

BYLAW NO. 1

(“SFPP CORPORATION BYLAW”)

BEING a bylaw relating generally to the transaction of the business and affairs of

SFPP Corporation

AND being permitted by Section 21(1) of Schedule 3 of the Joint Governance Act

BE IT ENACTED as a bylaw of the Corporation as follows:

Article 1 - Definitions

The following words and phrases, when used in this bylaw, unless the context clearly indicates otherwise, shall have the following meanings.

- 1.01 **Board of Directors** means the board of directors of the Corporation.
- 1.02 **CEO** means the Chief Executive Officer of the Corporation, whatever title held or the officer acting in that role.
- 1.03 **Corporation** means SFPP Corporation.
- 1.04 **Director** means a director of the Board of Directors.
- 1.05 **Employee Organization** means an employee organization defined in Schedule 3 of the Joint Governance Act.
- 1.06 **Employer Organization** means an employer organization defined in Schedule 3 of the Joint Governance Act.
- 1.07 **Joint Governance Act** means the *Joint Governance of Public Sector Pension Plans Act*, SA 2018, c J-0.5.
- 1.08 **Mandate and Roles Document** means the document required under the *Alberta Public Agencies Governance Act*, SA 2009, c A-31.5, which defines the mandate, roles, responsibilities and other matters of a public agency.

- 1.09 *Plan* means the Special Forces Pension Plan.
- 1.10 *Plan Text Document* means the record that sets out the rights, obligations and entitlements under the Plan.
- 1.11 *Sponsor Board* means the SFPP Sponsor Board.

Article 2 - Interpretation

- 2.01 In the interpretation of this bylaw, words in the singular include the plural and vice-versa, words in one gender include all genders, and “person” includes an individual, body corporate, partnership, trust and unincorporated organization.
- 2.02 Other than as specified above, words and expressions defined in the Joint Governance Act, the Plan Text Document, the *Employment Pension Plans Act* (Alberta), and the *Alberta Public Agencies Governance Act* have the same meanings when used in this bylaw.

Article 3 - Board Appointment

- 3.01 A Director is recruited and appointed in accordance with the process and eligibility under section 19 of Schedule 3 of the Joint Governance Act and in accordance with the process set by the Government of Alberta.
- 3.02 A Director shall be appointed for a fixed term not exceeding three (3) years and may be reappointed contingent on satisfactory performance.
- 3.03 A Director ceases to hold office when the Director’s appointment expires or is terminated.
- 3.04 A Director shall not serve more than ten (10) consecutive years, with the limits and exceptions allowed under section 20(4) and (5) of Schedule 3 of the Joint Governance Act.

Article 4 - Election of the Chair and Vice-Chair

- 4.01 The Board of Directors shall elect from its own Directors its Chair and Vice-Chair for a three (3) year term.

- 4.02 The offices of Chair and Vice-Chair will rotate every three (3) years between a Director appointed by an Employee Organization and a Director appointed by an Employer Organization.
- 4.03 Where the Chair or Vice-Chair is a Director appointed by an Employee Organization, that Director will be determined by the Directors appointed by Employee Organizations. Where the Chair or Vice-Chair is a Director appointed by an Employer Organization, that Director will be determined by the Directors appointed by Employer Organizations.
- 4.04 At any one time, the offices of Chair and Vice-Chair are to be occupied by a Director appointed by an Employee Organization and a Director appointed by an Employer Organization. For clarity, both offices of Chair and Vice-Chair cannot be held by individuals representing the same type of organization (either employer or employee, as the case may be).

Article 5 - Responsibilities and Duties

- 5.01 The Corporation shall have the roles, responsibilities and authorities outlined in Section 15, 16 and 16.1 of Schedule 3 of the Joint Governance Act.
- 5.02 The members of the Board of Directors and officers of the Corporation shall have the responsibilities outlined in Section 22 of Schedule 3 of the Joint Governance Act.
- 5.03 The Corporation shall have a Mandate and Roles Document, jointly developed by the Corporation and the President of Treasury Board and Minister of Finance, in accordance with the requirements of the *Alberta Public Agencies Governance Act*. The Mandate and Roles Document sets out the duties and responsibilities of the Board of Directors, the Corporation, the CEO, and the President of Treasury Board and Minister of Finance.
- 5.04 The Board of Directors shall establish and maintain a Charter of Expectations policy, setting the duties and responsibilities of the Board, pursuant to applicable regulations and legislation. The Charter of Expectations shall also set out the additional responsibilities of the Chair and Vice-Chair.

Article 6 - Regular Meetings

- 6.01 There shall be no less than four (4) meetings of the Board of Directors held during each fiscal year of the Plan.
- 6.02 Meetings of the Board of Directors shall be held as described in the notice of meeting.

Article 7 - Calling of Meetings

- 7.01 Meetings of the Board of Directors shall be held on such day and at such time as the Chair, or Vice-Chair in the absence of the Chair, may determine.
- 7.02 In addition to any regularly scheduled meetings, any Director may requisition a meeting of the Board of Directors by submitting a written notice to the Chair setting out the items to be discussed at such meeting.

Article 8 - Notice of Meetings

- 8.01 Notice of any regular or special meeting of the Board of Directors may be sent verbally or in writing. Such notice will be reasonable and, to the extent practicable (as determined by the Chair), indicate the purpose of the meeting and the business to be discussed and will be accompanied by such written materials as are readily on hand and as are relevant to such business.
- 8.02 No error or omission in giving notice of any meeting of the Board of Directors or any adjourned meeting of the Board of Directors shall invalidate such meeting or make void any proceedings held and any Director may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings held.

Article 9 - Place of Meetings

- 9.01 Meetings of the Board of Directors shall be held in Alberta as outlined in the notice of meeting.

Article 10 - Quorum

- 10.01 A quorum at any meeting of the Board of Directors shall be a majority of the Directors.
- 10.02 If a quorum is present at the opening of a meeting of Directors, the Directors present may proceed with the business of the meeting even if a quorum is not present throughout the meeting. For clarity, any voting items that arise during a meeting where quorum is not present at the time of the vote will be deferred until quorum is present for the vote. Alternatively, the voting item may be adjourned to another meeting where quorum is present.

Article 11 - Voting

- 11.01 A resolution is passed by a majority of the votes cast, excluding abstentions.
- 11.02 In the case of an equality of votes that cannot be broken after three (3) voting cycles that include reasonable and sincere efforts by all involved, the Chair shall have a casting vote to break the deadlock.

Article 12 - Action in Writing

- 12.01 A resolution in writing signed by all of the Directors entitled to vote on that resolution at a meeting of the Directors is as valid as if it had been passed at a meeting of the Directors. For clarity, online portal, electronic mail and other similar means of communication will be considered a written signature.

Article 13 - Meetings by Other Means

- 13.01 If the Board of Directors chooses to make available a telephone, electronic or other communication facility that permits all participants to communicate adequately with each other during a meeting of Directors, any person entitled to attend such meeting may participate in the meeting by telephone, electronic means or other communication facility in the manner provided by this bylaw. A person participating in a meeting by such means is deemed to be present at the meeting. Notwithstanding any other provision of this bylaw, a Director participating in a meeting of Board of Directors pursuant to this section may vote, in accordance with this bylaw, by

telephone, electronic means or other communication facility that the Corporation has made available for that purpose.

Article 14 - Conduct of Meetings

- 14.01 Meetings shall be conducted in accordance with this bylaw and any procedural guidelines adopted by the Board of Directors from time to time.
- 14.02 The Chair of the Board shall preside at all meetings of the Board of Directors. In the absence of the Chair, the Vice-Chair shall be the Chair of the meeting.
- 14.03 Members of the Board of Directors will be required to declare conflicts of interest at the beginning of each meeting, and the process in the Code of Conduct will be implemented for any such declarations.

Article 15 - Validity of Acts

- 15.01 An act by a Director or officer of the Corporation is valid notwithstanding any irregularity in his or her appointment or a defect in his or her qualification.

Article 16 - *In Camera* Sessions

- 16.01 The Chair may call an *in camera* session to discuss a sensitive matter, and will consider a request from a Director to hold an *in camera* session.
- 16.02 Agendas of regularly scheduled meetings will include *in camera* sessions to allow the Board of Directors to meet privately without the officers of the Corporation. The opportunity to hold an *in camera* session may be waived by the Chair.
- 16.03 The Chair may invite any Officer of the Corporation or guest to attend an *in camera* session to provide information or advice to the Board of Directors. The Chair will provide direction on preparing minutes, if any, for *in camera* sessions.

Article 17 - Adjournment

17.01 Any meetings of the Board of Directors may be adjourned to any future date. The business to be transacted at such adjourned meeting may be announced at the original meeting or indicated in a subsequent notice of the adjourned meeting. Notice of an adjourned meeting of the Board of Directors is not required if the time and place of the adjourned meeting is announced at the original meeting.

Article 18 - Minutes of Board of Directors Meetings

18.01 The minutes of all Board of Directors meetings (excluding meetings held *In Camera*) shall be written and made available to the Directors, each of whom shall receive a copy of such minutes, subject to the proviso that Directors who have declared a conflict with respect to a particular matter shall not receive that portion of the minutes relating to that matter.

Article 19 - Head Office

19.01 Unless otherwise determined by the Board of Directors, the head office of the Corporation shall be in the City of Edmonton, in the Province of Alberta.

Article 20 - Execution of Documents

20.01 The Chair of the Board shall sign such documents that require his or her signature and shall have such other powers and duties as may from time to time be assigned to the Chair by resolution of the Board. In the absence of the Chair, the Vice-Chair shall sign such documents.

20.02 The Board of Directors may from time to time by resolution specifically authorize an officer or officers or any other person or persons on behalf of the Corporation to sign contracts, documents and instruments, or classes of contracts, documents and instruments in writing.

20.03 In the absence of an authorization or direction provided by resolution of the Board of Directors, documents may be signed on behalf of the Corporation by the CEO, or in his or her absence or inability, by one of the Chair or Vice-Chair together with an officer of the Corporation.

- 20.04 Entry by the Corporation into any material non-monetary commitment will require authorization by resolution of the Board of Directors.
- 20.05 Notwithstanding the provisions of any resolution authorizing the opening by the Corporation of any account at any bank and any other resolutions and documentation approved by the Board of Directors relating to any such account, the signing authority of the CEO of the Corporation with respect to such account will be limited in accordance with the foregoing provisions of this Article. A bank with whom the Corporation maintains an account will have no duty to inquire or confirm as to whether the CEO is acting within the limits of his/her authority as set out in this Article.

Article 21 - Officers of the Corporation

- 21.01 The Board of Directors shall from time to time appoint a CEO of the Corporation.
- 21.02 The CEO is responsible for the general management and administration of the Corporation, subject to the governance, stewardship and policy-making oversight of the Board of Directors. This responsibility shall be discharged within the framework of applicable legislation and regulations, the Mandate and Roles Document, the Corporation bylaws and the overall supervision of the Board of Directors. The CEO shall see that all directions and resolutions of the Board of Directors are carried into effect and complied with.
- 21.03 The Chair is the main Board of Directors contact for the CEO, providing both direction and strategic counsel.
- 21.04 The CEO will carry out such additional responsibilities as are assigned by the Board of Directors.
- 21.05 The remuneration of the CEO shall be determined from time to time by the Directors. The remuneration shall be set in accordance with the *Reform of Agencies, Boards and Commissions Compensation Act* and Regulations.
- 21.06 The CEO is responsible for selecting, setting compensation for, and supervising all of the Corporation’s staff, ensuring that appropriate staffing levels are maintained to assist the Corporation in meeting its mandate.

21.07 The officers of the Corporation are the individuals who hold the following positions:

- Chief Executive Officer;
- Executive Director, Pension Policy and Communications;
- Executive Director, Finance and Risk; and
- Director, Investment Policy.

Article 22 - Advisors and Consultants

22.01 The CEO may engage advisors and consultants, provided that expenditure is within the annual budget of the Corporation approved by the Board of Directors.

22.02 The CEO shall engage advisors and consultants with appropriate due diligence that considers value for money.

22.03 The Corporation shall require advisors and consultants to confirm that there are no conflicts of interest.

Article 23 - Remuneration and Expenses

23.01 The Directors' remuneration and the Directors' and officers' entitlement to reimbursement for expenses shall be as decided in policies established by the Sponsor Board.

Article 24 - Indemnity and Liability

24.01 Subject to the limitations contained in the Joint Governance Act, the Corporation may purchase and maintain such insurance for the benefit of its directors and officers, as such, as the Board may from time to time determine.

24.02 The Corporation shall indemnify a present or former director or officer of the Corporation, and an individual who acts or acted at the Corporation's request as a director or officer, or in a similar capacity, of another entity against costs, charges and expenses, including any amount paid to settle an action or satisfy a judgment, reasonably incurred by that person with respect to a civil, criminal or administrative action or proceeding to which that person is made a party by reason of holding such a position if that person acted honestly, in good faith and with a view to

the best interests of the Corporation or, as the case may be, to the best interests of the other entity for which the individual acted as a director or officer or in a similar capacity at the Corporation’s request and, in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, that person had reasonable grounds for believing that the conduct that is the subject of the action or proceeding was lawful.

Article 25 - Committees

25.01 The Board of Directors may appoint committees whose Directors will hold their offices at the will of the Board of Directors. The Board of Directors shall establish terms of reference that determine the duties of such committees.

Article 26 - Rules and Regulations

26.01 The Board of Directors prescribe such rules and regulations not inconsistent with these bylaws relating to the management and operation of the Corporation as it deems expedient.

26.02 The Directors and officers shall be governed by, and comply with, the policies of the Board as established and amended from time to time.

Article 27 - Auditor

27.01 In accordance with Section 11 of the *Auditor General Act*, the Auditor General of Alberta is the auditor of the Corporation.

Article 28 - Books and Records

28.01 The Board of Directors shall see that all necessary books and records of the Corporation required by the bylaws of the Corporation or by any applicable statute or law are regularly and properly kept by the Chair and the officers of the Corporation.

Bylaw No. 1

“SFPP Corporation Bylaw”

The foregoing is certified by the Chair to be Bylaw No. 1 of SFPP Corporation as amended by the Directors of SFPP Corporation by written resolution on September 30, 2020.

“Original signed by”

Denis Jubinville
Chair, SFPP Corporation Board of Directors