

By-Law Number 2

A by-law relating to committees of Chartered Professional Accountants of Canada/Compatables professionnels agréés du Canada

Be it Enacted as a by-law of Chartered Professional Accountants of Canada/Compatables professionnels agréés du Canada as follows:

1. Interpretation

For the purposes of this by-law, in addition to terms which are defined in this by-law, all terms which are defined in By-law Number 1 of the Corporation shall have the meanings as defined therein.

2. Types of Committees

In carrying on its activities, the Corporation may, in accordance with the provisions of this by-law, form the following types of committees (each being a “CPAC Committee”):

- (1) committees composed entirely of members of the Board (“**Board Committees**”);
- (2) standards boards which are responsible for establishing financial reporting standards and guidance and/or issuing auditing and assurance pronouncements (“**Standards Boards**”);
- (3) oversight councils which oversee the activities of one or more Standards Boards (“**Oversight Councils**”); and
- (4) other committees as may be desirable from time to time (“**General Committees**”).

3. Board Committees

Subject to the provisions of the NFP Act, the Articles and the By-laws:

- (a) Board Committees may be established from time to time by the Board as it determines appropriate;
- (b) the terms of reference of each Board Committee shall be required to be approved by the Board; and
- (c) the members of each Board Committee shall be appointed by the Board.

4. **Oversight Councils**

The initial Oversight Councils shall be the existing Accounting Standards Oversight Council and the existing Auditing and Assurance Standards Oversight Council. Any additional or alternate Oversight Councils shall be initially established by the Board. The terms of reference of each Oversight Council shall be required to be approved by the Board, and such terms of reference may include the power to approve the terms of reference of one or more Standards Boards. The members of each Oversight Council shall be appointed in accordance with such Oversight Council's terms of reference.

5. **Standards Boards**

The initial Standards Boards shall be the existing Accounting Standards Board, the existing Public Sector Accounting Board and the existing Auditing and Assurance Standards Board. Any additional or alternate Standards Boards shall be initially established by the Board. The terms of reference of each Standards Board shall be required to be approved by an Oversight Council the terms of reference of which include the power to approve the terms of reference of such Standards Board. The members of each Standards Board shall be appointed in accordance with such Standards Board's terms of reference.

6. **General Committees**

Subject to the provisions of the NFP Act, the Articles, the By-laws, any agreements to which the Corporation is a party and any restrictions or limitations as may be established by the Board:

- (a) General Committees may be established from time to time by the Board or the President;
- (b) the terms of reference of each General Committee shall be required to be approved by whoever establishes such General Committee; and
- (c) the members of each General Committee shall be appointed in accordance with such General Committee's terms of reference.

7. **CCE Committees**

It is contemplated that: (i) the Corporation will be a party to an agreement to which the Organization Members will also be parties; (ii) such agreement will provide for the establishment of a Council (the "CCE") consisting of the chief executive officers of the Corporation and of the Organization Members; (iii) such agreement will establish the terms of reference of the CCE; (iv) such terms of reference will authorize the CCE to establish from time to time committees to assist the CCE in carrying out its responsibilities ("CCE Committees"); and (v) the terms of reference of each CCE Committee will be approved by the CCE.


8. Indemnification

The Corporation shall indemnify each member or former member of each CPAC Committee and each CCE Committee (each being a "Subject Committee") (and each such member's or former member's heirs, executors, administrators or other personal representatives, and his or her estate and effects) against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative or other proceeding in which the individual is involved because of being or having been a member of the Subject Committee, provided that:

- (a) the terms of reference of the Subject Committee have been approved in accordance with the foregoing provisions of this by-law; and
- (b) the individual to be indemnified (i) has acted honestly and in good faith in accordance with the terms of reference of the Subject Committee, and (ii) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, had reasonable grounds for believing that such individual's conduct was lawful.

The foregoing provisions of this section 8 shall be in addition to and not in substitution for or limitation of any rights, immunities and protections to which a person is otherwise entitled.

MADE by the Board on the 24th day of September, 2013.



Kevin J. Dancey
President & CEO

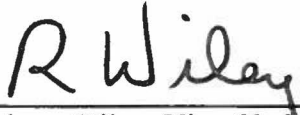
CONFIRMED BY the Members on the 25th day of September 2013

**THE CANADIAN INSTITUTE OF
CHARTERED ACCOUNTANTS**

**THE SOCIETY OF MANAGEMENT
ACCOUNTANTS OF CANADA**

By: 

Shelley Brown, Chair

By: 

Rodney Wiley, Vice Chair