otherwise determined by resolution of the Board or the applicable Committee, a director or member of a Committee may participate in a meeting by means of such telephone or other communications facility as permit all persons participating in the meeting to hear each other, and a director or member of a Committee participating in such a meeting by such means is deemed to be present at the meeting.

**10.07 Minutes of Meeting** - The Secretary shall attend every meeting of the Board and of each Committee, and shall prepare or cause to be prepared and

distributed as soon as practicable thereafter, to the directors to whom notice of the meeting had been given, minutes of all proceedings at said meeting.

**10.08 Third Parties** - The Chairman or the Chairperson of a meeting, as the case may be, may invite such persons as he/she may see fit from time to time to attend meetings of the Board or of a Committee to assist in the discussion and consideration of matters being addressed by the Board or Committee.

**10.09 Errors and Omissions** - The non-receipt by any director of any notice duly given, or error in any notice not affecting the substance thereof cannot invalidate any action taken at any meeting of the Board or of a Committee held pursuant to such notice or otherwise founded thereon.

**10.10 Validity of Acts** - All acts done at any meeting of the Board or a Committee shall, notwithstanding any defect that may be afterwards discovered in the election or qualification of any director or member of a Committee, be as valid as if every such person had been duly appointed and qualified as a member of the Board or of a Committee.

## **11. SECRETARY**

**11.01 Duties and Responsibilities** - There shall be a Secretary, designated by the Board, who shall,

- (a) give or cause to be given all notices and circulate any agenda of meetings of the Board and of any Committee;
- (b) attend all meetings of the Board and of a Committee, unless otherwise instructed by the Chairman or the Chairperson of the Committee, as the case may be;
- (c) prepare or cause to be prepared and distributed, as soon as practicable after each meeting of the Board or of a Committee, to the directors to whom notice of the meeting had been given, minutes of all proceedings of the Board or of the Committee at said meeting;
- (d) be the custodian of the seal of the Corporation and all minute books and all instruments in writing executed under the seal of the corporation; and
- (e) have such other duties and responsibilities as are incident to the office or as may be assigned from time to time by the Board, the Chairman, or the Chairman and the President jointly.

Any Assistant Secretary may perform the duties of the Secretary.

## 12. OFFICERS

**12.01 Duties and Responsibilities** - The duties and responsibilities of officers shall be those which appertain normally to their respective offices or which may be assigned to them by the Board or the President. The Board or the President may from time to time vary, add to, or limit the duties and responsibilities of any officer.

**12.02 Remuneration** - The annual remuneration of officers shall be determined individually by the Board in consultation with the President.

## 13. BANKING

**13.01 Accounts** - Subject to the provisions of the *Financial Administration Act*, the Corporation's bank accounts may be opened and maintained as the Board by resolution from time to time determines.

**13.02 Authorized Persons** - All such banking business shall be transacted on the Corporation's behalf by its officers or other persons, as may be designated, directed or authorized by or pursuant to a resolution of the Board.

**13.03 Advisements** - Any bank or financial institution at which an account of the Corporation is or is to be maintained shall be advised of the person or persons having or to have signing authority by means of an instrument in writing.

## 14. EXECUTION OF INSTRUMENTS

**14.01 Signing and Approvals** - All contracts and agreements on behalf of the Corporation and bills of exchange, promissory notes, or negotiable instruments on behalf of the Corporation drawn, accepted and endorsed, and deeds, transfers, mortgages, charges, leases, assignments, and all other instruments in writing shall be executed by the President or such officers or employees of the Corporation as shall be authorized in writing from time to time by the Board, provided nevertheless that the President or other authorized officers or employees may not, without Board approval, sign any contract or engagement, make, draw, accept or endorse any bill of exchange, promissory note, or negotiable instrument, or execute any deed, transfer, mortgage, charge, lease, assignment, or other instrument in writing, having a dollar value greater than certain specified amounts, as shall be set down together with conditions, and approved from time to time by the Board.

**14.02 Manner of Signing** - Unless otherwise required by law, all instruments on behalf of the Corporation, referred to in Section 15.01 of this By-law, may be signed manually or by facsimile by the officers or persons designated from time to time by the Board. Such signature shall be binding upon the Corporation, notwithstanding that the officers or persons whose signatures, whether manual or

facsimile, appear thereon no longer hold office at the date of issue or delivery of the documents so signed or ceased to hold office after the issue and delivery of the documents so signed.

**14.03 Affixing of Seal** - The seal of the Corporation may be affixed to such documents as require the same.

## **15. CORPORATE PLAN AND BUDGETS**

**15.01 Approval by Board** - Each corporate plan and budget, including each amendment thereto, which the Corporation is required, pursuant to the *Financial Administration Act*, to submit to the appropriate Minister shall be approved by the Board before it is submitted to the appropriate Minister.

## **16. FINANCIAL STATEMENTS**

**16.01 Approval by Board** - The financial statements that are to be included in the annual report which the Corporation is required, under the *Financial Administration Act*, to submit to the appropriate Minister, shall be approved by the Board before the annual report is submitted to the appropriate Minister.

## **17. REPORTS**

**17.01 Operating Results** - The President shall submit, or cause to be submitted, quarterly reports of operating results for review by the Board showing variances against budget.

## **18. ACCOUNTING POLICY**

**18.01 Departure from or Change in Policy** - Any departure from or change in established accounting policy shall be subject to approval by the Audit Committee of the Board of Directors.

## **19. GENERAL**

### **19.01 Repeal of Existing By-law**

By-law No. 1 adopted by Board Resolution B2008-02-7b on February 7, 2008 is hereby repealed.

**19.02 In Force** - This By-law shall come into force on the date it is adopted by the Board.