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CORPORATE BY-LAW NO. 5

WHEREAS The Prince Edward County Affordable Housing Corporation (PECAHC) was incorporated in December 2018 as an independent non-profit corporation for the purposes of developing affordable housing;

WHEREAS the Corporation of the County of Prince Edward is a Municipal Services Corporation to support the delivery of certain housing services under the provisions of the Municipal Act, section 203 and Ontario Regulation 599/06 Municipal Services Corporation;

THEREFORE BE IT RESOLVED by the Council of the Corporation of the County of Prince Edward, for the THEPRINCE EDWARD COUNTY AFFORDABLE HOUSING CORPORATION (herein after called "Corporation") as follows:

1. Directors

a) The Corporation shall be managed by a Board of a variable number of a minimum of five (5) directors, up to eleven (11) directors, in accordance with the Ontario Non-Profit Corporations Act until changed in accordance with this By-law. A majority of the directors shall constitute a quorum. The Chair shall maintain a record of all Directors in a form as schedule A, attached hereto. When new Directors are appointed, Schedule A shall be deemed updated to reflect current membership of Directors with no amendment to this By-Law required.

b) Each director shall be appointed to hold office for the remainder of their current term or until their successor shall have been duly appointed and qualified. A director's term can be extended with the endorsement of the majority of the Board, with approval by the sole shareholder.

c) Directors may be reappointed for a second consecutive term with the approval of the shareholder. Directors who are otherwise qualified are eligible for re- election. Directors will be appointed by the Board, on either a two- or three-year term. The Board is encouraged to appoint new directors on staggered terms to ensure the stability for the Board.

d) Directors will be appointed with consideration for the skills and experience required to lead the Housing Corporation. The required skills for Directors shall include but not be limited to:

- legal;
- financial;
- project management;
- fundraising;
- residential housing development;
- land use planning.

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e) Up to 2 members of the Municipal Council for Prince Edward County shall be appointed as a director to the Corporation's Board.

f) The shareholder(s) of the Corporation, may by resolution passed by at least two thirds of the votes cast by the directors of the board, remove any director before the expiration of their term of office and may elect any person in their stead for the remainder of the term after notice specifying the intention to pass such resolution has been given.

g) Vacancies on the Board of Directors shall be filled by the board in accordance with the policies of the Corporation of the County of Prince Edward, and where required, calls for nominations by the Corporation will be supported by the shareholder.

h) A director may resign by written correspondence addressed to the Chair of the Board of Directors, in a manner that suits the Chair of the Board. It is the responsibility of the Chair of the Board of Directors to forward the resignation to the shareholder.

i) The Board of Directors may hold its meeting at any place within Ontario.

j) The Board shall adopt a Procedure By-Law to govern the calling, place and proceedings of meetings of the Board as required pursuant to the provisions of the Municipal Act, 2001 or another Act as the case may be.

Notice of any such meetings of the Board of Directors shall be in accordance with the notice provisions of the Corporation of the County of Prince Edward's Procedural By-Law, as may be amended or replaced from time to time, approved by the shareholder should one be in place.

k) No error or omission in giving such notice for meeting of directors shall invalidate such meeting or invalidate or make void any proceedings taken or had at such meeting and any director may at any time wave notice of any such meeting and may rectify and approve of any or all proceedings taken or had thereat.

l) Directors' meetings may be formally called by the Chair, or by a petition of directors, or at the request of the shareholder (the "County"). Notice of such meetings shall comply with the procedures set out in the County's Procedural By-Law, as may be amended or replaced from time to time, or a similar By-law should one be in place. The Board may appoint a day or days in any month or
months for regular meetings at an hour to be named and of such regular meeting and notice shall be sent to the Office of the Clerk for transparency.

m) At all meetings of directors, each director shall have one vote, and upon an equal division the chair shall not have a second or casting vote. Any motion on which there is a tie vote the motion shall be deemed to be defeated.

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n) A declaration of the Chair that a resolution has been carried and as 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 or against such resolution. In the absence of the Chair, the Chair's duties may be performed by the Vice Chair or such other director as the Board may from time to time appoint for the purpose.

o) All action taken, and things done by any meeting of persons acting as a Board of Directors or by any person acting as a director shall be valid. If notwithstanding it is discovered that there was some defect in the election, appointment or qualification of such director or Board of Directors, all action taken and things done by any director shall be valid as though such defect had not occurred.

p) The directors shall receive no renumeration for acting as such.

q) The office of the director shall be vacated immediately if the director dies or becomes bankrupt or the director is found to be incapable of managing property by a court or under Ontario law.

2. Chair and Vice-Chair

a) The Directors of the Corporation shall include a Chair and Vice-Chair of the Board.

b) The Chair and Vice-Chair shall be elected by the Board of Directors from among their number at the first meeting of the Board in the fiscal year. Once so elected, and during their term, the Chair and Vice-Chair shall be designated to act as signing officers for any contracts or other documents pertaining to the Corporation where directed by the Board of Directors and in accordance with section 11 herein, and shall have authority to bind the Corporation.

c) The Chair, when present, shall preside at all meetings of the members of the Corporation and of the Board of Directors.

d) In the absence of the Chair, the Chair's duties and powers may be exercised by the Vice Chair and in the absence of the Vice Chair by such other director as the Board may from time to time appoint for the purpose; to any statutory limitation.

e) The duties of all other Directors of the Corporation shall be such as the terms of their engagement call for or the Board of Directors requires of them.

3. Shareholder

a) The shareholder shall solely consists of The Corporation of the County of Prince Edward (the "County").

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b) The shareholder shall be entitled to one vote on each question arising at any meeting of the shareholder. No other party shall be entitled to a vote on questions arising at meetings of the shareholder.

c) The interest of the shareholder in the Corporation is not transferable and lapses and ceases to exist when it ceases to be a shareholder in accordance with the bylaws of the Corporation.

d) The shareholder interest of the County shall not expire.

4. Meetings of Shareholder

a) Subject to compliance with Section 52 of the Not-for-Profit Corporations Act (Ontario) or successor legislation, and under subsection 203 of the Municipal Act, 2001, S.O. 2001, c. 25, the annual meeting of the shareholder shall be held at such time and such place either at the registered office of the Corporation or elsewhere in Ontario as the Board of Directors may by resolution determine.

b) The County, as the shareholder acts by its agents or authorized representatives duly appointed for that purpose. A meeting of the shareholder is not a meeting of the Council of the County. It is a meeting of the duly authorized representatives appointed for that purpose by the Council of the County. At a meeting of the shareholder, the individual member(s) of Council of the County shall not have individual votes and there is merely one vote cast by the County as the shareholder.

c) At every annual meeting of the shareholder, in addition to any other business that may be transacted, the report of the Chair, the financial statement and the report of the auditors or accountants shall be presented and confirming the Board of Directors appointed.

d) Notice of the time and place of every annual meeting of the shareholder shall be given to each director by sending the notice in accordance with Section 9 of the Corporate By-Law. by way of electronic mail or prepaid mail, ten days before the time fixed for the holding of such meeting or by public notice or advertisement published in a local newspaper no more than fifteen days and no less than ten days before such meeting.

e) Special meetings of the shareholder may be held at any time and place without such notice if the shareholder of the Corporation is present thereat and at such meeting any business may be transacted which the Corporation at annual or general meetings may transact.

f) No error or omission in giving notice of any annual or general meeting or any adjourned meeting, whether annual or general, of shareholder of the Corporation shall invalidate such meeting or make void any proceedings taken thereat and any general member may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat.

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g) For the purpose of sending notice to the shareholder or director for any meeting or otherwise, the address of the shareholder or director shall be their last address recorded on the books of the Corporation except that the notice to the County as shareholder shall be given to the Clerk of the County or their designate.

h) Any meetings of shareholder(s) of the Corporation duly constituted may be adjourned at any time and from time to time and when reconvened any business may be transacted at such adjourned meeting as might have been transacted at the original meeting from which such adjournment took place. No notice shall be required of any such adjournment, nor shall any further notice be required to reconvene an adjourned meeting. A motion to adjourn a meeting of the shareholder of the Corporation may be made and approved notwithstanding that no quorum is present.

i) The shareholder may not be represented, and may not vote, at meetings of the shareholder by proxy except as specifically permitted in paragraph b of this section.

j) Subject to the provisions, if any, contained in the Letters Patent of the Corporation each shareholder of the Corporation shall, at all meetings of members, be entitled to one vote.

k) At all meetings of the shareholder every question shall be decided by majority of the votes of the shareholder(s) unless otherwise required by the bylaws of the Corporation. Every question shall be decided in the first instance by a show of hands unless a poll be demanded by any general member. Upon a show of hands, every general member having voting rights shall have one vote, and unless, a poll be demanded a declaration by the chair that a resolution has been carried or not carried and an entry to that effect in the minutes of the Corporation shall be admissible in evidence as prima facie proof of the fact without proof of the number of proportions of the votes accorded in favour of or against such resolution. The demand for a poll may be withdrawn but if a poll be demanded and not withdrawn, the questions shall be decided by a majority of votes given by the shareholder(s) and such poll shall be taken in such manner as the Chair shall direct and the result of such poll shall be deemed the decision of the Corporation in general meeting upon the matter in question. In the case of a tied number of votes at any general meeting, whether upon a show of hands or a poll, the Chair shall not be entitled to a second or casting vote and the subject of that vote shall be deemed not to be carried.

5. Financial Management

a) All real and personal property assets of the Corporation (inclusive of lands, buildings or donations) are held by the Corporation.

b) The Corporation shall supply audited financial statements to the County by March 31st of each year.

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c) The County shall manage the operational budget of the Corporation and provide operational resources as it would for other departments of the municipality.

d) Where capital funding for projects is approved by the Board of Directors of the Corporation for the development of lands where the County is the registered owner on title, approval will also be required by the Council for the County. The Board of Directors of the Corporation may review and influence scope for all capital procurement documents but shall be subject to the municipality's procurement by-law.

e) Any funds raised by the Corporation (e.g. through a Project of Community Interest) or donations to the Corporation would be held in an account of the municipality on behalf of the Corporation, and spent as directed by the Board of Directors of the Corporation according to the capital plan or in-year project plans approved by the shareholder.

6. Investments

a) The Municipal Treasurer or designate will invest on behalf of the Corporation in accordance with the Municipal Act, 2001. Such investments will be segregated and separate from any and all investments for the County of Prince Edward.

b) Any bonds, debentures, shares or other securities given or bequeathed to the Corporation may be retained in the form given so long as the Board of Directors considers the holding of these securities in their original form desirable and advantageous to the Corporation. Such securities will be managed by the applicable County staff on behalf of the Corporation with such securities being segregated and separate from any and all investments for the County of Prince Edward.

c) Records shall be kept and maintained at all times containing detailed information as to bequests or donations in trust and any other instruments of trust or trust deed for the instruction and guidance of the Board of Directors and all other persons directly or indirectly concerned in the administration pertaining thereto and all such documents received shall be kept on file by the Municipality on behalf of the Corporation.

Voting Shares and Securities

d) All of the shares or other securities carrying voting rights of any company or corporation held from time to time by the Corporation may be voted at any and all meetings of shareholders, bondholders, debenture holders, debenture stock holders or holders of other securities (as the case may be) of such other company or corporation and in such manner and by such persons as the Board of Directors shall from time to time determine.

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7. Custody of Securities

a) All shares and securities owned by the Corporation shall be deposited (in the name of the Corporation) for safekeeping with one or more bankers, trust companies or other financial institutions to be selected by the Board of Directors. Any and all securities so deposited may be withdrawn, from time to time, only upon the written order of the Corporation signed by such directors, agent or agents of the Corporation and in such manner, as shall from time to time be determined by resolution of the Board of Directors and such authority may be general or confined to specific instances.

b) The institutions which may be so selected as custodians of the Board of Directors shall be fully protected in acting in accordance with the directions of the Board of Directors and shall in no event be liable for the due application of the securities so withdrawn from deposit or the proceeds thereof.

8. Notices

a) Whenever under the provisions of the bylaws of the Corporation notice is required to be given, such notice may be given either personally or by depositing same in a post office or a public letter box, in a prepaid, sealed wrapper addressed to the director or member at his or her or their last address recorded and as the same appears on the books of the Corporation. Notices may also be given by transmission through electronic mail to the last known email address provided to the Corporation by the person to whom the notice is to be given.

b) A notice or other document sent by post shall be deemed to be sent at the time when it was deposited in a post office or public letter box as aforesaid, or if sentby electronic mail, if sent to the address of which the Corporation has been notified by the individual to whom the notice is to be given without any failure of delivery notifications.

c) The signature to any notice given by the Corporation may be in whole or in part written, stamped, typewritten or printed

d) Any member, or director may waive any notice required to be given bythe bylaws of the Corporation or by statute, where permitted by statute.

9. Protection and Indemnity of Directors

Every director of the Corporation or other person who has undertaken or is about to undertake any liability on behalf of the Corporation and their heirs, executors and administrators, and estate and effects, respectively, shall from time to time and at all times, be indemnified and saved harmless from and against:

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a) All costs, charges and expenses whatsoever which such director, or other person sustains or incurs in or about any action, suit or proceeding which is brought, commenced or prosecuted against him or her for or in respect of any act, deed, matter or thing whatsoever made, done or permitted by him or her in or about the execution of the duties of his or her office or in respect of any such liability;

b) All other costs, charges and expenses which he or she sustains or incurs in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by his or her own intentional and willful act or default.

c) No director for the time being of the Corporation shall be liable for the acts, receipts, neglects or defaults of any other director 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 order of the Board of Directors for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to the Corporation shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or corporation with whom or which any moneys, securities or effects shall be lodged or deposited or for any other loss, damage or misfortune whatever which may happen in the execution

or supposed execution of the duties of his or her respective office or trust or in relation thereto unless the same shall happen by or through his or her own intentional and willful act or his or her own intentional willful default.

d) The Corporation will ensure there is a policy related to liability, and that the Board of Directors have general liability insurance coverage to include Directors & Officers liability coverage at an aggregate level of $5,000,000 per occurrence with all associated costs borne by the Corporation.

10. Execution of Documents

a) Contracts and/or writings made in the ordinary course of the Corporation's activities, all deeds, transfers, licenses, contracts and engagements on behalf of the Corporation shall be signed by the Chair and Vice-Chair.

b) With respect to the County, any two (2) of the Mayor, Chief Administrative Officer or the Clerk (or their respective delegates) with the direction of the Corporation are authorized to execute, on behalf of the County as general member of the Corporation, such deeds, instruments, documents or agreements as are or may be required to be executed by the general member under the Not for Profit Corporations Act (Ontario) (or any successor legislation) or the Corporation's By- laws, and to do such further and other things in connection therewith as may be required to give full effect thereto.

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11. Working Groups

The Board of Directors may from time to time as they deem necessary appoint such working groups consisting of such numbers of directors, community partners, or other persons as may be deemed desirable and shall prescribe their duties and term of office, provided that no duty or authority of the Board of Directors in this by-law or any other by-law of the Corporation or under the Not for Profit Corporations Act (Ontario) shall be delegated by the Board of Directors.

12. Fiscal Year

The fiscal year of the Corporation shall terminate on the 31st day of December in each calendar year.

13. Interpretation

Unless the context otherwise requires, in all bylaws of the Corporation the singular shall include the plural; the plural shall include the singular; the word "persons" shall include firms and corporations; the masculine shall include the feminine and, where applicable to corporations, the neuter; and reference to any statute or statutory provision shall extend to any amendment thereof or substitution therefor then or thereafter made.

14. Amendments

a) Subject to the articles, the Board of Directors may, by resolution, make, amend or repeal any by-laws that regulate the activities or affairs of the Corporation. Any

such by- law, amendment or repeal shall not be effective until confirmed at the next meeting of member(s) by ordinary resolution. If the by-law, amendment, or repeal is confirmed or confirmed as amended by the member(s) it remains effective in the form in which it was confirmed. The by-law, amendment, or repeal ceases to have effect if it is not submitted to the member(s) at the next meeting of member(s) or if it is rejected by the members at the meeting.

b) Any matter covered by this By-Law that requires approval at a meeting of the shareholder, may notwithstanding the requirement that it be approved at a meeting, may be approved in writing outside of a meeting in the form attached as Schedule B, provided that the form is executed on behalf of all shareholder(s).

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15. General

a) If all the directors of the Corporation present at or participating in the meeting consent, a meeting of the Board of Directors or of a committee of the Board of Directors may be held by such telephone, electronic or other communication faculties including by video teleconference using a software platform adopted for such purpose provided all persons participating in the meeting are able to communicate with each other simultaneously and instantaneously, and a director participating in the meeting by those means is deemed for the purposes of this bylaw and the Not for Profit Corporations Act (Ontario) to be present at the said meeting.

b) Any meeting of the member(s) may be held by such telephone, electronic or other communications facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously and any person participating at any member(s) meeting by those means shall be deemed for the purposes of this by-law and the Not for Profit Corporations Act (Ontario) to be present at the meeting.

c) A Service Level Agreement will be executed, and revisited as necessary, between the municipality and the Corporation that outlines what ongoing municipal staff support is required for the Board of Directors to fulfill its obligations for activities not limited to recruitment, meetings and minutes, communications, fundraising and liability and may make provisions for all or part of the cost of such services to be covered by the Corporation.

THAT By-Law Number 5 is hereby repealed and replaced with this By-Law.

Any by-law or resolution signed by all the directors is as valid and effective as if passed at a meeting of the directors' duty called, constituted and held for that purpose.

Read a first, second and third time and finally passed this 10th day of November, 2025.

Signed by:
Mayor Ferguson
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Councillor Phil St. Jean, Chair

Mayor Steve Ferguson, Member