

TO:	CHAIR AND MEMBERS STRATEGIC PRIORITIES AND POLICY COMMITTEE MEETING ON MAY 16, 2016
FROM:	ART ZUIDEMA CITY MANAGER
SUBJECT:	LONDON HYDRO INC. 2015 ANNUAL MEETING OF THE SHAREHOLDER ANNUAL RESOLUTIONS

RECOMMENDATION

That, on the recommendation of the City Manager, the attached by-law (Attachment "A") BE INTRODUCED at the Municipal Council meeting to be held May 31, 2016 to:

- a) ratify and confirm the Annual Resolutions of the Shareholder of London Hydro Inc. attached as Schedule "1" to the by-law; and
- b) authorize the Mayor and the City Clerk to execute the Annual Resolutions of the Shareholder of London Hydro Inc. attached as Schedule "1" to the by-law.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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June 9, 2015 – Strategic Priorities and Policy Committee – Agenda Item #4
February 29, 2016 – Strategic Priorities and Policy Committee – Agenda Item #5

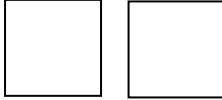
BACKGROUND

At its meeting held March 1, 2016, Municipal Council resolved:

"That the following actions be taken with respect to the 2015 Annual General Meeting of the Shareholder for London Hydro Inc.:

- a) the 2015 Annual General Meeting of the Shareholder for London Hydro Inc. BE HELD at a meeting of the Strategic Priorities and Policy Committee on May 16, 2016, for the purpose of receiving the report from the Board of London Hydro Inc. in accordance with the Shareholder Declaration and the Business Corporations Act, R.S.O. 1990, c. B.16; and,
- b) the City Clerk BE DIRECTED to provide notice of the 2015 Annual Meeting to the Board of Directors for London Hydro Inc., and to invite the Chair of the Board and Chief Executive Officer of London Hydro Inc. to attend at the Annual Meeting and present the report of the Board in accordance with Article 7.1 of the Shareholder Declaration; and,

it being noted that the Strategic Priorities and Policy Committee received a communication dated February 16, 2016, from M. Mathur, Chair, London Hydro Inc., with respect to this matter. (5/10/SPPC)



2015 Annual General Meeting

London Hydro Inc. is a corporation with share capital incorporated under the *Business Corporations Act*, R.S.O. 1990 c. B.16. London Hydro Inc. is managed by a Board of Directors appointed by The Corporation of the City of London as the sole shareholder.

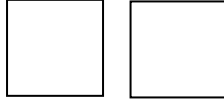
The attached Annual Resolutions of the Shareholder of London Hydro Inc. addresses the following matters that are required to be dealt with at an Annual Meeting as required by the Shareholder's Declaration and the *Business Corporations Act*:

- a) receipt of the 2015 audited financial statements; and,
- b) election of the directors.

The election of two (2) First Class Directors is required. We understand that London Hydro is recommending that Mr. Valente be elected to an additional term as one of the two (2) First Class Directors.

The Shareholder Declaration does not limit the number of terms that a Director may serve.

PREPARED BY:	RECOMMENDED BY:
CATHY SAUNDERS CITY CLERK	ART ZUIDEMA CITY MANAGER



ATTACHMENT “A”

Bill No.
2016

By-law No. A.-

A by-law to ratify and confirm the Annual Resolutions of the Shareholder of London Hydro Inc.

WHEREAS London Hydro Inc. is a corporation incorporated under the *Business Corporations Act* R.S.O. 1990, c.B.16;

AND WHEREAS subsection 104(1)(b) of the *Business Corporations Act* provides that a resolution in writing dealing with all matters required by this Act to be dealt with at a meeting of shareholders, and signed by all the shareholders or their attorney authorized in writing entitled to vote at the meeting, satisfies all the requirements of this Act relating to that meeting of shareholders;

AND WHEREAS The Corporation of the City of London is the sole shareholder of London Hydro Inc.;

AND WHEREAS Subsection 5(3) of the *Municipal Act, 2001* provides that a municipal power shall be exercised by by-law;

AND WHEREAS Subsection 9 of the *Municipal Act, 2001* provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

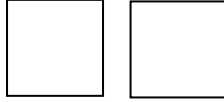
1. The Annual Resolutions of the Shareholder of London Hydro Inc. for the fiscal year ended December 31, 2015, attached as Schedule “1” are ratified and confirmed.
2. The Mayor and the City Clerk are authorized to execute the Annual Resolutions of the Shareholder ratified and confirmed under section 1 of this by-law.
3. This by-law comes into force on the day it is passed.

PASSED in Open Council on the 31st day of May, 2016.

Matt Brown
Mayor

Catharine Saunders
City Clerk

First reading - May 31, 2016
Second reading – May 31, 2016
Third reading - May 31, 2016



SCHEDULE "1"

**LONDON HYDRO INC.
(the "Corporation")**

**LONDON HYDRO INC.
(the "Corporation")**

WHEREAS subsection 104(1)(b) of the *Business Corporations Act* (Ontario) (the "Act") provides that a resolution in writing dealing with all matters required by the Act to be dealt with at a meeting of shareholders, and signed by all the shareholders or their attorney authorized in writing entitled to vote at the meeting, satisfies all the requirements of the Act relating to that meeting of shareholders;

The following resolutions, signed by the sole shareholder of the Corporation entitled to vote thereon, are hereby passed pursuant to the provisions of the Act:

FINANCIAL STATEMENTS

It is hereby acknowledged that the balance sheet of the Corporation as at December 31, 2015, and the other audited financial statements, together with Auditors' Report, of the Corporation for the financial year ended on such date have been received by the undersigned shareholder of the Corporation.

ELECTION OF DIRECTORS

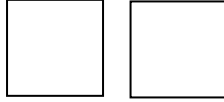
WHEREAS pursuant to an Amended and Restated Shareholder Declaration, as amended (the "**Amended and Restated Shareholders Declaration**"), the board of directors of the Corporation shall consist of seven directors, six of which shall be composed of various classes of directors, each serving for a three-year term, and the seventh member of the fourth class shall serve as the representative of the municipal council of The Corporation of the City of London;

AND WHEREAS the terms of the directors that are members of the first class expire at the annual meeting of shareholders held in 2016 pursuant to paragraph 4.4 of the Amended and Restated Shareholder Declaration;

NOW THEREFORE BE IT RESOLVED THAT:

1. Each of the following persons, being directors that are members of the first class pursuant to paragraph 4.4 of the Amended and Restated Shareholder Declaration, is hereby **elected** as a director of the Corporation to hold office for a term with the expiry as set out below, provided that when a successor is not duly elected at the close of the annual meeting described below, such director shall hold office until his or her successor is elected:

<u>Class</u>	<u>Name of Director</u>	<u>Term</u>
First		the close of the annual meeting of shareholders to be held in 2019 for the financial year ending December 31, 2018
First		the close of the annual meeting of shareholders to be held in 2019 for the financial year ending December 31, 2018



CONFIRMATION OF CONTINUING TERMS

2. Each of the following persons, being directors that are members of the second, third and fourth class, as provided for below, pursuant to paragraph 4.4 of the Amended and Restated Shareholder Declaration, are hereby confirmed as having a term continuing until the expiry as set out below, provided that when a successor is not duly elected at the close of the annual meeting described below, such director shall hold office until his or her successor is elected:

<u>Class</u>	<u>Name of Director</u>	<u>Term</u>
Second	Peter Johnson	the close of the annual meeting of shareholders to be held in 2017 for the financial year ending December 31, 2016
Second	Connie Graham	the close of the annual meeting of shareholders to be held in 2017 for the financial year ending December 31, 2016
Third	Radhey Mohan Mathur	the close of the annual meeting of shareholders to be held in 2018 for the financial year ending December 31, 2017
Third	Marilyn Sinclair	the close of the annual meeting of shareholders to be held in 2018 for the financial year ending December 31, 2017
Fourth	Michael van Holst	the close of the annual meeting of shareholders to be held in 2018 for the financial year ending December 31, 2017 or for so long as he remains a duly elected member of the London City Council, whichever is the earlier

DATED this _____ day of _____, 2016.

The Corporation of the City of London

By: _____
Name: Matt Brown
Title: Mayor

By: _____
Name: Catharine Saunders
Title: City Clerk