

Section 5.4 Election and Term

- (1) The term of each Independent Director and Non-Independent Director elected at a meeting of Members shall expire at the dissolution or adjournment of the second annual meeting of Members following the annual meeting of Members at which the Director was elected. Notwithstanding the foregoing sentence, the Board of Directors shall be authorized pursuant to Section 5.3(2) to nominate for election by the Members a Director with a term that may expire before the second annual meeting of Members following such election.
- (2) With the exception of the President, a Non-Independent Director may be elected to serve four consecutive terms in office but shall not be eligible to be elected to serve a fifth consecutive term, which shall include any shorter term as may have been fixed by the Board of Directors in accordance with this By-law, but shall exclude any portion of a term in office in respect of a vacancy filled pursuant to Section 5.6. For purposes of determining the number of consecutive terms in office of an initial Non-Independent Director upon the Amalgamation who was re-elected at the first annual meeting of Members, his or her term in office prior to the first annual meeting of Members shall not be included. Those Non-Independent Directors elected at the first annual meeting of Members following the Amalgamation to serve for an initial one year term shall be limited to three additional consecutive terms in office
- (3) An Independent Director may be elected to serve five consecutive terms in office but shall not be eligible to be elected to serve a sixth consecutive term, which shall include any shorter term as may have been fixed by the Board of Directors in accordance with this By-law, but shall exclude any portion of a term in office in respect of a vacancy filled pursuant to Section 5.6. For purposes of determining the number of consecutive terms in office of an initial Director upon the Amalgamation who was re-elected at the first annual meeting of Members, his or her term in office prior to the first annual meeting of Members shall not be included. Those Directors elected at the first annual meeting of Members following the Amalgamation to serve for an initial one year term shall be limited to four additional consecutive terms in office.
- (4) Notwithstanding Section 5.4(3), an Independent Director who is serving as Chair at the time of their nomination for an additional term as an Independent Director, or who has been nominated by the Board to serve as Chair pending their election as an Independent Director at the next annual meeting of Members, may be elected to serve a sixth consecutive term in office, but shall not be eligible to be elected to serve a seventh consecutive term, which shall include any shorter term as may have been fixed by the Board of Directors in accordance with this By-law, but shall exclude any portion of a term in office in respect of a vacancy filled pursuant to Section 5.6. Any sixth term of the Chair shall not extend beyond the date on which the Chair ceases to hold the office of Chair. The Board may not appoint an Independent Director as Chair pursuant to Section 8.2 for a term that would exceed the end of the Independent Director's sixth consecutive term in office.

- (5) Notwithstanding Sections 5.4(2), 5.4(3) and 5.4(4), a Director who was on the board of directors of either IIROC or the MFDA immediately prior to the Amalgamation shall not be elected to serve on the Board for a term that would result in such Director serving beyond the first annual meeting of Members held after the eight (8) year anniversary, in the case of a non-Independent Director, the 10 year anniversary, in the case of an Independent Director, and the 12 year anniversary, in the case of the Chair, of such Director's election to the board of IIROC or the MFDA, as applicable.