

BY-LAW NO. 1
("General By-Law")

A by-law relating generally to the conduct of the business and affairs of
FINANCIAL SERVICES REGULATORY AUTHORITY OF ONTARIO

TABLE OF CONTENTS

ARTICLE 1 DESCRIPTION OF BY-LAW	3
1.1 Definitions	3
1.2 Interpretation	3
ARTICLE 2 BUSINESS OF THE CORPORATION	4
2.1 The Corporation	4
2.2 Fiscal Year	4
2.3 Head Office	4
2.4 Seal	4
2.5 Execution of Instruments	4
2.6 Counterparts Permitted	4
2.7 Banking Arrangements	4
ARTICLE 3 BOARD OF DIRECTORS.....	5
3.1 Powers and Duties of the Board of Directors.....	5
3.2 Composition and Appointment.....	5
3.3 Administer the Authority's Affairs.....	5
3.4 Remuneration and Expenses.....	5
3.5 Vacancies.....	6
3.6 Ceasing to Hold Office	6
ARTICLE 4 COMMITTEES OF THE BOARD OF DIRECTORS.....	6
4.1 Committees of Directors	6
4.2 Mandate and Powers of Committees	6
4.3 Committee Governance	7
ARTICLE 5 BOARD OF DIRECTORS' MEETINGS	7
5.1 Notice of Meetings	7
5.2 Quorum	7

5.3 Place of Meetings	8
5.4 Calling of Special Meetings.....	8
5.5 Action by the Board of Directors.....	8
5.6 Conduct of Meetings	8
5.7 Votes.....	8
5.8 Chair of the Board of Directors	8
5.9 Secretary.....	9
5.10 Adjournment	9
5.11 Conflicts of Interest	9
5.12 Conduct	10
ARTICLE 6 BOARD OF DIRECTORS' MEETINGS BY TELEPHONE OR OTHER ELECTRONIC MEANS.....	10
6.1 Meetings by Telephone or Other Electronic Means	10
6.2 Transacting Business by Written Resolutions	10
ARTICLE 7 PROTECTION OF BOARD MEMBERS AND OFFICERS.....	11
7.1 Insurance	11
7.2 Immunity from Civil Action.....	11
ARTICLE 8 OFFICERS	11
8.1 Appointment of Officers.....	11
8.2 Remuneration of Officers.....	11
8.3 Powers and Duties of Officers	12
8.4 Conflict of Interest.....	12
ARTICLE 9 AMENDMENT OF BY-LAWS	12
9.1 Amendment of By-laws	12
ARTICLE 10 AUDITORS	12
10.1 Auditors	12
ARTICLE 11 BOOKS AND RECORDS	13
11.1 Books and Records	13

BE IT ENACTED as a by-law of the Financial Services Regulatory Authority of Ontario, (the "Corporation") subject to the approval of the Minister of Finance pursuant to section 9 of the Act, as follows:

ARTICLE 1 DESCRIPTION OF BY-LAW

1.1 Definitions

- (a) "Act" means the *Financial Services Regulatory Authority of Ontario Act, 2016*, or any statute which may be substituted therefor, including any regulations made thereunder, as amended from time to time;
- (b) "Board of Directors" means the board of directors of the Corporation; and "Director" means a director of the Corporation appointed by the Lieutenant Governor in Council;
- (c) "By-law" means any by-law of the Corporation in force as amended or restated from time to time;
- (d) "Chair" means the chair of the Board of Directors;
- (e) "Corporation" means Financial Services Regulatory Authority of Ontario, a corporation without share capital;
- (f) "OBCA" means the *Business Corporations Act* (Ontario), as may be amended from time to time;
- (g) "Minister" means the Minister of Finance or such other member of the Executive Council as may be assigned the administration of the Act under the *Executive Council Act*; "person" includes an individual, partnership, association, body corporate, trustee, executor, administrator or legal representative;
- (h) "Regulations" means those regulations that may be made by the Lieutenant Governor in Council pursuant to Section 21 of the Act;
- (i) "Secretary" means the secretary of the Corporation appointed pursuant to section 8.1;
- (j) "Chief Executive Officer" means the Chief Executive Officer of the Corporation appointed under section 8.1;
- (k) "Officer" means the Chief Executive Officer or such other Officers as the Board of Directors may appoint from among the Corporation's employees as it considers necessary.

1.2 Interpretation

All terms which are contained in this By-law and in all other by-laws of the Corporation hereafter passed and which are not defined herein but which are defined in the Act shall have the meaning given to such terms in the Act unless the context requires otherwise. Words importing the singular number also include the plural and vice-versa. All specific references herein to Officers shall be to the Officers of the Corporation holding such office. The headings used in this By-law are for reference purposes only and are not to be considered or taken into account in construing the terms or provisions thereof or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions.

ARTICLE 2 BUSINESS OF THE CORPORATION

2.1 The Corporation

The Corporation is a corporation without share capital established by the Act under the name Financial Services Regulatory Authority of Ontario in English and Office ontarien de réglementation des services financiers in French.

2.2 Fiscal Year

Unless otherwise determined by the Board of Directors, the fiscal year of the Corporation shall end on March 31 in each year.

2.3 Head Office

The head office of the Corporation shall be in the City of Toronto, in the Province of Ontario. The Corporation may maintain offices in such other places in the Province of Ontario as the Board of Directors may determine.

2.4 Seal

The Corporation may, but need not, have a seal, the form of which may be adopted and changed by the Board of Directors.

2.5 Execution of Instruments

Any two Officers or Directors may sign documents, deeds, transfers, assignments, contracts, obligations, certificates and any other similar instrument on the Corporation's behalf relating to the Corporation's business and affairs. The Board of Directors shall have power from time to time by resolution to appoint an Officer or Officers or any other person or persons authorized by the Board of Directors on behalf of the Corporation to sign specific contracts, documents and instruments, or classes of contracts, documents and instruments.

2.6 Counterparts Permitted

Any notice, resolution, requisition, statement or other document required or permitted to be executed by more than one person for the purposes of the Act or any Regulations may be executed in several documents each of which when executed by one or more of such persons shall be deemed to constitute one document for the purposes of the Act and any Regulations.

2.7 Banking Arrangements

The banking business of the Corporation, or any part thereof, shall be transacted with such bank, trust company or other firm or body corporate as the Board of Directors may designate, appoint

or authorize from time to time and all such banking business, or any part thereof, shall be transacted on the Corporation's behalf by such one or more Officers or other persons as the Board of Directors may designate, direct or authorize from time to time and to the extent thereby provided.

The Board of Directors shall have power to authorize expenditures on behalf of the Corporation, from time to time, and to make expenditures for the purpose of furthering the objects of the Corporation.

ARTICLE 3 BOARD OF DIRECTORS

3.1 Powers and Duties of the Board of Directors

Subject to the Act and any Regulations, the Board of Directors shall supervise the management of the Corporation's affairs.

The Board of Directors may also, from time to time, make such policies as it may deem necessary or desirable for the better management, operation and maintenance of the Corporation, provided however that any such policy shall not be inconsistent with the Act, the Regulations or this By-law.

3.2 Composition and Appointment

The Directors shall be appointed by the Lieutenant Governor in Council, on the recommendation of the Minister and in accordance with the Act and the Regulations. The Board of Directors shall consist of at least three and not more than 11 Directors. A person who is an Officer or employee of the Corporation is ineligible to be a Director of the Corporation.

3.3 Administer the Authority's Affairs

The Board of Directors may administer the affairs of the Corporation in all things and make or cause to be made for the Corporation, in its name, any kind of contract which the Corporation may lawfully enter into and, save as hereinafter provided, generally, may exercise all such other powers and do all such other acts and things as the Corporation is by its by-laws, the Act or otherwise authorized to exercise and do.

3.4 Remuneration and Expenses

The Directors shall be paid such remuneration as determined by the Lieutenant Governor in Council. The Directors shall be reimbursed their reasonable expenses that the Lieutenant Governor in Council determines, or as may be set out in applicable Management Board of Cabinet directives or applicable policies of the Corporation.