

## AMENDMENT AND RESTATEMENT OF BY-LAW NO. 4

Being a by-law relating generally to representation on the

### OMERS Sponsors Corporation

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

## ARTICLE 1 COMPOSITION OF THE CORPORATION

### 1.1 Definitions

- (a) **“the Act”** means the *Ontario Municipal Employees Retirement System Act*, 2006 or any statute which may be substituted therefor, including any regulations made thereunder, as amended from time to time;
- (b) **“Background Check”** means a background check performed by an agency approved by the CEO with respect to criminal, financial, media, litigation, professional and other matters approved by the Corporation;
- (c) **“CEO”** means the Corporation’s Chief Executive Officer;
- (d) **“Corporation”** means OMERS Sponsors Corporation as established pursuant to Section 22(1) of the Act;
- (e) **“Employer Members”** means the Members that have been appointed by employer associations, employers, or Employer Members pursuant to this By-law;
- (f) **“Employee Members”** means the Members that have been appointed by unions, employee associations, retiree organizations/associations, or Employee Members pursuant to this By-law; and
- (g) **“Member”** means a member of the Corporation;
- (h) **“Member Group”** means, based on the circumstances, either of the Employer Members or the Employee Members;
- (i) **“Retiree Group”** shall consist of The Association of Retired Fire Fighters of Ontario, The Municipal Retirees Organization of Ontario, The Police Pensioners Association of Ontario, The Police Retirees of Ontario Inc. and/or such other Ontario municipal employee retiree organizations as may be designated by majority vote of the Employee Members from time to time;
- (j) **“Sponsor Organizations”** means the following organizations:
  - (i) The Association of Municipalities of Ontario (“**AMO**”);
  - (ii) The Canadian Union of Public Employees (Ontario) (“**CUPE**”);

- (iii) CUPE Local 79 of the Canadian Union of Public Employees (“**CUPE Local 79**”);
- (iv) CUPE Local 416 (Toronto Civic Employees Union) of the Canadian Union of Public Employees (“**CUPE Local 416**”);
- (v) Electricity Distributors Association (“**EDA**”);
- (vi) The Ontario Association of Children’s Aid Societies (“**OACAS**”).
- (vii) Ontario Association of Police Services Boards (“**OAPSB**”);
- (viii) Ontario Catholic School Trustees’ Association (“**OCSTA**”);
- (ix) Ontario Professional Fire Fighters Association (“**OPFFA**”);
- (x) Ontario Public School Boards’ Association (“**OPSBA**”);
- (xi) Ontario Public Service Employees Union (“**OPSEU**”);
- (xii) Ontario Secondary School Teachers’ Federation (“**OSSTF**”);
- (xiii) The Police Association of Ontario (“**PAO**”);
- (xiv) The Retiree Group; and
- (xv) The City of Toronto (“**Toronto**”).

Reference to the phrase “approved by the Corporation” shall mean approved by a majority of the Members of the Corporation in accordance with Section 1.10 of this By-law.

## **1.2 Appointments**

The Corporation shall consist of fourteen Members:

Seven Members appointed by the employer associations and the employer named below, as follows;

- (a) two persons appointed by AMO,
- (b) one person appointed by the EDA,
- (c) one person appointed by the OACAS,
- (d) one person appointed by the OAPSB,
- (e) one person appointed by either the OPSBA or by the OCSTA,
- (f) one person appointed by Toronto; and

Seven Members appointed by the unions, employee associations, or retiree organizations/associations named below, as follows:

- (g) one person appointed by CUPE,
- (h) one person appointed by either CUPE Local 79 or by CUPE Local 416,
- (i) one person appointed by the OPFFA,
- (j) one person appointed by OPSEU,
- (k) one person appointed by OSSTF,
- (l) one person appointed by the PAO, and
- (m) one person appointed by The Retiree Group.

### **1.3 Term of Office**

Subject to Sections 1.4(f), 1.5 and 1.6, the term of office of all Members will be three years.

### **1.4 Appointment of Successor Members on Expiration of Term**

A successor Member shall be appointed to succeed a Member at the expiration of such Member's term pursuant to the following paragraphs and Section 1.7:

- (a) Subject to subsections 1.4(b), (c), and (g), the party that appointed a Member (or had the right to appoint a Member but did not such that the Member was appointed pursuant to subsection 1.4(g) or subsection 1.7(b)) shall appoint a successor to that Member.
- (b) Members appointed by either the Ontario Public School Boards' Association or by the Ontario Catholic School Trustees' Association shall be appointed on an alternating basis by the associations.
- (c) Members appointed by either CUPE Local 79 or by CUPE Local 416 shall be appointed on an alternating basis by the respective local union.
- (d) At least twelve months prior to the expiry date of a Member's term, the CEO shall give written notice to the Sponsor Organization, with an information package including such information as determined by the Corporation from time to time, including any current skills and competency matrix and/or gap analysis, and a role description developed by the Corporation, and, in respect of an incumbent Member eligible for reappointment, specific information about such Member's attendance. An information meeting will be held within two months of delivery of such notices, at which the Co-Chairs and the Chair of the Corporation's Corporate Governance Committee will present information and answer questions the Sponsor Organizations might have regarding the appointments process. The Sponsor Organization will be requested to propose a candidate for reappointment or appointment, as the case may be, at least eight (8) months prior to the expiry of a Member's term, and provide the Corporation with a current resumé for the candidate. The proposed appointees will undergo a Background Check arranged by

the Corporation's Chief Executive Officer, and the results thereof shall be reported to the Corporate Governance Committee prior to the interview process.

- (e) The primary responsibility of a Member on any issue of a fiduciary nature coming before the Corporation is to approve only such actions which the Member believes are in the best interests of the Corporation. Therefore, a Member must not only possess sufficient capacity to critically evaluate and decide on the business, pension and governance matters which come before the Members but also have the independence to take such action regardless of the wishes of the Corporation's management, the interests of the Sponsor Organization that nominated him/her, the wishes of OMERS Administration Corporation, and any personal interests of the Member. When discussing the appointment of Members with Sponsor Organizations, the Sponsor Organizations shall be requested to have regard for any competencies that have been identified as being required to enable the Members to function more effectively as a whole. The Corporation may establish desired attributes for Members to reflect the diversity of OMERS stakeholders and establish desired competencies to promote effective decision-making.
- (f) The Corporation's Corporate Governance Committee is responsible for providing an orientation interview for all proposed appointees, reviewing the results of the Background Check with each proposed appointee, and making them aware of their fiduciary duties and in so doing shall have regard to the competency framework and Board Member role description as approved by the Members. Notwithstanding any other provision of this By-law a Member's appointment shall not become effective until such interview has occurred.
- (g) Should a responsible party fail to appoint a successor by April 30<sup>th</sup> of a Member's term, the Corporate Governance Committee shall identify a suitable candidate for recommendation in accordance with the process set out in this Section 1.4, and the Members shall vote upon the appointment of the candidate so recommended.
- (h) Effective January 1, 2021, a Member may have his or her initial term renewed and be named as his or her own successor for purposes of this Section 1.4 to a maximum of four (4) terms of three (3) years each, for a maximum of twelve (12) years' service in total, subject to the transitional provisions set out in Appendix A-2.
- (i) The term of a successor Member shall commence effective immediately following the expiry of the term of the Member who he or she is to succeed.

## **1.5 Removal**

A Member may be removed by the Corporation in the following circumstances:

- (a) If the Member is charged with or convicted of a criminal offence;
- (b) If the Corporation determines that (i) the Member has breached the Code of Conduct and (ii) dismissal as a Member is the appropriate remedy; or

- (c) The Corporation determines that the Member's attendance and participation is unsatisfactory in accordance with guidelines approved by the Members from time to time.

Removal of a Member by the Corporation will require a two-thirds vote of the Members, other than the Member whose removal is being voted upon.

A Sponsor Organization that appointed the Member may remove such Member, on thirty days advance written notice to that Member and the Co-Chairs, and, if the removal is during the term of a Member, on the reimbursement by the Sponsor Organization to the Corporation for any education expenses incurred by the Corporation during the previous twelve months in respect of that Member.

## **1.6 Resignation**

A Member may resign by giving written notice thereof to the Corporation. The effective date of a resignation shall be stated in the Member's notice of resignation, but in no event shall the effective date precede the date that the written notice of resignation is received by the Corporation.

## **1.7 Appointment of Replacement Member upon Death, Resignation or Removal of Member**

- (a) If a Member dies, resigns or is removed from office prior to the end of his or her term, a replacement shall be appointed by the Sponsor Organization that made the appointment. After the process set out in Section 1.4 has been followed, a replacement Member shall be appointed for the period remaining in the term of the Member who he or she is meant to replace.
- (b) If a Sponsor Organization is entitled to appoint a Member to replace a Member who has died, resigned or been removed pursuant to subsection 1.7(a) but fails to do so within ninety (90) days of the Member's death, resignation or removal, an interim replacement Member shall be recommended by the Corporate Governance Committee and appointed by a majority vote of the Members for the period remaining in the term of the Member who died, resigned or was removed.

## **1.8 Appointment of Co-Chairs**

The following process shall apply for the appointment of Co-Chairs until December 31, 2020. For the term commencing as of January 1, 2021, the process for the appointment of a Chair and a Vice-Chair as set out in Appendix B shall apply, and as of January 1, 2021, this Section 1.8 shall be repealed, and the provisions of Appendix B shall become Section 1.8 of this By-law.

- (a) On or before June 1 of a calendar year, the CEO will solicit nominations from the Members within each Member Group for the position of Co-Chair for the following calendar year. A Member within a Member Group wishing to nominate a Member to serve as Co-Chair shall submit his/her nomination to the CEO during the period from June 1 to October 31. The CEO will notify each nominee of his/her nomination.
  - (i) On or before November 30 of a calendar year the Members within a Member Group with more than one nominee will vote by secret ballot to

appoint one of the individuals nominated in accordance with the above to serve as Co-Chair for the following calendar year.

- (ii) The CEO, together with the Board Secretary, will coordinate the voting process and will issue, receive, and count all ballots. Ballots will be issued to each Member corresponding to the number of votes such Member holds as specified in Section 1.10.
  - (iii) If a vote does not result in a majority of the ballots issued being cast in favour of a nominee, the CEO will report the results of the vote to the Members within the voting Member Group and further votes will be held until a majority of all ballots issued have been cast in favour of a nominee.
  - (iv) If only one individual is nominated for Co-Chair by the Members of a Member Group, that nominee will be deemed appointed by acclamation of that Member Group.
- (b) Any Member may, by notice to the CEO and the other Members within his/her Member Group, require a vote to remove or replace the Co-Chair appointed by them prior to the expiry of the Co-Chair's term. A decision of the relevant Member Group to remove or replace him/her shall require an affirmative vote of a majority of those Members, such vote to be conducted by secret ballot in accordance with the process as described in subsections 1.8(a)(ii) and (iii), except that the time periods stipulated above will not apply and the CEO will conduct the nomination and voting process as expeditiously as reasonably possible.
- (c) If a Co-Chair ceases for any reason to be a Member, he/she will cease to be a Co-Chair and a vote will be held within the Member Group that appointed him/her to appoint his/her successor in accordance with subsection 1.8(b).
- (d) If Co-Chairs are not appointed by the end of a calendar year for the following calendar year, then the incumbent Co-Chairs shall remain in office until the appointments of their successors.
- (e) A Member who has not held the office of Co-Chair prior to December 31, 2015 and who becomes a Co-Chair after December 31, 2015 may not hold the office of Co-Chair for more than six calendar years (whether consecutive or non-consecutive). A Member that has held the office of Co-Chair prior to January 1, 2016 may not hold the office of Co-Chair for more than three calendar years (whether consecutive or non-consecutive) following December 31, 2015.

## **1.9 Discharge**

If a Member resigns or is removed, or the Member's term expires, he or she shall be fully discharged from all future duties and responsibilities of a Member as of the effective date of such resignation, removal or expiration of term, as the case may be. If a Member dies, his or her heirs, administrators, executors and assigns shall be fully discharged from all future duties and responsibilities of the Member as of the date of the Member's death.

### **1.10 Voting**

- (a) For this and all other By-laws of the Corporation, each Member appointed by AMO shall have two (2) votes, the Member appointed by the CUPE shall have three (3) votes, and each other Member shall have one vote.
- (b) For clarity, voting requirements for this and all other By-laws of the Corporation shall be based on the following:
  - (i) the requirement for an affirmative vote of a majority of the Members shall be satisfied if a majority of the available Member votes are in favour of the motion; and
  - (ii) the requirement for an affirmative vote of two-thirds of the Members shall be satisfied if two-thirds of the available Members votes are in favour of the motion.
- (c) A vote of the Members concerning the appointment or removal of a Member or a replacement Member shall be made without the Member or the vote(s) associated with the Member who is to be replaced or removed or whose term is set to expire or whose removal is being voted upon and such vote(s) shall not be considered “available” under subsection 1.10(d).
- (d) For purposes of determining whether a given matter has received the requisite amount of available votes under subsection 1.10(b), but subject to subsection 1.10(c), a Member’s vote shall be considered available whether or not a Member attends or participates in a meeting at which votes are to be cast on the matter, and whether or not the member abstains from voting on the matter (including by reason of a conflict of interest as described in Section 5.13 of By- Law No. 2 of the Corporation). Abstentions shall be recorded as such in the minutes of the Corporation.

### **1.11 Limit on Members and Votes**

Notwithstanding any other provision of this or any other By-law, at any given time there shall be no more than:

- (a) 7 Employer Members;
- (b) 7 Employee Members;
- (c) 9 Employer Member votes; and
- (d) 9 Employee Member votes.

### **1.12 Member Qualifications**

A Member must:

- (a) be an individual who is eighteen years of age or older;
- (b) not have been found to be of unsound mind by a court in Canada or elsewhere;

- (c) not have the status of a bankrupt;
- (d) not have been previously removed as a Member pursuant to Section 1.5 of this By-law; and
- (e) commencing effective January 1, 2021, not already have served four (4) or more terms (whether consecutive or non-consecutive) as a Member of the Corporation and its predecessor, provided that for purposes of this subsection 1.11(e) and subsection 1.4(h), an initial partial term of two years or less will not be considered a “term”.

### 1.13 Amendments

An amendment to this By-law shall require an affirmative vote of a majority of the Members.

The provisions of this By-law shall be reviewed by the Corporation every three (3) years from January 1, 2021, to ensure that the Corporation is representative.

**CERTIFIED** by the Co-Chairs of the Corporation to have been validly enacted by vote of the Members of the Corporation at a duly convened meeting of the Members held the 25<sup>th</sup> day of February 2020.



Barry Brown, Co-Chair



Frank Ramagnano, Co-Chair

*Enacted on April 30, 2007*

*First Amendment and Restatement on February 19, 2009*

*Second Amendment and Restatement on February 16, 2010*

*Third Amendment & Restatement on April 25, 2013.*

*(Definitions, Co-Chairs, Qualifications, App A)*

*Fourth Amendment & Restatement on December 31, 2013*

*(Appendix A) – Effective January 1, 2014*

*(Appendix A – Revised August 19, 2014 – effective July 1, 2014)*

*Fifth Amendment and Restatement on November 18, 2014 (Sect. 1.8 – acclamation)*

*(Appendix A – Revised December 10, 2014 – effective January 1, 2015)*

*Sixth Amendment and Restatement on January 19, 2016 (Sect. 1.3)*

*(Appendix A – Revised January 19, 2016 – effective January 1, 2016)*

*Seventh Amendment and Restatement on April 26, 2016 (Addition of 1.8 e)*

*Eighth Amendment and Restatement on January 17, 2017*

*(Appendix A) – Effective January 1, 2017*

*Ninth Amendment and Restatement on December 13, 2017*

*(Appendix A) – Effective January 1, 2018*

*Tenth Amendment and Restatement on December 12, 2018*

*(Appendix A) – Effective January 1, 2019*

*Eleventh Amendment and Restatement on November 14, 2019*

*Twelfth Amendment and Restatement on February 25, 2020*



**APPENDIX A-1**  
**BOARD MEMBERS**

**Terms of Office**

*Effective January 1, 2020*

<b>Name</b>	<b>Sponsor</b>	<b>Appointed</b>	<b>Reappointed</b>	<b>Current Term Expiry</b>
Marianne Love	AMO	June 30, 2006	July 1, 2007/2010 January 1, 2015/2018	December 31, 2020
Frank Ramagnano	OPFFA	March 1, 2009	July 1, 2010 January 1, 2015/2018	December 31, 2020
Joe Pennachetti	Toronto	January 1, 2016	January 1, 2018	December 31, 2020
Barry Brown	AMO	January 1, 2015	January 1, 2016/2019	December 31, 2021
Charlie Macaluso	EDA	June 30, 2006	July 1, 2007/2009 January 1, 2013/2016 January 1, 2019	December 31, 2021
Mary McConville	OACAS	January 1, 2013	January 1, 2016/2019	December 31, 2021
Giulia Volpe	OPSEU	November 1, 2019		December 31, 2021
Sandra Sahli	OSSTF	July 1, 2014	January 1, 2016/2019	December 31, 2021
John Weatherup	CUPE	January 1, 2017	January 1, 2020	December 31, 2022
Jason Chan	CUPE Local 79	April 9, 2018	January 1, 2020	December 31, 2022
Fred Biro	OAPSB	January 1, 2014	January 1, 2017/2020	December 31, 2022
Pete Derochie	OPSBA	January 1, 2017	January 1, 2020	December 31, 2022
Dan Axford	PAO	October 1, 2015	January 1, 2017/2020	December 31, 2022
Paul Bailey	Retiree Group	July 1, 2010	January 1, 2014/2017/2020	December 31, 2022

*Attached to By-Law No. 4, approved April 25, 2013  
Amended December 18, 2013, effective January 1, 2014  
Amended August 19, 2014, effective July 1, 2014  
Amended December 10, 2014, effective January 1, 2015  
Amended January 19, 2016, effective January 1, 2016  
Amended January 17, 2017, effective January 1, 2017  
Amended December 13, 2017, effective January 1, 2018  
Amended December 12, 2018, effective January 1, 2019  
Amended December 11, 2019, effective January 1, 2020  
Amended February 25, 2020, effective January 1, 2020*

**APPENDIX A-2**

**BOARD MEMBERS**

**Transitional Provisions -  
When Members will Reach Term Limits by Year**

**December 31, 2021**

Charlie Macaluso

**December 31, 2022**

Paul Bailey

**December 31, 2023**

Marianne Love

Frank Ramagnano

**December 31, 2024**

Mary McConville

**December 31, 2025**

Fred Biro

**December 31, 2028**

Dan Axford

Pete Derochie

John Weatherup

**December 31, 2027**

Joe Pennachetti

Sandi Sahli

Barry Brown

**December 31, 2031**

Jason Chan

**APPENDIX B**  
**APPOINTMENTS OF CHAIR AND VICE CHAIR**

(for appointments effective January 1, 2021)

1. The Corporate Governance Committee shall develop role descriptions for the Board Chair and Vice-Chair from time to time, for approval by the Members by majority vote. The Corporate Governance Committee shall also develop the process for soliciting candidates for each role, for approval by the Members by majority vote.
2. Commencing January 1, 2021, a single Chair and a single Vice-Chair will be elected for a two-year term. The Corporate Governance Committee will determine which Members wish to stand for election in accordance with the process established in Section 1.
3. At the meeting at which the Chair and Vice-Chair are to be elected, a vote to elect the Chair will be conducted by secret ballot. If there are more than 2 candidates and on the first voting round no candidate receives more than 50% of the votes the candidate with the least amount of votes will be dropped from the ballot and another vote will be held, with the process continuing until a candidate receives 50% of the votes.
4. The same process will then be used to elect the Vice-Chair.
5. On the completion of the Chair's 2-year term, the Vice-Chair will succeed to the position of Chair, subject to a confirmation by the Members by majority vote. If the appointment is not confirmed, a new Chair and Vice-Chair will be elected. If the appointment is confirmed a new Vice-Chair will be elected.
6. Notwithstanding Section 1.10 of this By-law, votes conducted by secret ballot for the Chair and Vice-Chair will not be based on weighted voting, but rather by simple majority of the Members available to vote. A tie vote for the Chair shall be resolved by the drawing of straws. A tie vote for the Vice Chair shall be resolved by deeming the winner to be the candidate who provides a balance of representation between the two Member Groups.
7. For the election taking effect on January 1, 2021 only, the if the Board elects a Chair from the Employee Group, it must elect a Vice-Chair from the Employer Group, and if the Board elects a Chair from the Employer Group, it must elect a Vice-Chair from the Employee Group, as a transitional provision.