



Schedule B

Articles # 6 to 9 and article # 29 of the HFH PEH by-law:

DIRECTORS

- 6 **Duties and number** - The affairs of the Corporation shall be managed by the Board of Directors who may exercise all such powers and do all such acts and things as may be exercised or done by the Corporation that are not by the By-laws or by statute expressly directed or required to be done in some other manner. The Board of Directors shall consist of the number of directors set out in the Letters Patent, that being eleven elected directors (11). A Director must be a member in good standing of the corporation.
- 7 **Qualifications** –
- a) Every director shall be eighteen (18) or more years of age and shall be a member of the Corporation, or shall become a member of the Corporation within ten (10) days after election or appointment as a director;
 - b) No undischarged bankrupt shall become a director;
 - c) No director may be an employee of the Corporation or an employee of the Corporation within the past two years, or his or her spouse, common-law partner, child, parent or grandparent as defined herein, unless otherwise approved by the Board;
 - d) a director shall be a resident of or work in or own a business in the community served by the Corporation; and,
 - e) any director who has served for three consecutive terms must wait one year before qualifying again for election to the board.
- 8 **Election** - At each annual meeting, directors shall be elected to hold office for a term of three years from the date of the election, filling the positions of directors whose terms of office have expired or to fill vacancies. Directors elected to fill vacancies shall be elected for a term of one to three years according to the term remaining for the vacated position.

The process for nominating directors shall be as follows:

- (a) Any voting member of the Corporation shall have the right to nominate a director, provided said nomination is delivered to the Nominating Committee in writing at least fourteen (14) days prior to the Annual General Meeting along with the proposed director's consent to stand for election and the written support of a second voting member.

- (b) The Nominating Committee shall prepare and present a slate of directors from those persons nominated who have consented to stand for election.
- (c) The Nominating Committee shall present the slate of directors at the general meeting of the members designated by the Board for the annual election of the Board of Directors. The newly installed Board of Directors shall assume their responsibilities immediately after the general meeting at which they were elected.
- (d) Directors may only be elected through the process outlined in this section, and must become members within 10 days of election.

9 **Vacation of office** - The office of a director shall be vacated if the director:

- (a) does not within ten (10) days after election or appointment as a director become a member, or ceases to be a member of the Corporation;
- (b) becomes bankrupt or suspends payment of debts generally or compounds with creditors or makes an authorized assignment or is declared insolvent;
- (c) is found to be a mentally incompetent person or becomes of unsound mind;
- (d) if by notice in writing to the Corporation resigns office which resignation shall be effective at the time it is received by the Corporation or at the time specified in the notice, whichever is later;
- (e) dies;
- (f) is removed from office automatically in the event he or she no longer meets the qualifications set out in section 7 or is removed from office in accordance with section (h).
- (g) does not attend three (3) consecutive properly called meetings of the board without reasonable cause, and;
- (h) The members of the Corporation may, by resolution passed by at least two-thirds of the votes cast at a general meeting of which notice specifying the intention to pass such resolution has been given, remove any director before the expiration of his or her term of office and may elect any person in his or her stead for the remainder of his or her term.

REMUNERATION OF DIRECTORS

- 29 **Remuneration of Directors** -The directors shall serve without remuneration and directors shall not directly or indirectly receive any profit from their positions as such provided that directors may be reimbursed for reasonable expenses incurred by them in the performance of their duties.