

JUNE 17/25

St. John's Sports & Entertainment Ltd.

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Derek Coffey
Deputy City Manager, Finance and Operations
City of St. John's
Via email: dcoffey@stjohns.ca

Dear Mr. Coffey,

In 2023, the HR & Governance Committee of St. John's Sports & Entertainment began a review of SJSEL's By-Laws. This included consultation and input from the Board of Directors, senior staff and Legal Counsel.

Some key amendments that were taken into consideration and incorporated into a revised By-Laws are:

- In the Interpretation Section, a diversity clause and a definition of Ex-Officio were added.
- Pronouns usage was updated.
- Communication methods were updated (ie. Removal of facsimile transmission and attending meetings remotely).
- Sections relating to "Member" processes and requirements were removed. When the By-Laws were created, there was an assumption that there would be Members who had a voting stake in the organization yet were not on the board. Included in the removal of these sections was a requirement for an annual meeting of the Members (where members could vote).
- Clarification of organizational titles that caused confusion as to their meaning. The term Member was eliminated as it does not exist, and Director and Officer positions were adjusted to clarify the specific roles. A Director is on the Board, and an Officer is an Executive position on the Board. Some Officer positions may or may not be Board Members such as the Treasurer who is currently the Manager of Finance and the Secretary, who currently is the Manager of HR.
- Under Qualifications of a Director, more appropriate wording was created for a person who is unable to manage their affairs. As well, the statement of being convicted of a criminal offence was shortened by omitting the portion "related to the employment of that person".
- The addition of an E-Poll and the associated parameters.
- Execution of documents section revised from requiring two Directors to sign Corporation Documents (ie. Contracts) to the CEO or other authorized signing officers. This reflects current practice.
- Removal of Securities section which is not applicable to the organization.

- The language under Quorum relates to meetings of the Board and specifies that no business shall be transacted at any meeting of the Board unless a quorum is present. Clarification from the City's legal department indicated that Committee meetings do not require a quorum as business is not transacted because the board must vote on all recommendations from Committees.
- Auditors section was revised by removing the reference to the General Meeting of Members. The statement that the auditor shall receive notice of all Member's meetings was revised to the auditor may attend a Board meeting.
- The terms of the Board of Directors was clarified [3 year terms, with maximum of two consecutive terms], including how the adoption of the new By-Laws would apply to existing Directors.

The Board of Directors formally approved these revised By-Laws at the January 24, 2024 Board Meeting of SJSEL, with a condition regarding proxy votes:

MOTION Moved By Cathy Duke Seconded By Greg Ivany

It was moved to accept the revised bylaws for St. John's Sports & Entertainment Ltd. providing updated proxy wording is contributed by Legal regarding wording related to amendments.

CARRIED UNANIMOUSLY

On March 6, 2024, the Board received the following update and a further motion was approved.

SJSEL Bylaws – Proxy Votes

CEO noted that it has been raised as to whether a proxy vote and language to that effect is needed in the by-laws in this day and age. Legal counsel had no issue if it was omitted. There was some discussion.

MOTION Moved By Heather Stamp Nunes Seconded By Heather MacLean

Further to the January 24, 2024 SJSEL Board meeting, the Board agreed to remove proxy from the by-laws. This will be removed and circulated to City Council for their review.

CARRIED UNANIMOUSLY

SJSEL now seeks the ratification of the City of St. John's.

If you require any further information, please do not hesitate to contact me.

Sincerely,



Brent Meade
CEO

Attachment: SJSEL Revised By-Laws

**St. John's Sports & Entertainment
Ltd.
General Operating By-Laws**

March 2024

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BY-LAW NO.1

A by-law relating generally to the transaction of the business and affairs of
ST. JOHN'S SPORTS & ENTERTAINMENT LTD.

BE IT ENACTED AND IT IS HEREBY ENACTED as a by-law of St. John's Sports & Entertainment Ltd. as follows:

1. Article 1- Interpretation

1. 1.1 *Meanings*

In this by-law and all other by-laws and resolutions of the Corporation unless the context otherwise requires:

Act means the Corporations Act, Newfoundland and Labrador, as amended from time to time, and any statute enacted in substitution therefor from time to time;

Articles means the Articles of Incorporation of the Corporation together with amendments thereto;

Authorized Representative means the person entitled to act on behalf of and represent a Director or the Corporation;

Board means the board of directors of the Corporation;

Business Day means any day, other than a Saturday, Sunday or statutory holiday in the City;

Chair means the Chair or Vice-Chair of the Board of the Corporation;

City means the City of St. John's;

Claims means claims, losses, damages (direct, indirect, consequential or otherwise), suits, judgments, causes of action, legal proceedings, executions, demands, penalties or other sanctions of every nature and kind whatsoever, whether accrued, actual, contingent or otherwise and any and all costs arising in connection therewith, including without limitation, legal fees and disbursements on a solicitor and own client basis (including without limitation, all such legal fees and disbursements in connection with any and all appeals);

Corporation means St. John's Sports & Entertainment Ltd.;

Director means a Director of the Corporation and Directors shall have a corresponding meaning;

Diversity means having a range of people with various racial, ethnic, socioeconomic, and cultural backgrounds and various lifestyles, experience, and interests;

Documents includes deeds, mortgages, leases, sub-leases, easements, licenses, hypothecs, charges, conveyances, transfers and assignments of property, real or personal, immovable or moveable, agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of shares, bonds, debentures or other securities and all paper writings;

Ex Officio means that solely as a result of one's position within the City of St. John's or the Corporation, they are appointed as a Director or officer of the Corporation;

Guidelines means the Conflict-of-Interest Guidelines;

Province means the Province of Newfoundland and Labrador, and Provincial shall have a corresponding meaning;

Secretary means the Secretary of the Corporation;

Treasurer means the Treasurer of the Corporation.

2. 1.2 Interpretation

In this by-law and in all other by-laws of the Corporation, unless the context otherwise requires, words importing the singular shall include the plural number, as the case may be, and references to persons shall be gender diverse, and include firms and corporations.

2. ARTICLE 2- HEAD OFFICE

1. 2.1 Location

The head office of the Corporation shall be situated in the location set out in the Articles and at such address within such location as may be determined by the Board from time to time.

3. ARTICLE 3- SEAL

1. 3.1 Impression

The Seal, an impression of which shall be stamped on a certificate of the Secretary immediately following the issuance of the Certificate of Incorporation for the Corporation and the passage of this by-law, shall be the seal of the Corporation.

4. ARTICLE 4- Directors

1. 4.1 *Directors*

- (a) The Corporation shall consist of those individuals appointed to the Board of Directors for the Corporation. Each person submitted and approved as a Director shall be promptly informed of their admission.
- (b) Directors are those persons appointed in accordance with Article 4.3. Except as set out herein in this by-law, each Director shall be entitled to one vote at all meetings and shall have identical rights and obligations.
- (c) Every person who is appointed shall be a Director of the Corporation. The Deputy City Manager of Finance for the City and the Director appointed by and from the St. John's Municipal Council shall be *ex officio* Directors.

2. 4.2 *Qualifications of a Director*

- (a) Each Director shall be at least 19 years of age and shall not be:
 - (i) a corporation, firm or any other entity;
 - (ii) a person who has the legal status of a bankrupt or is insolvent;
 - (iii) a person who is found by a Court to be unable to manage their own personal affairs;
 - (iv) a person who has been convicted of a criminal offence.
- (b) Directors shall be Canadian citizens;
- (c) As a condition precedent to becoming a Director and notwithstanding any other provision of this by-law, the person must consent to becoming a Director;
- (d) Directors shall at all times meet the requirements of the Guidelines.

3. 4.3 *Appointment of Directors*

Directors, save and except the Deputy City Manager of Finance for the City and those representing Destination St. John's, shall be appointed by the City to serve for a maximum term of three years. It is desirable that in appointing Directors for the Corporation, Diversity of the Board is considered. The appointment of a Director shall be made by the City forwarding a letter of appointment to the appointee and a Notice of Appointment to the Secretary of the Corporation advising the Corporation of the appointment. Directors, save and except the Deputy City Manager of Finance for the City and those representing Destination St. John's, shall be eligible for a maximum of two

consecutive terms. Two Directors shall be from Destination St. John's; one Director shall be a member of the St. John's Municipal Council; six Directors shall be from the community at large. The Deputy City Manager of Finance for the City shall be an *ex-officio* non-voting Director and shall not have their term limited in any way. The Director appointed from the St. John's Municipal Council shall also be a non-voting Director.

This section applies to each Board member sitting on the Board prior to the date of the enactment of these by-laws, counting from each individual Board member's previous election to the Board.

Any and all decisions, resolutions, motions, and actions of the Board of Directors made since July 2014 to the date of this amendment in which the City Manager and/or the Director of Finance for the City voted upon are hereby ratified and adopted.

4. 4.4 *Transfer of Director status*

The position of Director in the Corporation is not transferable.

5. 4.5 *Deputy City Manager of Finance and Destination St. John's*

- (a) Articles 4.6 and 4.7 shall not apply to the Deputy City Manager of Finance for the City who shall remain a Director for the term of their employment in that capacity.
- (b) Articles 4.6 and 4.7 shall not apply to Directors representing Destination St. John's.

6. 4.6 *Termination of Director*

A Director's position automatically terminates upon the happening of any one of the following events:

- (a) the Director, in writing, resigns as a Director of the Corporation;
- (b) the Director dies;
- (c) the Director ceases to have all of the qualifications referred to in Article 4.2; or
- (d) the Directors appointment is terminated in accordance with Article 4.7.

Upon a person ceasing to be a Director of the Corporation under paragraphs (a), (b) and (c), the Secretary shall forthwith provide written notice to the City.

7. 4.7 *Removal of a Director*

A Director may be removed by the City at any time by forwarding a Notice of Termination in writing, to the Director and to the Secretary of the Corporation

advising of such removal and shall terminate effective the date of such Notice of Termination.

8. 4.8 *Post Directorship*

All information learned about the Corporation or the City while a Director shall be held in strict confidence by the Director upon ceasing to be a Director of the Corporation.

5. ARTICLE 5- ELECTION/APPOINTMENT OF BOARD

1. 5.1 *Size of the Board*

The size of the Board shall not be less than seven (7) nor more than twenty (20).

6. ARTICLE 6-BOARD OF DIRECTORS

1. 6.1 *Powers of the Board*

The Board shall have the power to and shall 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 other powers and do all other acts and things as the Corporation is by its constating documents or otherwise authorized to exercise and do. Without limiting the generality of the foregoing, the Board shall have the power to:

- appoint and replace the officers of the Corporation, including the Chair;
- approve annual operating and capital budgets for the Corporation;
- authorize expenditures on behalf of the Corporation from time to time and may delegate by resolution to an officer or officers of the Corporation the right to employ and pay salaries to employees of the Corporation;
- raise funds in any manner;
- make expenditures of funds for the purpose of furthering the objectives of the Corporation;
- enter into a trust arrangement with a trust company for the purpose of creating a trust fund in which the capital and interest may be made available for the purpose of establishing a reserve for the benefit of the Corporation, in accordance with such terms as the Board may prescribe;
- constitute such committees of the Corporation as the Board, from time to time, considers necessary to assist in carrying out the objectives of the Corporation, and to appoint the chair and members

- of such committees to serve during the pleasure of the Board, and to fix the remuneration, if any, to be paid to such committee members;
- appoint such agents as it deems necessary from time to time and those agents shall have such authority and shall perform such duties as are prescribed by the Board at the time of their appointment; and
 - delegate any of its powers to committees consisting of such number of Directors as the Board thinks fit. Any committee so formed shall, in the exercise of powers so delegated, conform to any regulations that may be imposed on them by the Board.

2. 6.2 Quorum and Meetings

- (a) A majority of the Directors in office shall form a quorum for the transaction of business. No business, other than the election of a chair and the adjournment of the meeting, shall be transacted at any meeting of the Board unless a quorum is present at the meeting.
- (b) Except as otherwise required by law, the Board may hold its meetings at such place or places as it may from time to time determine.
- (c) If all of the Directors consent thereto, either generally or in respect of a particular meeting, a Director may participate in a meeting of the Board or a committee of the Board by electronic means which permits all persons participating in the meeting to hear and speak to each other, and a Director participating in a meeting by such electronic means shall be deemed for all purposes to be present at the meeting. If possible, attendance by video conferencing with cameras on is preferred.
- (d) No formal notice of any meeting of the Board shall be necessary if all of the Directors are present, or if those absent have signified their consent to the meeting being held in their absence. Such consent may be given before, during or after the meeting.
- (e) Meetings of the Board may be formally called by the Chair of the Board or by the Secretary on direction of the Chair of the Board, or by the Secretary at the request in writing by two Directors. Notice of such meetings shall be delivered or sent by electronic means to each Director not less than 2 days before the meeting is to take place or shall be mailed to each Director not less than 14 days before the meeting is to take place. The statement of the Secretary or Chair of the Board that notice has been validly given pursuant to this by-law shall be sufficient and conclusive evidence of the giving of such notice.

- (f) The Board may select a day or days in any month or months for regular meetings at an hour to be named and no notice need be sent for such regular meetings.
- (g) The Directors may consider or transact any business either special or general at any meeting of the Board.
- (i) A meeting of the Board may be adjourned from time to time and place to place, but no business shall be transacted at an adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. Where a meeting is adjourned for 45 days or more, notice of the adjourned meeting shall be given as in the case of the original meeting. Except as provided in this subsection, it is not necessary to give notice of an adjournment or of the business to be transacted at an adjourned meeting.

3. 6.3 *Errors and Notice*

No error or accidental omission in giving notice for a meeting of the Board shall invalidate such meeting or invalidate or make void any proceedings taken or held at such meeting and any Director may at any time waive notice of any such meeting and may ratify and approve of any or all of the proceedings taken at such meeting.

4. 6.4 *Voting*

- (a) Questions arising at any meeting of Directors shall be decided by a majority of votes unless otherwise specifically provided by the Act or by the by-laws of the Corporation.
- (b) In case of an equality of votes, the Chair shall not have a second or casting vote.
- (c) All votes at Directors' meetings shall be taken by ballot if demanded by any Director present, and if no demand is made, the vote shall be taken in the usual way by assent or dissent. A declaration by the Chair that a resolution has been carried or failed, and an entry to that effect in the minutes, shall be admissible in evidence as *prima facie* proof of the fact without proof of the number or proportion of the votes recorded in favour of, or against, such resolution.
- (d) In the absence of the Chair of the Board at a Directors' meeting, their duties may be performed by the Vice-Chair, or such other Director as the Board may from time to time appoint for the purpose.
- (e) An E-Poll may be conducted in the following parameters:
 - i. To deal with matters of an urgent nature as deemed and authorized by the Chair, or Vice Chair and/or their designate;

- ii. A comprehensive memo outlining the background and proposed recommendation must be circulated to all Directors before an E-Poll is conducted;
- iii. A quorum is required for passing any E-Poll. Time restrictions for Directors to review and respond may be imposed if urgency exists;
- iv. If a quorum is not achieved within the timeframe outlined, the matter shall be referred to the next regularly scheduled meeting;
- v. A matter address by a quorum via E-Poll must be ratified at the next scheduled Director's meeting, but the decided matter shall not be open to debate, no cast vote may be changed, and any Director who did not vote during the E-Poll will not be able to do so at the meeting;
- vi. Ratification does not preclude prior action from being taken on a matter as authorized by the results of the E-Poll.

5. 6.5 *Resolution in Writing*

A resolution in writing signed by all of the Directors then in office shall be as valid and effectual as if it had been passed at a duly called and constituted meeting of the Board.

6. 6.6 *Indemnities to Directors and Others*

The Corporation shall indemnify and save harmless every:

- (a) Director and former Director;
- (b) officer and former officer of the Corporation, and their respective heirs, executors and administrators, from and against:
 - (i) all costs, charges and expenses (including, without limitation, an amount paid to settle an action or satisfy a judgment) which such person sustains or incurs in or about any action, suit or proceeding which is brought, commenced or prosecuted against them for or in respect of any act, deed, matter or thing whatsoever made, done or permitted by them to be done in or about the execution of the duties of their office; and
 - (ii) all other costs, charges and expenses which such person sustains or incurs in or about or in relation to the affairs of the Corporation, except the costs, charges or expenses occasioned by their own willful neglect or default.

The indemnity authorized by this Article shall be applicable only to the extent that such indemnity shall not duplicate any indemnity or reimbursement which the person seeking indemnity hereunder has received or shall receive otherwise than by virtue of this Article.

7. 6.7 *Contracts of Indemnity*

The Board may from time to time cause the Corporation to enter into a contract or contracts to indemnify any Director, officer, employee, agent or other person who has undertaken or is about to undertake any liability on behalf of the Corporation or any authority, corporation, partnership, joint venture, trust or other enterprise controlled by the Corporation or in which the Corporation has had an interest on behalf of the Corporation or any authority, corporation, partnership, joint venture, trust or other enterprise controlled by the Corporation or in which the Corporation has had an interest.

8. 6.8 *Insurance*

The Board may cause funds to be expended by the Corporation for the purchase and maintenance of insurance for the benefit of any person who is or was a Director, officer, employee or agent of the Corporation or is or was serving at the request of the Board as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise in which the Corporation has had an interest, against any claims arising out of such person acting in such capacity.

9. 6.9 *Protection of Directors and Officers*

The Directors and officers of the Corporation shall not be liable for the acts, receipts, neglects or defaults of any other Director or officer or employee or for joining in any receipt or act for conformity or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by the Corporation or for or on behalf of the Corporation or for the insufficiency 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 tortuous act of any person, firm or corporation with whom or which any monies, 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 or in relation thereto unless the same shall happen by or through their own wrongful and willful act or through their own wrongful or willful neglect or default.

10. 6.10 Responsibilities for Acts

The Directors for the time being of the Corporation shall not be under any duty or responsibility in respect of any contract, act or transaction whether or not made, done or entered into in the name of or on behalf of the Corporation, except such as shall have been submitted to and authorized and approved by the Board.

11. 6.11 Reimbursement of Expenses

Directors may receive reimbursement for all reasonable expenses necessarily incurred in fulfillment of their duties.

12. 6.12 Conflicts of Interest and Guidelines

No Director, save and except the Deputy City Manager of Finance for the City, shall directly or indirectly receive any profit from their position as such; provided that any Director who is engaged in or is a member of a firm or corporation engaged in any business or profession may, subject to the Act and the Guidelines appended hereto as Appendix "A" act in and be paid the usual professional fees and business charges for any professional work or other business required to be done in connection with the administration of the affairs of the Corporation. Prior to the appointment of any person as a Director such person shall complete a conflict-of-interest questionnaire meeting the Guidelines and shall notify the Board and the City of any business activity by the Director or any associate (as that term is defined in the Act), which would pose an actual or perceived conflict of interest in their capacity as a Director. The Board, with the person concerned not taking part in the consideration thereof or voting thereon, shall decide whether the individual should be disqualified from appointment as a Director. If a change or anticipated change in circumstances creates for a Director a conflict of interest, the Director shall inform the Board. The Board shall then decide whether the appointment of that Director should be revoked.

The Board shall ensure that all Directors (and, where appropriate, officers and employees of the Corporation) adhere to the Guidelines designed to prevent real and perceived conflicts of interest. As a Director of the Board each Director holds a fiduciary duty to the Corporation notwithstanding the relationship that exists with the City.

7. ARTICLE 7- OFFICERS OF THE CORPORATION

1. 7.1 Officers

- (a) There shall be a Chair of the Board, a Vice-Chair of the Board, a Secretary and a Treasurer (or in lieu of a Secretary and Treasurer, a Secretary-Treasurer) and such other officers, including without

limitation, a President, one or more Vice-Presidents and honorary officers, as the Board may determine from time to time.

- (b) The officers of the Corporation shall be appointed by resolution of the Board, including the Chair of the Board and the Vice-Chair of the Board. Appointment of the Chair shall require a 2/3 majority vote by the Board. In the absence of a written agreement to the contrary, the terms of engagement of all officers (including, without limitation, the remuneration of such officers, if any, and removal from office) shall be determined from time to time by the Board. The Director appointed from St. John's City Council shall not be appointed as Chair or Vice-Chair by the Board.
- (c) No officer of the Corporation needs also be a Director, save and except for the Chair of the Board and the Vice-Chair of the Board each of whom shall be a Director.

2. 7.2 *Chair and Vice-Chair of the Board*

The Chair of the Board or, in their absence, the Vice-Chair of the Board shall:

- (a) preside as Chair at all meetings of the Board when present; and
- (b) have the other powers and duties from time to time prescribed by the Board or which are incidental to the office of Chair of the Board.

3. 7.3 *Secretary*

The Secretary shall:

- be *ex officio* secretary of the Corporation, the Board and all committees of the Corporation;
- attend all meetings of the Corporation, the Board and all committees of the Corporation to record all facts and minutes of those proceedings in the books kept for that purpose;
- give all notices required to be given to Directors;
- be the custodian of the corporate seal of the Corporation and of all books, papers, records, correspondence and documents belonging to the Corporation; and
- perform the other duties from time to time prescribed by the Board which are incidental to the office of Secretary.

4. 7.4 *Treasurer*

The Treasurer shall:

- keep full and accurate accounts of all receipts and disbursements of the Corporation in proper books of accounts;
- deposit all monies or other valuable effects in the name and to the credit of the Corporation in the bank or banks from time to time designated by the Board; or
- disburse the funds of the Corporation under the direction of the Board or whenever required, prepare an account of all such transactions as Treasurer and of the financial position of the Corporation;
- cooperate with the auditors of the Corporation during any audit of the accounts of the Corporation; and
- perform the other duties from time to time prescribed by the Board or which are incidental to the office of Treasurer.

5. 7.5 *Other Officers*

The duties of all other officers of the Corporation shall be those which the terms of their engagement call for or which may be otherwise specified by the Board.

ARTICLE 8- CITY APPROVAL

1. 8.1 *Approval by the City of St. John's*

Notwithstanding any other provision of this By-Law each of the following actions must be approved or receive the consent of the City;

- (a) With the exception of appointing or replacing the Chair, the appointment and replacement of officers of the Corporation, pursuant to Article 7;
- (b) The approval of the annual operating and capital budgets for the Corporation pursuant to Article 6.;
- (c) The approval of any remuneration to be paid to the Directors pursuant to Article 6;
- (d) The approval of any borrowing by the Corporation pursuant to Article 13;
- (e) The repeal, amendment, alteration, addition to or re-enactment of any by-laws of the Corporation, including this by-law, pursuant to Article 15.

9. ARTICLE 9- FISCAL YEAR

1. 9.1 *Fiscal Year*

The fiscal year end of the Corporation shall be as determined by the Board from time to time.

10. ARTICLE 10 - EXECUTION OF DOCUMENTS

1. 10.1 *Execution of Documents*

Documents requiring execution by the Corporation shall be effective upon signing by the Chief Executive Officer for the Corporation, or any other employee of the Corporation who is authorized to execute a contract as a signing officer. The corporate seal of the Corporation shall, when required, be affixed to documents executed in accordance with the foregoing.

11. ARTICLE 11 - BOOKS AND RECORDS, AUDIT AND ACCOUNTING

1. 11.1 *Books and Records*

The Board shall cause to be kept at the head office of the Corporation all necessary and proper books and records of the Corporation, including, without limitation, those required by the Act.

2. 11.2 *Inspection*

The books and records of the Corporation shall be available for the inspection of any Director at any pre-arranged time during normal business hours.

3. 11.3 *Financial Statements*

The Board shall, at least once in every fiscal year, cause financial statements of the Corporation to be prepared and audited. The financial statements shall be prepared in accordance with generally accepted accounting principles.

4. 11.4 *Finance, Audit and Risk Committee*

The Board shall appoint an audit committee consisting of not less than three Directors.

5. 11.5 *Auditors*

- (a) No Director, officer or employee of the Corporation shall be entitled to be appointed as the Corporation's auditor.

- (b) The Board shall fill any vacancy occurring in the office of auditor within a reasonable period of time following the occurrence of the vacancy.
- (c) The auditor may attend a Board meeting if required with leave of the Board.
- (d) The auditor shall audit the accounts of the Corporation in accordance with generally accepted auditing practices.

12. ARTICLE 12- BANKING ARRANGEMENTS

1. 12.1 *Banking*

The Board shall designate by resolution the officers and other persons authorized to transact the banking business of the Corporation, or any part thereof, with a bank, trust company or other corporation carrying on a banking business that the Board has designated as the Corporation's banker, which persons shall have the authority set out in the resolution including, unless otherwise restricted, the power to:

- (a) operate the Corporation's accounts with the bankers;
- (b) make, sign, draw, accept, endorse, negotiate, lodge, deposit or transfer any of the Corporation's cheques, promissory notes, drafts, acceptances, bills of exchange or orders for the payment of money;
- (c) issue receipts for and orders relating to any property of the Corporation;
- (d) execute any agreement relating to any banking business and defining the rights and powers of the parties thereto; and authorize any officer of the bank to do any act or thing on the Corporation's behalf to facilitate the banking business.

2. 12.2 *Deposit of Securities*

The securities of the Corporation shall be deposited for safe keeping with one or more bankers, trust companies or other financial institutions to be selected by the Board. Any and all securities so deposited may be withdrawn from time to time only upon the written order of the Corporation signed by such officer or officers, agent or agents of the Corporation, and in such manner, as shall from time to time be determined by resolution of the Board and such authority may be general or confined to specific instances.

13. ARTICLE 13- BORROWING BY THE CORPORATION

1. 13.1 *Borrowing*

The Directors of the Corporation may from time to time:

- (a) borrow money on the credit of the Corporation;
- (b) limit or increase the amount to be borrowed;
- (c) issue debentures or other securities of the Corporation;
- (d) pledge or sell such debentures or other securities for such sums and at such prices as may be deemed expedient; and
- (e) secure any such debentures, securities or any other present or future borrowing or liability of the Corporation, by mortgage, hypothec, charge or pledge of all or any currently owned or subsequently acquired real and personal, moveable and immoveable, property of the Corporation, and the undertaking and rights of the Corporation.

Nothing herein limits or restricts the borrowing of money by the Corporation on bills of exchange or promissory notes made, drawn, accepted or endorsed by or on behalf of the Corporation.

2. 13.2 *Authorization*

From time to time the Board may authorize any Director or officer of the Corporation to make arrangements with respect to the money borrowed or to be borrowed on behalf of the Corporation, and as to the terms and conditions of the loan thereof, and as to the security to be given therefore, with power to vary or modify such arrangements, terms and conditions and to give such additional security for any monies borrowed or remaining due by the Corporation as the Board may authorize, and generally to manage, transact and settle the borrowing of money by the Corporation.

3. 13.3 *Deeming Provision*

The powers hereby conferred shall be deemed to be in supplement of and not in substitution for any powers to borrow money for the purposes of the Corporation possessed by its Directors or officers independently of a borrowing by-law, including by virtue of the Act or the Articles.

14. ARTICLE 14 – NOTICE

1. 14.1 *Computation of Time*

In computing the date when notice must be given under any provision of this By-Law requiring a specified number of days' notice of any meeting or other event, the date of giving the notice is, unless otherwise provided, included.

2. 14.2 *Omissions and Errors*

The accidental omission to give notice of any meeting of the Board or the non-receipt of any notice by any Director or by the auditor of the Corporation or any error in any notice not affecting its substance does not invalidate any resolution passed or any proceedings taken at such meeting. Any Director, or the auditor of the Corporation may at any time waive notice of any meeting and may ratify and approve any or all proceedings taken thereat.

15. ARTICLE 15- BY-LAWS AND AMENDMENTS ETC.

1. 15.1 *Enactment/Repeal Amendment*

By-laws of the Corporation may be enacted, repealed, amended, altered, added to or re-enacted by a resolution of the Board. The foregoing resolutions shall be passed by not less than two-thirds of the votes cast at a meeting of the Board.

16. ARTICLE 16- MISCELLANEOUS MATTERS

1. 16.1 *Annual Report*

The Directors shall produce an annual written report containing, among other things:

- the Corporation's financial statements and annual auditor's report for the Corporation's previous fiscal year;
- a summary of the Corporation's affairs during the Corporation's previous fiscal year;
- a report on the performance of the Corporation relating to the Corporation's business plan and objectives for the Corporation's previous fiscal year and, as applicable, the Corporation's previous five fiscal years, with an explanation of any significant variances between such performance and the Corporation's business plan and objectives and any corrective action taken by the Corporation to address such variances; and

- a summary of the Corporation's business plan for the Corporation's forthcoming fiscal year and forthcoming five-year period, including specific objectives (measurable where feasible), relating to the objects of the Corporation in the Articles.

Notwithstanding the foregoing the annual written report shall respect the need for confidentiality of commercially competitive information.

Witness the corporate seal of the Corporation.

Signature of Board Secretary or Chair

17. APPENDIX A

to

The St. John's Sports & Entertainment Ltd.

General Operating By-Law

Part 1	General
Part 2	Disclosure of Conflict of Office or Property
Part 3	Disclosure of Interest and Participation by Directors in Decisions Concerning Proposed Contracts or Transactions Coming before the Board of Directors
Part 4	Disclosure of Interest in Contracts or Transactions not brought before the Board of Directors
Part 5	Professional Advisors
Part 6	Interpretation

The St. John's Sports & Entertainment Ltd.

CONFLICT OF INTEREST GUIDELINES FOR DIRECTORS, OFFICERS AND EMPLOYEES

1. PART 1: GENERAL

- 1.1 Directors shall avoid and refrain from involvement in or situations of conflict of interest.
- 1.2 The Corporation depends on the integrity of each Director to complete their assessment of their individual conflicts of interest, if any, and assurance in writing may be required from time to time that no conflicts of interest or other breaches of these Guidelines exist.
- 1.3 Where in the opinion of the Chair, a conflict may exist in principle but would not as a practical matter have any significant impact on the Corporation, the Chair may, after consultation with the Authority's solicitor, in writing permit such condition to continue.
- 1.4 Directors are not to offer, provide nor accept gifts or excessive entertainment or benefits to or from clients or potential clients of the Corporation. In some cases, exceptions are recognized, for example modest gifts, favours and entertainment which meet the following tests:
 - (a) such as are not intended to be and are neither in such form nor of sufficient value to be taken as a bribe or other improper payment; the value of entertainment being no greater than what is appropriate in the circumstances;
 - (b) such as are of general and accepted business practice; and
 - (c) such as are lawful and in accordance with local ethical practice and standards.
- 1.5 Any Director engaging in any other business activity directly or indirectly affecting activities of the Corporation or which is in competition with the Corporation or its clients or which in any other manner may be construed as in conflict with the Corporation's interest, shall make full disclosure of such activity to the Chair,

who will rule on the conflict after consultation with the Authority's solicitor and may require discontinuation of the activity or consent to it in writing.

- 1.6 It shall be deemed a conflict of interest if without prior written consent of the Chair:
- (a) a Director, a member of their household, or a trust in which he is involved, has significant, direct or indirect financial interest in, or obligation to, an actual or potential client of the Corporation;
 - (b) a Director conducts business on behalf of the Corporation with a client of which a relative by blood or marriage is a principal officer or representative; and
 - (c) a Director misuses information obtained in the course of their duties as a Director of the Corporation.
- 1.7 A Director shall not engage in activities or accept appointments or election to office in any organization or association the activities of which are likely to be, in conflict with activities of the Corporation or an embarrassment to the Corporation, without the prior written consent of the Chair who shall consult with the Authority's counsel in making such determination,
- 1.8 A Director shall not use information obtained as a result of their duties as a director with the Corporation for personal profit or as the basis for a tip to others unless such information has been made generally available to the public.
- 1.9 Directors shall obtain the approval of the Chair before accepting other directorships in companies that might benefit from the policies of or be in conflict with the Corporation.
- 1.10 A Director shall not use inside information for personal gain. Material inside information must not be disclosed to anyone, except persons with the Corporation whose positions require them to know it, until it has been publicly released. A Director must not purchase or sell assets the value of which might be affected by the Corporation's actions or plans, when he has knowledge or material inside information which has not been disclosed to the public.
- 1.11 A Director should at all times maintain the confidentiality of all information and records that are the property of the Corporation and shall not make use of or reveal such information until such time as it becomes a matter of general public knowledge.
- 1.12 Plans for any media appearance, interview or presentation involving the Corporation shall be discussed with the Chair prior to the event.
- 1.13 No official announcement of a policy nature involving the Corporation shall be made except with the prior approval of the Chair.

1.14 Wherever the approval, consent or direction of the Chair is required or permitted by these Guidelines:

- (a) in the absence of the Chair, such provisions shall be deemed to apply to the Vice-Chair; and
- (b) the Chair or Vice-Chair shall consult with the Corporation's counsel prior to making any such approval, consent or direction.

2. PART 2: DISCLOSURE OF CONFLICT OF OFFICE OR PROPERTY

- 2.1 Every Director of the Corporation who holds any office, or possesses any property, whereby, whether directly or indirectly, a duty or interest might be created in conflict with their duty or interest as a Director of the Corporation, shall declare at a meeting of the Directors of the Corporation the fact, and the nature and extent of the conflict.
- 2.2 The declaration to be made by a Director referred to in section 2.1 shall be made at the first meeting of the Directors held:
 - (a) after they become a Director; or
 - (b) if they are already a Director, after they commenced to hold the office or possess the property.
- 2.3 The declaration of a conflicting duty or interest by a Director under section 2.1 shall be recorded in, or annexed to, the minutes of the meeting of the Directors at which such declaration is made.
- 2.4 For the purposes of this Part, any declaration required to be made pursuant to section 1.1 by an Officer or employee of the Corporation is deemed to be made when written notice of the conflict is given to the Chair within the time specified in section 2.2.

3. PART 3: DISCLOSURE OF INTEREST AND PARTICIPATION BY DIRECTORS IN DECISIONS CONCERNING PROPOSED CONTRACTS OR TRANSACTIONS COMING BEFORE THE BOARD OF DIRECTORS

- 3.1 Every Director who:
 - (a) is, in any way, directly or indirectly, interested in a proposed or existing contract or transaction with the Corporation; or

- (b) is interested in the result of any other proposed resolution of the Directors, shall disclose the nature and extent of their interest at a meeting of the Directors and shall not participate in any decision of the Directors regarding the proposed or existing contract, transaction or resolution.
- 3.2 Without restricting the generality of section 3.1, a Director shall be deemed to be interested in a proposed or existing contract, transaction, or resolution where they know that any associate of theirs has an interest in the proposed or existing contract, transaction or resolution.
- 3.3 The disclosure required where an interest exists pursuant to section 3.1 shall be made:
 - (a) at the meeting of the Directors at which the proposed or existing contract, transaction or resolution is first considered;
 - (b) if the Director was not, at the time of the meeting referred to in section 3.3(a), interested in the proposed or existing contract, transaction or resolution, at the first meeting after he becomes interested; or
 - (c) at the first meeting after the relevant facts have come to their knowledge.
- 3.4 Where an interest exists pursuant to section 3.1(a) a general notice in writing given by a Director to the other Directors (which for this purpose shall not include Officers and employees of the Corporation) to the effect that they are a member, director or officer of a specified company, or that they are a partner in, or owner of, a specified firm, and that they have an interest in a specified company or firm, and given the nature and extent of their interest, is a sufficient disclosure of interest.
- 3.5 A Director who is interested pursuant to section 3.1(a), shall be prohibited from participating in any decision of the Directors with respect to the particular contract, transaction or resolution.
- 3.6 The disclosure required by section 3.1 on the part of any Director shall be recorded in, or annexed to, the minutes of the meeting of the Board of Directors of the Corporation at which such disclosure was made.
- 3.7 If a contract or transaction has been approved at a meeting of the Directors of the Corporation at which a Director who is interested therein in any way, directly or indirectly, was not present and that Director subsequently discloses their interest at a meeting of the Directors, then that Director will be deemed to have complied with the disclosure requirements arising from section 3.1(a):
 - (a) where the contract or transaction was approved by the Directors but not entered into by the Corporation, if, after disclosure of the Director's interest, the Board subsequently ratifies or confirms the contract or transaction by a decision in which that Director does not participate; or

- (b) where the contract or transaction has been approved by the Directors and entered into by the Corporation, if, in the opinion of the Board, or alternatively in the opinion of the Contractor's accountants where the Directors in their discretion have referred the matter to them, the contract or transaction was reasonable and fair to the Corporation at the time it was entered into.

4. *PART 4: DISCLOSURE OF INTEREST IN CONTRACTS OR TRANSACTIONS NOT BROUGHT BEFORE THE BOARD OF DIRECTORS*

- 4.1 Where the Corporation proposes to enter into a contract of which a Director has knowledge and in which such Director has an interest but which is not, to the Director's knowledge, to be brought before the Board for its approval, the Director shall immediately disclose the nature and extent of their interest in the proposed contract or transaction to the Secretary of the Corporation (who shall convey the nature of that interest to the officer of the Corporation responsible for the proposed contract or transaction) and thereafter to the Board at the next ensuing meeting of the Directors and that Director shall not participate in any decision of the Directors in respect of such proposed contract or transaction.
- 4.2 Where the Corporation has entered into a contract in which a Director has an interest, either directly or indirectly, without the contract having first been approved by the Board and prior to the Director having knowledge of that contract, the Director shall disclose the nature and extent of their interest in the contract or transaction at the first meeting of the Directors after the relevant facts have come to their knowledge.
- 4.3 In the case of similar contracts or transactions that are, or may be expected to be of a recurring nature and which are made, or will be made, in the ordinary course of the operations of the Corporation (and which are not concession contracts), a Director who is interested therein shall be deemed to have complied with the disclosure requirements of sections 4.1 and 4.2 if annually, on each January 31st, he makes a single full disclosure of the nature and extent of their interests in such contracts or transactions, at a meeting of the Directors.

5. *PART 5: PROFESSIONAL ADVISORS*

- 5.1 Any Director individually, or the Board by resolution, may at any time ask the Secretary to appoint counsel for an opinion as to the application of these Guidelines (and their amendments) to any particular situation.

- 5.2 The Corporation's accountants may be requested to perform such duties in connection with these Guidelines (and their amendments) as the Directors decide from time to time.

6. *PART 6: INTERPRETATION*

- 6.1 For the purposes of these Guidelines:

- (a) affiliate shall have the meaning attributed to it by the Corporations Act, Newfoundland;
- (b) associate when used to indicate a relationship with any person, means:
 - (i) a body corporate of which that person beneficially owns or controls, directly or indirectly, shares or securities currently convertible into shares carrying more than ten percent (10%) of the voting rights under all circumstances or by reason of the occurrence of an event that has occurred and is continuing, or a currently exercisable option or right to purchase such shares or such convertible securities;
 - (ii) a partner of that person acting on behalf of the partnership of which they are partners;
 - (iii) a trust or estate in which that person has a substantial beneficial interest or in respect of which he serves as a trustee or in a similar capacity;
 - (iv) a spouse or child of that person; and
 - (v) a relative of that person or of their spouse if that relative has the same residence as that person.
- (c) Board means the Board of Directors of the Corporation;
- (d) business activity means the ownership, participation in decision-making as a member of the board, engagement as an advisor or consultant, or as an active member of staff if any position;
- (e) business enterprise includes any profession, calling, trade, manufacturer or undertaking of any kind, and an adventure or concern in the nature of trade, whether incorporated or not;

- (f) Chair or Vice-Chair means the Chair or Vice-Chair of the Board;
- (g) Corporation means St. John's Sports & Entertainment Ltd.;
- (h) decision includes any determination, grant, payment, award, license, permit, contract, franchise, concession, and any decision in connection with an offer, proposal or request with respect to any of the foregoing;
- (i) Director or Directors means a person or the persons appointed as a Director, or as the Directors, of the Corporation and shall include Officers and employees of the Corporation;
- (j) interest includes:
 - (i) a personal or business benefit or advantage;
 - (ii) an increase or decrease in the value of real or personal property;
 - (iii) an advantage, gain, profit, reward or prerequisite of any kind whether pecuniary or otherwise, and whether direct or indirect; or
 - (iv) a duty owed as a director, officer, partner or employee of a business enterprise contracting or transacting with, proposing to contract or transact with, or engage in a dispute with, the Corporation;but an interest does not arise out of a proposed or existing contract or transaction;
- (v) where the contract or transaction relates to a loan to the Corporation, solely because the Director or a specified corporation or specified firm in which he has an interest has guaranteed or joined in guaranteeing the repayment of the loan or any part of the loan;
- (vi) where the contract or transaction has been or will be made with or for the benefit of an affiliated company of the Corporation, solely because a Director is a Director or officer of that company; or
- (vii) where the contract or transaction relates to the remuneration of a Director in their capacity as a Director, provided that the Director discloses any matter known to them as set out in subsection 6.1(j)(v), (vi) and (vii) and does not participate thereon.
- (k) participate with respect to a decision of the Directors means to participate personally and substantially as a Director, whether through approval, disapproval, decision, recommendation, the giving of advice, voting, or otherwise, but does not include the discussion by an interested director of a proposed contract, transaction or resolution at a meeting of the Directors

where a majority of the remaining directors have approved the discussion of that subject by the interested Director.

- (l) subsidiary shall have the same meaning attributed to it by the Corporations Act, Newfoundland.

6.2 Reference herein to the masculine gender shall include the feminine.

6.3 Reference herein to sections and Parts are references to the sections and Parts of these 1Guidelines unless clearly identified as being otherwise.

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