



General Operating By-law No. 1

ELECTRICAL SAFETY AUTHORITY

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General Operating By-law No. 1

ELECTRICAL SAFETY AUTHORITY

A by-law relating to the transaction of the activities and affairs of ELECTRICAL SAFETY AUTHORITY (the “Corporation”).

Be it enacted as a by-law of the Corporation as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this By-law, unless the context otherwise requires:

- (a) “**Act**” means the *Not-for-Profit Corporations Act, 2010* (Ontario) and where the context requires, includes the regulations made under it, as amended from time to time;
- (b) “**Administrative Agreement**” means the administrative agreement between the Minister and the Corporation effective April 1, 2022, as amended from time to time;
- (c) “**Articles**” means any instrument that incorporates the Corporation or modifies its incorporating instrument, including articles of incorporation, restated articles of incorporation, articles of amendment, articles of amalgamation, articles of arrangement, articles of continuance, articles of dissolution, articles of reorganization, articles of revival, letters patent, supplementary letters patent or special act;
- (d) “**Board**” means the board of directors of the Corporation;
- (e) “**By-law**” means this by-law of the Corporation and all other by-laws of the Corporation;
- (f) “**Chief Executive Officer**” means the individual appointed as chief executive officer of the Corporation;
- (g) “**Director**” means an individual elected or appointed to the Board;
- (h) “**ex-officio**” means membership “by virtue of office” and includes all rights, responsibilities, and power to vote unless otherwise specified;
- (i) “**holiday**” has the meaning given to it in the *Legislation Act, 2006* (Ontario);
- (j) “**Members**” means members of the Corporation as described in Article 2;
- (k) “**Minister**” means the Minister responsible for the administration of the Part VIII *Electricity Act, 1998* (Ontario) or of the SCSAA;
- (l) “**ordinary resolution**” means a resolution that, is submitted to a Members’ meeting and passed at the meeting, with or without amendment, by at least a majority of the votes cast, or is consented to by each Member entitled to vote at a Members’ meeting;
- (m) “**person**” includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate and a natural person in their capacity as trustee, executor, administrator, or other legal representative;
- (n) “**Policies**” means a rule or a policy adopted by the Board in accordance with section 13.2;

- (o) “SCSAA” means the Safety and Consumer Statutes Administration Act, 1996 (Ontario);
- (p) “**Secretary**” means the secretary of the Board;
- (q) “**special business**” has the meaning given to such term in the Act and includes any business other than: consideration of the financial statements, consideration of the audit or review engagement report (if any), election of Directors and reappointment of the incumbent auditor or person appointed to conduct a review engagement;
- (r) “**special resolution**” means a resolution that is submitted to a special Members’ meeting duly called for the purpose of considering the resolution and passed at the meeting, with or without amendment, by at least two-thirds of the votes cast, or consented to by each Member entitled to vote at a Members’ meeting;
- (s) “**telephonic or electronic means**” means any means that uses the telephone or any other electronic or other technological means to transmit information or data, including telephone calls, voice mail, fax, email an automated touch-tone telephone system, computer or computer networks; and
- (t) “**Vice Chair**” means one or more vice chair(s) of the Board, if applicable.

1.2 Interpretation

In this By-law, unless the context otherwise requires and other than as specifically defined in this By-law, all terms contained in this By-law that are defined in the Act shall have the meanings given to the terms in the Act, words importing the singular shall include the plural and vice versa, references to persons shall include firms and corporations, words importing one gender shall include all genders, and headings are used for convenience of reference and do not affect the interpretation of this By-law. Any reference to a statute in this By-law includes, where the context requires, the statute and the regulations made under it, all as amended or replaced from time to time.

1.3 Severability

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 2 MEMBERSHIP IN THE CORPORATION

2.1 Members

Subject to the Articles, there shall be one (1) class of Members in the Corporation. The Members shall consist of the Directors from time to time who shall be ex-officio Members for so long as they serve as Directors. Each Member shall be entitled to receive notice of, attend and vote at all Members’ meetings and each such Member shall be entitled to one (1) vote at such meetings.

2.2 Fees

No fees shall be payable by the Members.

2.3 Transferability

A membership may only be transferred to the Corporation.

2.4 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 ceases to be a Director; or
- (b) the Corporation is liquidated or dissolved under the Act.

Subject to the Articles or By-law, upon any termination of membership, the Member's rights, including any rights in the Corporation's property, automatically cease to exist.

ARTICLE 3 MEMBERS' MEETINGS

3.1 Location

Members' meetings shall be held at the Corporation's registered office or at any place in Ontario as the Board may determine.

3.2 Annual Meetings

Subject to the Act, the annual meeting of Members shall be held within six (6) months of the fiscal year end and not later than fifteen months after the last annual meeting.

3.3 Calling Meetings

The Board shall have power to call, at any time, a Members' meeting.

3.4 Quorum

A majority of the Members entitled to vote present in person, by proxy or by telephonic or electronic means, at a Members' meeting will constitute a quorum. If a quorum is present at the opening of a Members' meeting, the Members present may proceed with the meeting's business, even if quorum is not present throughout the meeting.

3.5 Notice and Proxies

- (a) Notice of the time and place of a Members' meeting shall be given in accordance with section 14.1:
 - (i) to each Director,
 - (ii) to each Member entitled to receive notice, and
 - (iii) to the Corporation's auditor or the person appointed to conduct a review engagement of the Corporation,

not less than ten (10) days and not more than fifty (50) days prior to the meeting. Any person who is entitled to notice of a meeting of the Members may waive notice, and attendance of the person at the meeting is a waiver of notice of the meeting, unless the person attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting was not lawfully called.

- (b) Notice of a Members' meeting is not required to specify a place of the meeting if the meeting is to be held entirely by one or more telephonic or electronic means. If a person may attend a meeting of the Members by telephonic or electronic means, the notice of the meeting must include instructions for attending and participating in the meeting by the telephonic or electronic means

that will be made available for the meeting, including, if applicable, instructions for voting by such means at the meeting.

- (c) Not less than twenty-one (21) days, or the prescribed number of days under the Act, before each annual meeting or before the signing of a resolution in lieu of the annual meeting, the Corporation shall give a copy of the Board-approved financial statements, auditor's report, and any further information respecting the financial position of the Corporation and the results of its operations required by the Articles or this By-law to all Members who have informed the Corporation that they wish to receive a copy of those documents.
- (d) The Corporation may send, or otherwise make available, a form of proxy to each Member who is entitled to receive meeting notice concurrently with or before giving the Members' meeting notice. Directors may, by resolution, fix a time (not exceeding 48 hours, excluding Saturdays and holidays) before any meeting or continuance of an adjourned Members' meeting before which time proxies to be used at that Members' meeting must be deposited with the Corporation, and such time shall be specified in the meeting notice. A proxyholder shall be a Member.
- (e) Notice of a Members' meeting at which special business is to be transacted must:
 - (i) state the nature of that business in sufficient detail to permit a Member to form a reasoned judgment on the business; and
 - (ii) state the text of any special resolution to be submitted to the meeting.
- (f) The Board may fix in advance a record date for determining Members entitled to receive notice of and to vote at a Members' meeting. The record date must be not more than fifty (50) days prior to the date of the Members' meeting. If no record date is fixed, the record date for determining Members entitled to receive notice of and to vote at Members' meetings shall be (i) the close of business on the day immediately preceding the day on which notice is given, or (ii) if no notice is given, the day on which the meeting is held.
- (g) The Corporation is not required to give notice of a Members' meeting to Members who were not registered on the Corporation's records on the record date determined under subsection 3.5(f), but failure to receive a notice does not deprive a Member of the right to vote at the meeting.

3.6 Voting

- (a) Each Member entitled to vote and in attendance at a meeting shall have the right to exercise one (1) vote on each matter.
- (b) At all Members' meetings, every question shall be determined by a majority of votes cast unless otherwise specifically provided by the Act or, subject to the Act, by either the Articles or this By-law.
- (c) Every question submitted to any Members' meeting shall be decided in the first instance by a show of hands and in the case of an equality of votes, whether on a show of hands or on a ballot, the meeting chair shall not have a casting or second vote to break the tie.
- (d) A Member or proxyholder may demand a ballot either before or after any vote. A demand for a ballot may be withdrawn.
- (e) Unless a ballot is demanded, an entry in the meeting minutes to the effect that the meeting chair declared a resolution to be carried or defeated is, in the absence of evidence to the contrary, proof of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

3.7 Meeting Chair

The chair for Members' meetings shall be:

- (a) the Chair of the Board; or
- (b) a Vice Chair, if applicable, if the Chair of the Board is absent, unable, or unwilling to act; or
- (c) a chair elected by the Members present if the Chair of the Board and Vice Chair(s), if applicable, are absent or unable to act. The Secretary, if one has been appointed and present at the meeting, shall preside at the election of the meeting chair, but if the Secretary is not present, the Members, from those present, shall choose a Member to preside at the election.

The Chair of the Board may appoint the Secretary to act as secretary for Members' meetings.

3.8 Adjourned Members' Meetings

- (a) If within one-half ($\frac{1}{2}$) hour after the time appointed for a Members' meeting, the meeting has not commenced because a quorum is not present, the Members present may adjourn the meeting to a fixed time and place, but may not transact any other business.
- (b) If a Members' meeting is adjourned for less than thirty (30) days, no meeting notice that continues the adjourned meeting is required if all of the following are announced at the time of the adjournment:
 - (i) the time of the continued meeting;
 - (ii) if applicable, the place of the continued meeting; and
 - (iii) if applicable, instructions for attending and participating in the continued meeting by the telephonic or electronic means that will be made available for the meeting, including, if applicable, instructions for voting by such means at the meeting.

3.9 Notice of Adjourned Meetings

If a Members' meeting is adjourned for less than thirty (30) days, no meeting notice that continues the adjourned meeting is required other than by announcement at the adjourned meeting. If a Members' meeting is adjourned by one or more adjournments for an aggregate of more than thirty (30) days, notice of the meeting that continues the adjourned meeting shall be given in accordance with section 3.5.

3.10 Persons Entitled to be Present

The only persons entitled to attend a Members' meeting are the Members, the Directors, the auditor or the person who has been appointed to conduct a review engagement of the Corporation, if any, and others who are entitled or required under any provision of the Act or the Articles or the By-laws of the Corporation to be present at the meeting. Any other person may be admitted only if invited by the chair of the meeting or with the majority consent of the Members present at the meeting.

3.11 Written Resolution in Lieu of Meeting

A resolution signed by all of the Members entitled to vote on that resolution at a Members' meeting is valid as if it had been passed at a Members' meeting, except for Members' meetings where a Director or auditor submits a statement giving reasons for their resignation or opposing their removal, or as otherwise provided in the Act. The Corporation shall keep a copy of every written Members' resolution with the Members' meeting minutes.

3.12 Telephonic or Electronic Members' Meetings

A meeting of the Members may be held entirely by one or more telephonic or electronic means or by any combination of in-person attendance and by one or more telephonic or electronic means if the Corporation chooses to make those means available, provided that those means must enable all persons entitled to attend the meeting to reasonably participate. A person participating in the meeting by those means is deemed to be present at the meeting. A vote at a meeting of the Members may be conducted entirely by one or more telephonic or electronic means or by a combination of one or more telephonic or electronic means and voting in person.

3.13 Voting by Mail or by Telephonic or Electronic Means

Members entitled to vote at a Members' meeting may vote by mail or by telephonic or electronic means in accordance with the Act.

ARTICLE 4 DIRECTORS

4.1 Board Composition

- (a) Subject to the Articles, the Board shall consist of nine (9) Directors who satisfy the criteria set out in sections 4.1 (b) and 4.4 and who are elected by the Members entitled to vote in accordance with section 4.7 (the “**Member Elected Directors**”) and three (3) Directors appointed by the Minister in accordance with the SCSAA, the Administrative Agreement and the Articles of the Corporation (the “**Minister Appointed Directors**”).
- (b) The Board shall include persons who are reflective of the following sectors:
 - (i) One (1) individual – professional engineers;
 - (ii) One (1) individual – electrical manufacturers;
 - (iii) Two (2) individuals – electrical utilities;
 - (iv) Three (3) individuals – electrical contractors;
 - (v) One (1) individual who represents the interest of consumers; and
 - (vi) One (1) person who is not a member of the aforementioned sectors.

4.2 Duties and Responsibilities

The Board shall manage or supervise the management of the activities and affairs of the Corporation.

4.3 Standard of Care

Every Director and Officer in exercising their powers and discharging their duties to the Corporation shall,

- (a) act honestly and in good faith with a view to the Corporation's best interests; and
- (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

4.4 Director Qualifications

An individual is disqualified from being a Director if they:

The following persons are disqualified from being a director of a corporation:

- (a) A person who is not an individual;
- (b) A person who is under eighteen (18) years old;
- (c) A person who has been found under the *Substitute Decisions Act*, 1992 or under the *Mental Health Act* to be incapable of managing property;
- (d) A person who has been found to be incapable by any court in Canada or elsewhere;
- (e) A person who has the status of a bankrupt;
- (f) A person who is not eligible to serve in accordance with any other applicable legislation;
- (g) A person who is an employee of an electrical trade association.

A Board decision as to whether or not an individual is qualified to be a Director is final.

4.5 Director Consent to Serve as a Director

An individual elected or appointed to hold office as a Director shall consent in writing to such election or appointment before or within ten (10) days after the election or appointment unless such Director has been re-elected or reappointed where there is no break in the Director's term of office. If an elected or appointed Director consents in writing after the ten (10) day period referred to in this section, the election or appointment is valid.

4.6 Vacation of Office

- (a) The office of a Director shall be automatically vacated if the Director:
 - (i) dies or resigns in writing;
 - (ii) completes their term of office;
 - (iii) is removed from office in accordance with subsection 4.6(c); or
 - (iv) becomes disqualified under section 4.4.
- (b) A resignation of a Member Elected Director becomes effective at the time the resignation is received by the Corporation or at the time specified in the resignation, whatever is later.
- (c) The Members may, by ordinary resolution at a special Members' meeting, remove from office any Member Elected Director and may elect a qualified individual to fill the resulting vacancy for the remainder of the term of the Member Elected Director so removed.
- (d) A Minister Appointed Director may only be removed with the approval of the Minister.
- (e) Where there is a Board vacancy, the remaining Directors may exercise all the Board powers so long as a quorum remains in office.

4.7 Election and Term

The Member Elected Directors shall be elected for a term of up to three (3) years. It is not necessary that all Member Elected Directors elected at a meeting be elected to hold office for the same term. An election of Directors is not required to take place at each annual Members' meeting.

A Member Elected Director shall not be entitled to serve greater than three (3) consecutive three (3) year terms in office as a Director. In determining a Member Elected Director's length of service as a Director, service prior to the coming into force of this By-law shall be included. Where a Member Elected Director was appointed to fill an unexpired term of a Director such partial term shall be included in the calculation of the maximum years of service.

4.8 Nomination Procedure for Election of Directors

Subject to the Act, nominations made for the election of Member Elected Directors at a Members' meeting may be made only by the Board in accordance with the nominating and election procedure prescribed by the Board from time to time.

4.9 Directors Remuneration

The Directors may fix the remuneration of the Corporation's Directors, Officers and employees. In accordance with the Administrative Agreement, the Minister Appointed Directors shall be remunerated by the Corporation in an amount and on a basis that is equivalent to all other Directors. A Director, an Officer or a Member of a Corporation may receive reasonable remuneration and expenses for any services to the Corporation that they perform in any other capacity. Directors, Officers and employees may be reimbursed for reasonable expenses incurred in the performance of their duties.

ARTICLE 5 BOARD MEETINGS

5.1 Board Meetings

Meetings of the Board shall be held at the head office of the Corporation or elsewhere in Ontario or, at such place as may be determined by the Board, the Chair of the Board, a Vice Chair, if applicable, or the Chief Executive Officer. Board meetings shall be called by the Chief Executive Officer or their designate, upon receipt of the written request not less than one-third of the Directors on the Board.

5.2 Regular Meetings

The Board may appoint one (1) or more days for regular Board meetings at a place and time named. A copy of any Board resolution fixing the place and time of regular Board meetings shall be given to each Director forthwith after being passed and, subject to the Act, no other notice shall be required for any such regular meeting.

5.3 Telephonic or Electronic Meetings

A meeting of Directors may be held entirely by one or more telephonic or electronic means or by any combination of in-person attendance and by one or more telephonic or electronic means, provided that all persons attending the meeting are able to communicate with each other simultaneously and instantaneously. A Director participating in the meeting by those means is deemed to be present at the meeting.

5.4 Notices

- (a) Notice of meetings, other than regular meetings, shall be given to all Directors at least 48 hours prior to the meeting. The Chair of the Board, a Vice Chair, if applicable, or the Chief Executive Officer may call a meeting on less notice, by such means as are deemed appropriate, provided that notice is given to all Directors and the majority of the Directors consent to the holding of such meeting. Notice of an adjourned Board meeting is not required if the time and place of the adjourned meeting is announced at the original meeting.
- (b) Notice of a Board meeting is not necessary if all Directors are present and none objects to the holding of the meeting, or if those absent have waived notice or otherwise signified their consent to the holding of the meeting.
- (c) Notice of a Board meeting need not specify the purpose of the business to be transacted at the meeting, unless the meeting is intended to deal with a matter referred to in section 8.1, in which case the notice must specify that matter.
- (d) Notice of a meeting of Directors need not specify a place of the meeting if the meeting is to be held entirely by one or more telephonic or electronic means. If the Directors may attend a meeting by telephonic or electronic means, the notice of the meeting must include instructions for attending and participating in the meeting by the telephonic or electronic means that will be made available for the meeting, including, if applicable, instructions for voting by such means at the meeting.

5.5 Quorum

A majority of the Directors shall constitute a quorum.

5.6 Meeting of Board after Annual Meeting

Provided a quorum of Directors is present, the Board may, without notice, hold a meeting immediately following the annual Members' meeting.

5.7 Persons Entitled to be Present

Guests may attend Board meetings with the meeting's consent on the invitation of the Chair of the Board or Chief Executive Officer.

5.8 Voting

Each Director present at a Board meeting shall be entitled to one (1) vote on each matter. A Director shall not be entitled to vote by proxy. Any question arising at any Board meeting or any committee meeting, shall be determined by a majority of votes.

5.9 Casting Vote

In the case of an equality of votes, the meeting chair shall not have a second vote.

5.10 Ballots

The vote on any question shall be taken by secret ballot if so demanded by any Director present and entitled to vote. Such ballots shall be counted by the meeting chair. Otherwise a vote shall be taken by a show of hands. Unless a ballot is demanded, an entry in the minutes to the effect that the meeting chair declared that a resolution has been carried, or carried by a particular majority, or defeated, shall be conclusive in the absence of evidence to the contrary.

5.11 Written Resolutions in Lieu of Meeting

A resolution, signed by all of the Directors entitled to vote on that resolution at a Board meeting or a committee of Directors is as valid as if it had been passed at a Board meeting or of a committee of Directors. The Corporation shall keep a copy of every written resolution of the Board or a committee of Directors with the minutes of Board meetings or of a committee of Directors.

5.12 Consent of Director

A Director who is present at a meeting of the Directors or of a committee of Directors is deemed to have consented to any resolution passed or action taken at the meeting unless:

- (i) the Director's dissent is entered in the meeting minutes;
- (ii) the Director requests that their dissent be entered in the meeting minutes;
- (iii) the Director gives their dissent to the meeting secretary before the meeting is terminated;
- (iv) the Director submits their written dissent immediately after the meeting is terminated to the Corporation; or

A Director who was not present at the meeting at which a resolution was passed or action taken is deemed to have consented to the resolution or action unless within seven (7) days after becoming aware of the resolution, the Director,

- (i) causes their written dissent to be placed with the meeting minutes; or
- (ii) submitted their written dissent to the Corporation.

A Director who votes for or consents to a resolution is not entitled to dissent under this section.

5.13 Meeting Adjournment

If within one-half (½) hour after the time appointed for a Board meeting a quorum is not present, the meeting shall stand adjourned until a day within two (2) weeks to be determined by the meeting chair.

5.14 Notice of Adjourned Meeting

At least twenty-four (24) hours' notice of the adjourned meeting by an appropriate means shall be given to each Director.

ARTICLE 6

INTEREST OF DIRECTORS OR OFFICERS IN CONTRACTS OR TRANSACTIONS

6.1 Declaration of Conflict

A Director or officer who is a party to a material contract or transaction or proposed material contract or transaction with the Corporation or is a director or officer of, or has a material interest in, any person who is a party to a material contract or transaction or proposed material contract or transaction with the Corporation shall make the disclosure required by the Act. Except as provided by the Act, no such Director shall attend any part of a meeting of Directors during which the contract or transaction is discussed or vote on any resolution to approve any such contract or transaction.

6.2 General and Continuing Disclosure of Interest

For the purposes of section 6.1, a general notice to the Directors by a Director or officer declaring that the Director or officer is a director or officer of or has a material interest in a person, or that there has been a material change in the Director's or officer's interest in the person, and is to be regarded as interested in any contract or transaction entered into with that person is sufficient declaration of interest in relation to any contract or transaction so made.

6.3 Additional Restrictions

ESA shall not knowingly, directly or indirectly, purchase from or lend money to any Directors, officers or Members, or any persons who are in a non-arms-length relationship with the Directors or officers of the Corporation.

ARTICLE 7 PROTECTION OF OFFICERS AND DIRECTORS

7.1 Liability

No Director, Officer or committee member of the Corporation is liable for the acts, neglects or defaults of any other Director, Officer, committee member or employee of the Corporation or for joining in any receipt or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by resolution of the Board or 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 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 shall be lodged or deposited or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of their respective office or trust provided that they have:

- (a) complied with the Act and the Corporation's Articles and By-laws; and
- (b) exercised their powers and discharged their duties in accordance with the Act.

7.2 Indemnities to Directors and Others

- (a) Every Director or officer or former Director or officer of the Corporation or an individual who acts or acted at the Corporation's request as a director or officer, or in a similar capacity, of another entity, shall be indemnified and saved harmless out of the Corporation's funds from and against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative or other action or proceeding in which the individual is involved because of that association with the Corporation or other entity.
- (b) The Corporation may advance money to an individual referred to in subsection 7.2(a) for the costs, charges and expenses of an action or proceeding referred to in that subsection, but the individual shall repay the money if the individual does not fulfil the conditions set out in subsection 7.2(c).
- (c) The Corporation shall not indemnify an individual under subsection 7.2(a) unless:
 - (i) the individual acted honestly and in good faith with a view to the Corporation's best interests or other entity for which the individual acts or acted at the Corporation's request as a director or officer, or in a similar capacity, as the case may be; and

- (ii) if the matter is a criminal or administrative proceeding that is enforceable by a monetary penalty, the individual had reasonable grounds for believing that their conduct was lawful.

7.3 Insurance

Subject to the *Act* and applicable laws, the Corporation may purchase and maintain insurance for the benefit of an individual referred to in section 7.2, against any liability incurred by that individual in the individual's capacity as a director or an officer of the Corporation, or, in the individual's capacity as a director or officer, or in a similar capacity, of another entity if the individual acts or acted in that capacity at the Corporation's request.

ARTICLE 8 COMMITTEES

8.1 Delegation

The Board may appoint from their number a managing director or a committee of directors and delegate to the managing director or committee any of the powers of the Board with the exception of those set out in subsection 36(2) of the Act, noted below:

- (a) to submit to the Members any question or matter requiring the Members' approval;
- (b) to fill a vacancy among the Directors or in the position of auditor or of a person appointed to conduct a review engagement of the Corporation;
- (c) to appoint additional Directors;
- (d) to issue debt obligations except as authorized by the Directors;
- (e) to approve any annual financial statements;
- (f) to adopt, amend or repeal By-laws; or
- (g) to establish contributions to be made, or dues to be paid, by Members.

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, and to otherwise regulate its procedures.

8.2 Other Committees

The Board may from time to time appoint any 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. The Board may fix any remuneration for committee members who are not also Directors of the Corporation.

8.3 Audit Committee

If the Board adopts a committee with audit oversight (“**audit committee**”), the following provisions shall apply:

- (a) The audit committee shall be comprised of one or more Directors and a majority of the audit committee members must not be officers or employees of the Corporation or of any of its affiliates;
- (b) The audit committee shall review the Corporation's financial statements before they are approved by the Directors; and

- (c) The auditor or person appointed to conduct a review engagement is entitled to notice of the time and place of any audit committee meeting.

ARTICLE 9 OFFICERS

9.1 Officers

- (a) The Corporation's officers shall include:
 - (i) the Chair of the Board; and
 - (ii) the President and Chief Executive Officer,and may include any such other officers as the Board may by resolution determine.
- (b) The officers shall be appointed by Board resolution at the first Board meeting following the annual Members' meeting at which the Directors are elected or at such other times when a vacancy shall occur.
- (c) Subject to the Act, the Board may specify the duties of officers and delegate to them powers to manage the Corporation's activities and affairs, except the power to do anything referred to in section 8.1.
- (d) Other than the Chair of the Board, a person may hold more than one office.
- (e) Other than the Chair of the Board or a Vice-Chair, if appointed, who must each be a Director, the Corporation's officers may not be Directors.

9.2 Terms of Office

Unless otherwise provided in this By-law, the officers appointed by the Board shall hold office for one (1) year from the date of appointment or until their successors are appointed in their stead and shall be eligible for reappointment. Officers shall be subject to removal by Board resolution at any time.

ARTICLE 10 DUTIES OF OFFICERS

10.1 Chair of the Board

- (a) Unless appointed by the Minister in accordance with SCSAA, the Chair of the Board shall be appointed by the Board from among the Directors.
- (b) The Chair of the Board shall, when present, preside at all Members' meetings and the Board and shall represent the Corporation and the Board as may be required or appropriate and shall have such other powers and duties as the Board may specify.
- (c) The Chair of the Board shall be an ex-officio member of all committees.
- (d) The Chair of the Board shall be appointed pursuant to a process established by the Board with their appointment confirmed annually.

10.2 President and Chief Executive Officer

The Corporation’s chief executive shall be known as the President & Chief Executive Officer and shall be appointed and hired by the Board. The President & Chief Executive Officer shall have charge and control over the Corporation’s activities and property, and shall direct the work of all of its employees. The Chief Executive Officer shall make periodic and regular reports to the Board and shall in these reports make recommendations concerning all questions calling for action or direction. The Chief Executive Officer shall be responsible for all employee matters, including hiring, and termination (if necessary).

10.3 Other Officers

The powers and duties of all other officers shall be such as the Board may from time to time determine.

ARTICLE 11 ORGANIZATION AND FINANCIAL

11.1 Registered Office

The Corporation shall at all times have a registered office in Ontario at the location specified in its Articles. The Corporation may change the location of the registered office within a municipality or geographic township by resolution of the Directors. The Corporation may change the municipality or geographic township in which the registered office is located to another place in Ontario by special resolution.

11.2 Administrative Agreement

The Corporation shall at all times comply with the Administrative Agreement.

11.3 Seal

The Corporation’s seal, if any, shall be in the form determined by the Board.

11.4 Execution of Documents

- (a) Subject to section 11.4(b), deeds, transfers, licenses, assignments, contracts, obligations, agreements, mortgages, conveyances, obligations, certificates or any other instruments or documents requiring the Corporation’s signature (each a “**Document**”), shall be signed by any two (2) Directors or officers of the Corporation, and all instruments or documents so signed shall be binding upon the Corporation without any further authorization or formality.
- (b) The Board may from time to time, by resolution, direct the manner in which and the person or persons by whom any particular Document may or shall be signed. Any signing officer may affix the Corporation’s seal to any Document, and may certify a copy of any Document, resolution, or By-law of the Corporation to be a true copy.

11.5 Banking Arrangements

The Corporation’s banking business or any part thereof shall be transacted with such banks, trust companies or other financial institutions as the Board may, by resolution, determine from time to time.

11.6 Financial Year

Unless otherwise determined by the Board, the Corporation’s fiscal year end shall be the last day of March in each year. The Board shall approve the Corporation’s annual financial statements that relate to the period that began immediately after the end of the last completed financial year and ended not more than six months before the annual Members’ meeting.

11.7 Appointment of Auditor

The Members entitled to vote shall, at each annual Members' meeting, appoint a person as auditor who meets the independence and qualifications criteria set forth in the Act, to audit the Corporation's accounts and to report to the Members at the next annual Members' meeting. The auditor shall hold office until the next annual Members' meeting, provided that the Directors shall immediately fill a vacancy in the office of auditor in accordance with the Act. Unless the Members determine otherwise, following the Members' appointing the auditor, the Board shall fix the auditor's remuneration.

ARTICLE 12 BOOKS AND RECORDS

12.1 Books and Records

The Directors shall ensure that all necessary books and records of the Corporation required by the Act, the Corporation's By-laws, or by any applicable statute or law are regularly and properly kept.

ARTICLE 13 RULES, POLICIES AND PROCEDURES

13.1 Rules of Order

Any questions of procedure at or for any meetings of Members, or the Board, or of any committee, which have not been provided for by the Act, this By-law or the Policies adopted from time to time by the Board, shall be determined by the meeting chair in accordance with the rules of procedure adopted by Board resolution, or failing such resolution, adopted by the meeting chair.

13.2 Policies

The Board may, from time to time, make such Policies as it may deem necessary or desirable in connection with the management of the Corporation's activities and affairs and the conduct of the Directors, officers and Members, provided however that any such Policy shall be consistent with the provision of the Act and the By-laws.

ARTICLE 14 NOTICES

14.1 Notice

- (a) Whenever under the provisions of the By-law notice is required to be given, unless otherwise provided such notice may be given in writing and delivered or sent by prepaid mail, by personal delivery or by electronic means to: (i) each Director at their latest address as shown in the Corporation's records or in the most recent notice or return filed under the *Corporations Information Act*, whichever is the more current; (ii) to each Member, officer, or committee member at their latest address as shown in the Corporation's records; or (iii) to the Corporation's auditor or the person appointed to conduct a review engagement of the Corporation at its business address. A notice so delivered shall be deemed to have been received when it is delivered personally or to the address as aforesaid; a notice so mailed shall be deemed to have been received on the fifth (5th) day after it was deposited in a post office or public letter box, or as otherwise prescribed by the *Act*; and a notice so sent by any electronic means shall be deemed to have been sent and received in the

manner and at the time specified in the *Electronic Commerce Act, 2000* (Ontario). The Chief Executive Officer may change or cause to be changed the recorded address of any Member, Director, officer, auditor or committee member in accordance with any information believed by them to be reliable.

- (b) Notwithstanding the foregoing provisions with respect to mailing, if it may reasonably be anticipated that, due to any strike, lock out, or similar event involving an interruption in postal service, any notice will not be received by the addressee by no later than the fifth (5th) business day following its mailing, then the mailing of the notice shall not be an effective means of sending it but rather any notice must then be sent by an alternative method that may reasonably be anticipated will cause the notice to be received reasonably expeditiously by the addressee.

14.2 Computation of Time

In computing the date or time when notice must be given under any provision requiring a specified number of days' notice of any meeting or other event, the date of giving the notice shall be excluded.

14.3 Omissions and Errors

The accidental omission to give any notice to any Member, Director, officer, committee member or the auditor of the Corporation or the non-receipt of any notice by any Member, Director, officer, committee member or the auditor of the Corporation 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.

14.4 Waiver of Notice

Any Member, Director, officer, committee member, or the Corporation's auditor may, in writing, waive or consent to abridge the time for giving any notice required to be given to them or it under any provision of the Act, the Articles or the Corporation's By-law, and such waiver or consent to abridgment, whether given before or after the meeting or other event of which notice is required to be given, shall cure any default in giving such notice. Attendance and participation at a meeting constitutes waiver of notice unless such attendance is for the express purpose of objecting to the transaction of any business on the grounds the meeting was not lawfully called.

ARTICLE 15 AMENDMENT OF BY-LAW

15.1 Amendment of Articles

Pursuant to the Act, and subject to the consent of the Minister, as applicable, a special resolution of the Members is required to make any amendment to the Articles of the Corporation with respect to the matters listed in section 103(1) of the Act.

15.2 Amendment of By-laws

Unless the Articles or the By-laws otherwise provide, and subject to the consent of the Minister, as may be required pursuant to the Administrative Agreement, the Directors may by resolution make, amend or repeal any By-law that regulates the activities or affairs of the Corporation, except in respect of a matter referred to in sections 103 (1) (g), (k) or (l) of the Act. The Directors shall submit the By-law, amendment or repeal to the Members at the next meeting of the Members, and the Members may confirm, reject or amend the By-law, amendment or repeal by ordinary resolution. The By-law, amendment or repeal is effective from the date of the resolution of the Directors or such other date set out in the resolution. The By-law, amendment or repeal ceases to have effect if it is not submitted by the Directors to the Members or if it is rejected by the Members.

If confirmed or confirmed as amended by the Members, it remains effective in the form in which it was confirmed. If rejected by the Members, it thereupon ceases to have effect and the Corporation shall revert to the By-law in force immediately prior thereto, provided that no act done or right acquired under any such By-law is prejudicially affected by any such rejection or refusal to approve. If a By-law, amendment or repeal ceases to have effect, a subsequent resolution of the Directors that has substantially the same purpose or effect is not effective until it is confirmed or confirmed as amended by the Members.

15.3 Repeal

All previous by-laws of the Corporation related to the subject matter of this By-law, including for certainty By-laws Nos. 1, 2, 3 and 4, are repealed upon the enactment of this By-law. Such repeal shall not affect the validity of any act done or right or privilege, obligation or liability acquired or incurred under such by-law prior to its repeal. All officers and persons acting under any by-law so repealed shall continue to act as if appointed under the provisions of this By-law and all resolutions of the Directors or Members with continuing effect passed under any repealed by-law shall continue to be good and valid except to the extent inconsistent with this By-law and until amended or repealed.

[Signature page follows]

ENACTED by the Board this 19th day of September 2024.



Chair of the Board



Secretary

CONFIRMED by the Members on this 19th day of September 2024.



David Rinaldo
Corporate Secretary

Competency Criteria for Directors

The following attributes, competencies and experience are the skills and behaviour that are required to be demonstrated amongst the Directors of the ESA Board:

1. **Safety:** is defined as experience in promoting and undertaking activities that enhance public electrical safety, including training, authorization, registration, audit, quality assurance, inspection, investigation, enforcement and other public safety services.
2. **Corporate Governance:** is defined as experience in the overseeing and directing of a corporation by supervising and contributing to the executive functions of management.
3. **Regulatory Governance:** is defined as experience in the overseeing and directing of a regulator including rulemaking, communication of rules, monitoring, enforcement, adjudication, sanctions, and evaluation.
4. **Government Relations:** is defined as experience in collaborating and liaising with government to enhance public electrical safety.
5. **Corporate Social Responsibility:** means experience in directing, contributing to or managing a business in a manner that contributes positively to the environment, employees, communities, stakeholders and other members of the public sphere.
6. **Organizational Leadership:** is defined as experience in organizational development, design and effectiveness.
7. **Stakeholder Relations:** is defined as experience in enhancing relationships and aligning persons or organizations with strategic objectives.
8. **Communication:** is defined as experience in creating, developing and implementing appropriate messaging to enhance stakeholders’ understanding and knowledge.
9. **Financial:** is defined as experience or knowledge regarding audit, finances, accounting, risk management and compliance requirements.
10. **Risk Management:** is defined as experience in the process of assessing risk and acting in such a manner, or prescribing policies and procedures, so as to avoid or minimize loss associated with such risk.
11. **Legal:** is defined as experience interpreting and applying legislation, regulations and compliance requirements.
12. **Information Technology:** is defined as experience with the development, installation and implementation of information systems and applications.
13. **Electrical:** is defined as general knowledge of the electrical industry and experience in the electrical distribution or electrical product sectors.
14. **Consensus Builder:** is defined as a person who has superior conflict-resolutions skills. They act as a mediator amongst the directors disarming and resolving conflict. They are usually able to prevent differences of opinion from escalating into major disputes.
15. **Challenger:** is defined as a person who respectfully asks tough questions, speaks up and challenges management as well as other directors. They are always well prepared on issues that they are asking questions about and when challenging management they are direct and fair.
16. **Counsellor:** is defined as a person with strong persuasive skills, with high credibility and the ability to work with a variety of people (both inside and outside of the company). They generally prefer to work out problems behind the scenes.
17. **Change Agent:** is defined as a person who thinks broadly about the future direction in which the company should go. They are a catalyst for bringing about fundamental change when they perceive that change is needed.
18. **Conductor:** is defined as a person who relates very well to management, understands group and individual dynamics and possesses remarkable leadership skills (both inside and outside the boardroom) and has a keen interest in good governance and serves as a hub of all important board activities. They lead the setting of the agenda, run meetings effectively, moderate discussion appropriately, manage dissent, work towards consensus and set the tone and culture for effective corporate governance.