

**TOURISM NOVA SCOTIA
GENERAL BY-LAW (BY-LAW NO. 1)**

1. Definitions and Interpretation

1.1 Act Prevails – This by-law is subject to the Act, and in the event of any conflict, inconsistency or ambiguity between the by-law and the Act, the Act prevails.

1.2 Definitions -

In this by-law, terms have the meaning given to them in the Act and terms have the following meanings unless there is something in the subject-matter or context inconsistent therewith,

- (a) "Act" means the *Tourism Nova Scotia Act* (Nova Scotia) as amended from time to time and includes the regulations made or hereafter made pursuant thereto;
- (b) "auditor" means the person appointed by the Board as auditor;
- (c) "Board" means the board of directors of the Corporation consisting of not more than ten members;
- (d) "by-law" means a by-law of the Corporation;
- (e) "Chair of the Board", "Chief Executive Officer", "Chief Financial Officer", "Chief Operating Officer", "Secretary", "Assistant Secretary" or any other officer means such officer of the Corporation;
- (f) "committee" means a committee appointed pursuant to Article 4 of this by-law;
- (g) "Corporation" means Tourism Nova Scotia, a body corporate, incorporated by the Act;
- (h) "Department" means the Department of Business;
- (i) "director" means a director of the Corporation;
- (j) "Effective Date" means April 1, 2015;
- (k) "employee" means an employee of the Corporation;
- (l) "Minister" means the Minister of Business;
- (m) "officer" means an officer of the Corporation;

- (n) "person" includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, and a natural person in his capacity as trustee, executor, administrator or other legal representative;
- (o) "Province" means the Province of Nova Scotia;
- (p) "strategic plan" means the applicable five-year strategic plan submitted by the Corporation and approved by the Minister pursuant to the provisions of the Act.

1.3 Interpretation - In each by-law and resolution, unless there is something in the subject-matter or context inconsistent therewith, the singular shall include the plural and the plural shall include the singular and the masculine shall include the feminine. Wherever reference is made in this or any other by-law or in any special resolution to any statute or section thereof, such reference shall be deemed to extend and refer to any amendment to or re-enactment of such statute or section, as the case may be.

1.4 Headings and Table of Contents - The headings and table of contents in this by-law are inserted for convenience of reference only and shall not affect the construction or interpretation of the provisions of this by-law.

2. General

2.1 Registered Office - The registered office of the Corporation shall be at such location in the Province as may be determined from time to time by resolution of the directors.

2.2 Corporate Seal - The Corporation shall have a corporate seal which shall be adopted and may be changed by resolution of the directors.

2.3 Fiscal Year - The fiscal year end of the Corporation shall be the same as the fiscal year end of the Province.

2.4 Execution of Instruments -

- (a) Deeds, transfers, assignments, contracts, obligations, certificates and other instruments may be signed on behalf of the Corporation by two persons, one of whom holds the office of: (i) Chair of the Board, (ii) Chief Executive Officer, (iii) Chief Financial Officer, (iv) Chief Operating Officer, or (v) director and the other of whom holds one of the offices listed in (i) to (v) or (x) the office of Secretary, (y) Assistant Secretary or (z) any other office created by by-law or by the Board.

- (b) In addition, the Board or the said two persons outlined in subclauses (i) to (vi) of clause (a) may from time to time direct the manner in which and the person or persons by whom any particular instrument or class of instrument may or shall be signed. Any signing officer may affix the corporate seal to any instrument requiring the same.

2.5 Banking Arrangements - The banking business of the Corporation including, without limitation, the borrowing of money and the giving of security therefor, shall be transacted with such banks, trust companies or other bodies corporate or organizations as may from time to time be designated by or under the authority of the Board. Such banking business or any part thereof shall be transacted under such agreements, instructions and delegations of powers as the Board may from time to time prescribe.

2.6 Resolutions in Writing - A resolution in writing, signed by all the directors entitled to vote on that resolution at a meeting of directors or a committee of directors, is as valid as if it had been passed at a meeting of directors or such committee of directors.

3. Directors

3.1 Election - The Board shall fill a vacancy on the Board in accordance with the requirements of section 7 of the Act. When a vacancy occurs, the Governance and Nomination Committee will recommend to the Board candidates for election who offer the skills, experience and competencies the Board requires at that time. The Board will review the qualifications of the candidate(s) put forward by the Governance and Nomination Committee and select from amongst those candidates those it wishes to be elected pursuant to section 7 of the Act. The Board will recommend candidate(s) to the Minister for approval before any election to fill a vacancy.

3.2 Qualification

The following persons are disqualified from being a director:

- (a) a person who is less than nineteen years of age;
- (b) a person who is of unsound mind and has been so found by a court in Canada or elsewhere;
- (c) a person who is not an individual; and
- (d) a person who has the status of bankrupt.

3.3 Ceasing to Hold Office - A director ceases to hold office when

- (a) he or she dies or he or she resigns;

- (b) he or she is removed from office by the Minister in accordance with the provisions of Section 7(6) of the Act; or
- (c) he or she becomes disqualified from being a director under the Act or by-laws.

3.4 Resignation of a Director - A director may resign his office as a director by giving to the Corporation his written resignation, which resignation shall become effective at the later of:

- (a) the time at which such resignation is received by the Corporation, or
- (b) the time specified in the resignation.

3.5 Remuneration - The directors are entitled to receive such remuneration and such reasonable expenses as may be determined from time to time by the Governor in Council. Where remuneration is determined on the basis of attending a meeting of the Board, the per diem rate applies for each day during which there is held one or more meetings of the Board or of a committee at which minutes are taken and at which a quorum is present or participating.

4. Committees

4.1 Audit and Risk Committee

- (1) The Board shall appoint an Audit and Risk Committee composed of not fewer than three directors, none of whom shall be officers or employees of the Corporation. The audit and risk committee shall review the financial statements of the Corporation before such financial statements are approved by the Board and shall have such other powers and duties as may from time to time by resolution be assigned to it by the Board.
- (2) A director or an officer shall forthwith notify the audit and risk committee and the auditor of any error or misstatement of which he or she become aware in a financial statement that the auditor or a former auditor has reported on.

4.2 Additional Committees - The directors may appoint from their number one or more additional committees and may by resolution delegate to any such committee any of the powers of the directors. Without limiting this general power and without limiting the power to dissolve a committee and the other powers set out in Section 4.3 of this by-law, the directors shall initially appoint the following additional committees and determine which of the powers of the Board will be exercised by the committees hereinafter listed:

- (a) Executive Committee; and
- (b) Governance and Nomination Committee

4.3 Provisions Applicable - The following provisions shall apply to the Audit and Risk Committee, the committees listed in Section 4.2 of these by-laws and any other committee appointed by the directors:

- (a) unless otherwise provided by resolution of the directors, each member of a committee shall continue to be a member thereof until the expiration of his term of office as a director;
- (b) the directors may from time to time by resolution specify which member of a committee shall be the Chair thereof and, subject to the provisions of Section 4.1 of this by-law, may by resolution modify, dissolve or reconstitute a committee, and make such regulations with respect to and impose such restrictions upon the exercise of the powers of a committee as the directors think expedient.
- (c) the meetings and proceedings of a committee shall be governed by the provisions of the by-laws of the Corporation for regulating the meetings and proceedings of the Board so far as the same are applicable thereto and are not superseded by any regulations or restrictions made or imposed by the directors pursuant to the foregoing provisions hereof;
- (d) no business shall be transacted at any meeting of a committee unless a majority of the members of such committee are present;
- (e) the members of a committee as such shall be entitled to the same remuneration for attending a meeting of a committee as they are entitled to for attendance at a meeting of the Board;
- (f) unless otherwise provided by resolution of the Board, the Secretary of the Corporation shall be the secretary of any committee;
- (g) the directors shall fill vacancies in a committee by appointment from among their number; and
- (h) meetings of a committee may be convened by the direction of any member thereof.

5. Meetings of Directors

5.1 Place of Meetings - Meetings of the Board and of any committee may be held at any place inside the Province as may be determined by the Board or by the applicable committee.

5.2 Calling of Meetings - A meeting of the Board may be called at any time by the Chair of the Board or any two of the directors and the Secretary shall cause notice of a meeting of directors to be given when so directed by any such person or persons.

5.3 Notice of Meetings

- (1) Notice of any meeting of the Board specifying the time and, except where the meeting is to be held as provided for in article 5.5 of this by-law, the place for the holding of such meeting shall be given in accordance with the terms of Article 12 of this by-law to every director not less than forty-eight hours before the time of the meeting.
- (2) Notice of an adjourned meeting of the Board is not required to be given if the time and place of the adjourned meeting is announced at the original meeting.
- (3) Meetings of the Board may be held at any time without formal notice if all the directors are present or if all the directors who are not present, in writing or by any form of transmitted or recorded communication, waive notice or signify their consent to the meeting being held without formal notice. Notice of any meeting or any irregularity in any meeting or in the notice thereof may be waived by any director either before or after such meeting. Attendance of a director at a meeting of the Board 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.

5.4 Regular Meetings - The Board may by resolution fix a day or days in any month or months for the holding of regular meetings at a time and at a place in the Province specified in such resolution. A copy of any resolution of the Board specifying the time and place for the holding of regular meetings of the Board shall be sent to each director at least forty-eight hours before the time of the first of such regular meetings and no other notice shall be required for any of such regular meetings.

5.5 Participation by Telephone or Other Communication Facilities - A meeting of the Board or of a committee may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and a director participating in such a meeting by such means is deemed to be present in person at that meeting for the purposes of the Act and this by-law.

5.6 Chair of the Board - The Chair of the Board shall chair all of the Board's meetings provided that if at any time there is no Chair of the Board or if at any meeting of directors he or she is not present within five minutes after the time appointed for

holding the meeting, the Vice-Chair, if present at such time, shall chair the meeting. If neither the Chair nor the Vice-Chair is present at such time, the directors present shall choose one of their number to be Chair of the meeting.

- 5.7 Quorum** - A meeting of the directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions for the time being vested in or exercisable by the directors generally. If at any time the number of directors falls below six, the continuing director or continuing directors may only pass a resolution or resolutions filling vacancies in the Board.
- 5.8 Voting** - All questions arising at any meeting of the Board shall be decided by a majority of votes. In case of an equality of votes, the Chair of the meeting shall have, in addition to his or her original vote, a second or casting vote.
- 5.9 Irregularity in Appointment** - All acts done at any meeting of the directors or of a committee of directors or by any person acting as a director shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of the directors or persons so acting, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a director.

6. Standard of Care of Directors and Officers

- 6.1 Standard of Care** - Every director and officer, in exercising his or her powers and discharging his or her duties, shall,
- (a) act honestly and in good faith with a view to the best interests of the Corporation; and
 - (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.
- 6.2 Liability for Acts of Others** - No director or officer and no former director or officer shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee or for any loss, damage, or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by order of the Board for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to the Corporation shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency, or tortious act of any person, firm or corporation with whom or which any moneys, securities or effects of the Corporation shall be lodged or deposited or for any loss occasioned by any error of judgment or oversight on his or her part, or for any other loss, damage or misfortune whatsoever which may happen in the execution of the duties of his or her respective office or trust or in

relation thereto, unless the same are occasioned by his or her own willful neglect or default; provided that nothing herein shall relieve any person from the duty to act in accordance with the Act, the regulations thereunder, and the by-laws of the Corporation or from liability for any breach thereof.

7. For the Protection of Directors and Officers

7.1 Indemnification by Corporation

- (1) The Corporation shall indemnify a director or officer, a former director or officer or a person who acts or acted at the Corporation's request as a director or officer of another body corporate, and his or her heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him or her in respect of any civil, criminal or administrative action or proceeding to which he or she is made a party by reason of being or having been a director or officer of the Corporation or such body corporate, if
 - (a) he or she acted honestly and in good faith with a view to the best interests of the Corporation; and
 - (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he or she had reasonable grounds for believing that his or her conduct was lawful.
- (2) Without limiting the generality of 7.1(1) of this by-law, the Corporation may from time to time enter into agreements pursuant to which the Corporation agrees to indemnify one or more persons in accordance with the provisions of this Section.

7.2 Insurance - The Corporation may purchase and maintain insurance for the benefit of any person referred to in Section 7.1 of this by-law as the Board may from time to time determine.

7.3 Director's Expenses - The directors shall be reimbursed for their reasonable out-of-pocket expenses incurred in attending meetings of the Board or of any committee of the Board or otherwise in respect of the performance by them of their duties, and any such reimbursement shall be in amounts consistent with the Travel Policy of the Province.

7.4 Performance of Services for Corporation - Subject to Article 8 of this by-law, if any director or officer shall be employed by or shall perform services for the Corporation other than as a director or officer or shall be a member of a firm or a shareholder director or officer of a body corporate which is employed by or performs services for the Corporation, the fact of his or her being a director or

officer shall not disentitle such director or officer or such firm or company, as the case may be, from receiving proper remuneration for such services.

8. Interest of Directors and Officers in Contracts

8.1 Disclosure of Interest - A director or officer who,

- (a) is a party to a material contract or transaction or proposed material contract or transaction with the Corporation; or
- (b) is a director or an officer of, or has a material interest in, any person who is a party to a material contract or transaction or proposed material contract or transaction with the Corporation,

shall disclose in writing to the Corporation or request to have entered in the minutes of meetings of directors the nature and extent of his or her interest.

8.2 Time of Disclosure by Director - The disclosure required by Section 8.1 of this by-law shall be made, in the case of a director,

- (a) at the meeting at which a proposed contract or transaction is first considered;
- (b) if the director was not then interested in a proposed contract or transaction, at the first meeting after he or she becomes so interested;
- (c) if the director becomes interested after a contract is made or a transaction is entered into, at the first meeting after he or she becomes so interested; or
- (d) if a person who is interested in a contract or transaction later becomes a director, at the first meeting after he or she becomes a director.

8.3 Time of Disclosure by Officer - The disclosure required by Section 8.1 of this by-law shall be made, in the case of an officer who is not a director,

- (a) forthwith after he or she becomes aware that the contract or transaction or proposed contract or transaction is to be considered or has been considered at a meeting of directors;
- (b) if the officer becomes interested after a contract is made or a transaction is entered into, forthwith after he or she becomes so interested; or
- (c) if a person who is interested in a contract or transaction later becomes an officer, forthwith after he or she becomes an officer.

8.4 Time of Disclosure in Extraordinary Cases - Notwithstanding Sections 8.2 and 8.3 of this by-law, where Section 8.1 of this by-law applies to a director or officer in respect of a material contract or transaction or proposed material contract or transaction that, in the ordinary course of the Corporation's business, would not require approval by the directors, the director or officer shall disclose in writing to the Corporation or request to have entered in the minutes of meetings of directors the nature and extent of his or her interest forthwith after the director or officer becomes aware of the contract or transaction or proposed contract or transaction.

8.5 Voting by Interested Director - A director referred to in Section 8.1 of this by-law shall not vote on any resolution to approve the contract or transaction and shall absent himself or herself from the room where any discussion on the contract or transaction is taking place, unless the contract or transaction is one for indemnity or insurance pursuant to the provisions of the by-laws.

8.6 Effect of Disclosure - Where a material contract is made or a material transaction is entered into between the Corporation and a director or officer of the Corporation, or between the Corporation and another person of which a director or officer of the Corporation is a director or officer or in which he or she has a material interest,

- (a) the director or officer is not accountable to the Corporation for any profit or gain realized from the contract or transaction; and
- (b) the contract or transaction is neither void nor voidable, by reason only of that relationship or by reason only that the director is present at or is counted to determine the presence of a quorum at the meeting of directors or committee of directors that authorized the contract or transaction,

if the director or officer disclosed his interest in accordance with Sections 8.2, 8.3 or 8.4 of this by-law, as the case may be, and the contract or transaction was reasonable and fair to the Corporation at the time it was so approved.

9. Conflicts - General

9.1 General - Whether or not a director or officer considers it necessary to disclose an interest pursuant to the provisions of Article 8 of this by-law, each director and officer is encouraged to review with the Secretary or other person appointed by the directors for this purpose any situation involving the personal interest or activities of the director or officer which might be considered to influence or appear to influence the exercise of independent judgment in the performance of the duty of the director or officer to the Corporation. Whenever there is any doubt as to whether any actual or proposed personal interest or activity will influence or appear to influence the exercise of independent judgment, the director or officer

is to be encouraged to disclose the matter and to refrain from participating in any discussions on any relevant issue and refraining from voting on such issue.

10 Officers

10.1 Appointment of CEO Subject to Consent -The Board may from time to time by resolution appoint a Chief Executive Officer, but such power to appoint or remove from office any such person shall be subject to the prior written consent (or waiver of the requirement to provide consent) being given by the Minister pursuant to Section 12 (4) or Section 12(5), as the case may be, of the Act, and such power must be exercised in compliance with the *Personal Service Contract Regulations* N.S. Reg. 308/2011 and policy thereunder.

10.2 Appointment of Other Officers - In addition to the CEO, and subject to the Act and the *Personal Service Contract Regulations* and policy, the Board may from time to time by resolution appoint a Secretary and such other officers as the Board determines to be necessary or advisable in the interests of the Corporation which officers shall, subject to the Act, have such authority and perform such duties as may from time to time be prescribed by resolution of the Board. None of the said officers other than the Chair and Vice- Chair shall be a member of the Board. Any person may hold two or more offices of the Corporation.

10.3 Remuneration and Removal of Officers - Subject to the Act, article 10.1, and the *Personal Service Contract Regulations* and policy:

(a) the remuneration of all officers shall be determined from time to time by the Board; and

(b) officers shall be subject to removal by resolution of the Board at any time.

10.4 Duties of Officers May be Delegated - In case of the absence or inability to act of any officer of the Corporation, or for any other reason that the Board may deem sufficient, the Board may delegate the powers of such officer to any other officer or to any director for the time being.

10.5 Chair - The Chair shall, if present, preside at all meetings of directors. He or she shall sign all instruments which require his or her signature and shall perform all duties incident to the office, and shall have such other powers and perform such other duties as may from time to time be prescribed by resolution of the Board.

10.6 Vice-Chair -The Vice-Chair, if one has been appointed by the Board, shall, if present, preside at all meetings of directors where the Chair is not present. The Vice-Chair shall have such other powers and perform such other duties as may from time to time be prescribed by resolution of the Board.

10.7 Chief Executive Officer - The Chief Executive Officer (the "CEO") shall exercise

general supervision over the business and affairs of the Corporation. He or she shall sign such contracts, documents or instruments in writing as require the signature of the CEO and shall have such other powers and shall perform such other duties as may from time to time be assigned to him or her by resolution of the Board or as are incident to his or her office.

10.8 Secretary - The Secretary shall give, or cause to be given, all notices required to be given to directors, auditors and members of any committee. He or she shall enter or cause to be entered in the books kept for that purpose minutes of all proceedings at meetings of directors and of shareholders. He or she shall be the custodian of the seal of the Corporation and of all books, papers, records, documents and other instruments belonging to the Corporation. The Secretary shall have such other authority and perform such other duties as may from time to time be prescribed by resolution of the Board.

10.9 Delegation of Board Powers - In accordance with the by-laws and subject to the provisions of the Act, the Board may from time to time by resolution delegate to any officer or officers power to manage the business and affairs of the Corporation.

10.10 Vacancies - If any office of the Corporation shall for any reason be or become vacant, the directors by resolution may appoint a person to fill such vacancy, subject to the Act.

10.11 Variation of Powers and Duties - Notwithstanding the foregoing, the Board may from time to time and subject to the provisions of the Act, add to or limit the powers and duties of an office or of an officer occupying any office.

11. Corporate Records and Reports

11.1 Books and Records- The Corporation shall prepare and maintain adequate accounting records and records containing minutes of meetings and resolutions of the directors and any committee. These records shall be kept at the registered office of the Corporation and shall be open to examination by any director during normal business hours.

11.2 Delivery of Financial Statements to the Minister of Business - As required by the Act, the Corporation shall prepare and submit to the Minister no later than June 30 in each year financial statements which shall set forth, as a minimum, the assets and liabilities of the Corporation, the receipts and expenditures of the Corporation for the previous fiscal year, together with a report concerning the work of the Corporation during the previous fiscal year.

11.3 Additional Reports to the Minister of Business - The Corporation shall provide to the Minister the additional reports, strategic plans and other reports required under the provisions of the Act from time to time. As of the date of the passing of this by-

law, the following is a summary of the required reports, together with the section references to the Act:

- (a) On an annual basis, as required the Minister, the Corporation shall enter into an outcomes agreement with the Minister for each fiscal year on the terms required by the Minister;
- (b) On an annual basis, as required by the Minister, the Corporation shall submit to the Minister for approval a detailed business plan for the Corporation for the following fiscal year;
- (c) As required by the Minister, the Corporation will submit to the Minister for approval a five-year strategical plan for the operation of the Corporation; and
- (d) Within five (5) years after the Corporation submits a five-year strategical plan to the Minister, it shall
 - (i) submit a detailed evaluation of its activities compared against the five-year strategical plan, including any recommendations for modifications to the mandate of the Corporation; and
 - (ii) cause a review of its activities and operation to assess how they rate to the Corporation's objectives and the five-year strategical plan.

12 Notices

12.1 Method of Notice - A notice (including any communication or document) shall be sufficiently given, delivered or served by the Corporation upon a director, officer or auditor by personal delivery at such person's last known address or by prepaid mail, facsimile, e-mail or other electronic means of communication addressed to such person at such address.

12.2 Deemed Delivery of Notice - Any notice sent by mail shall be deemed to be given, delivered or served on the earlier of actual receipt and the second business day following that upon which it is mailed, and in proving such service it shall be sufficient to prove that the notice was properly addressed and mailed with the postage paid thereon. Any notice given by electronic means of communication shall be deemed to be given when entered into the appropriate transmitting device for transmission. A certificate in writing signed on behalf of the Corporation that the notice was so addressed and mailed or transmitted shall be conclusive evidence thereof.

12.3 Accidental Failure to Provide Notice - The accidental omission to give any notice to any director, officer, auditor or member of a committee of the Board or the non-receipt of any notice by any such person or any error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

13. Approval of Governor in Council

13.1 **Approval of the Governor in Council** - The foregoing by-law is passed by the directors of the Corporation, and is subject to the approval by order of the Governor in Council of the Province. The directors may at any time amend the by-law but any such amendment shall take effect only upon the receipt of the approval to the amendment by further order of the Governor in Council.

PASSED AND MADE the 12 day of April, 2016.



Chair



Secretary