

<b>TO:</b>	<b>CHAIR AND MEMBERS STRATEGIC PRIORITIES AND POLICY COMMITTEE MEETING ON JUNE 25, 2018</b>
<b>FROM:</b>	<b>MARTIN HAYWARD CITY MANAGER</b>
<b>SUBJECT:</b>	<b>LONDON HYDRO INC. 2017 ANNUAL MEETING OF THE SHAREHOLDER ANNUAL RESOLUTIONS</b>

<b>RECOMMENDATION</b>
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That, on the recommendation of the City Manager, the attached prepared by-law (Appendix "A") BE INTRODUCED at the Municipal Council meeting to be held June 26, 2018 to:

- a) ratify and confirm the Annual Resolutions of the Shareholder of London Hydro Inc. attached as Schedule "A" 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 "A" to the by-law.

<b>PREVIOUS REPORTS PERTINENT TO THIS MATTER</b>
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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  
May 16, 2016 – Strategic Priorities and Policy Committee – Agenda Item #3  
May 29, 2017 – Strategic Priorities and Policy Committee – Agenda Item#8  
April 9, 2018 – Strategic Priorities and Policy Committee – Agenda Item #4.1

<b>BACKGROUND</b>
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At its meeting held April 10, 2018, Municipal Council resolved:

That the following actions be taken with respect to the 2017 Annual General Meeting of the Shareholder for London Hydro Inc.:

- a) the 2017 Annual General Meeting of the Shareholder for London Hydro Inc. BE HELD at a meeting of the Strategic Priorities and Policy Committee on June 25, 2018, for the purpose of receiving the report from the Board of Directors 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 2017 Annual Meeting to the Board of Directors for London Hydro Inc. and to invite the Chair of the Board and the Chief Executive Officer of London Hydro Inc. to attend at the Annual Meeting and present the report of the Board in accordance with the Shareholder Declaration;

it being noted that the Strategic Priorities and Policy Committee received a communication dated March 22, 2018, from M. Mathur Chair, Board of Directors, London Hydro Inc., with respect to this matter. (4.1/5/SPPC)

**2017 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 (Schedule "A") 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 2017 audited financial statements;
- b) appointment of the Auditor; and,
- c) election of the director.

The election of two (2) Third Class Directors is required. We understand that London Hydro is recommending that Radhey Mohan Mathur and Marilyn Sinclair be elected to an additional term as Third Class Directors.

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

<b>PREPARED BY:</b>	<b>RECOMMENDED BY:</b>
<b>CATHY SAUNDERS CITY CLERK</b>	<b>MARTIN HAYWARD CITY MANAGER</b>

## APPENDIX "A"

Bill No.  
2018

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 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;

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

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, 2017, attached as Schedule "A" 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 26th day of June, 2018.

Matt Brown  
Mayor

Catharine Saunders  
City Clerk

First Reading - June 26, 2018  
Second Reading – June 26, 2018  
Third Reading - June 26, 2018

## SCHEDULE "A"

### 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, 2017, 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 Shareholder 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 third class expire at the annual meeting of shareholders held in 2018 pursuant to paragraph 4.4 of the Shareholder Declaration;

#### **NOW THEREFORE BE IT RESOLVED THAT:**

1. Each of the following persons, being directors that are members of the third 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:

<b><u>Class</u></b>	<b><u>Name of Director</u></b>	<b><u>Term</u></b>
Third	Radhey Mohan Mather	the close of the annual meeting of shareholders to be held in 2021 for the financial year ending December 31, 2020
Third	Marilyn Sinclair	the close of the annual meeting of shareholders to be held in 2021 for the financial year ending December 31, 2020

**CONFIRMATION OF CONTINUING TERMS**

2. Each of the following persons, being directors that are members of the first, second and fourth class, as provided for below, pursuant to paragraph 4.4 of the Shareholder Declaration, is 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:

<b><u>Class</u></b>	<b><u>Name of Director</u></b>	<b><u>Term</u></b>
First	Gabriel Valente	the close of the annual meeting of shareholders to be held in 2019 for the financial year ending December 31, 2018
First	Jack Smit	the close of the annual meeting of shareholders to be held in 2019 for the financial year ending December 31, 2018
Second	Connie Graham	the close of the annual meeting of shareholders to be held in 2020 for the financial year ending December 31, 2019
Second	Guy Holburn	the close of the annual meeting of shareholders to be held in 2020 for the financial year ending December 31, 2019
Fourth	Michael van Holst	the term ending November 30, 2018

**APPOINTMENT OF AUDITORS**

**RESOLVED THAT:**

KPMG LLP are hereby appointed auditors of the Corporation to hold office until the close of the next annual meeting of the shareholders or until a successor is appointed by the shareholder at such remuneration as may be fixed by the directors and the directors are hereby authorized to fix such remuneration.

**DATED** this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

**The Corporation of the City of London**

By: \_\_\_\_\_

Name: Matt Brown

Title: Mayor

By: \_\_\_\_\_

Name: Catharine Saunders

Title: City Clerk