INDEMNIFICATION

TO:	Board of Directors /Audit Committee
MEETING:	March 27, 2014
FROM:	Maryse Bertrand, Vide-President and General Counsel Real Estate Services and Legal Services
DECISION SOUGHT:	Amend Trust Deed and Section 21 of the By-Laws to indemnify the agents and employees of the Pension Plan
NEXT STEPS:	Approve amendments to Trust Deed and Section 21 of the By-Laws
DATE:	March 14, 2014

A1. PENSION BOARD OF TRUSTEES

- Further to the CBC/Radio-Canada Board of Directors and Audit Committee meetings of November 2013, the CBC/Radio-Canada Board of Directors are asked to consider amending s. 21 of the Trust Deed to provide for indemnification by the Pension Fund of the Pension Fund's agents/employees and to consider amending s. 21 of the By-Laws to provide for indemnification by CBC/Radio-Canada of these agents/employees if the Pension Fund cannot fulfil its indemnity obligations.
- The Pension Board of Trustees will also, subject to approval by CBC/Radio-Canada's Board of Directors and the Minister of Heritage, be requested to approve the amendments to the Trust Deed.

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A.2 BACKGROUND: LIABILITY OF AGENTS

- The Board of Trustees is the administrator of the Pension Fund.
- Under the Trust Deed, the Trustees may employ agents to make and manage investments, and may employ clerical, legal, actuarial, accounting or other assistants and officers as the Trustees may deem necessary for the proper administration of the Plan.
- To the extent that agents or employees of the Trustees have actual discretionary authority to make investment decisions, they may be considered agents of the administrator.
- As agents for the administrator, they will owe a fiduciary duty to the administrator, and may also owe a fiduciary duty to the Pension Fund and to its beneficiaries.
- In addition, as agents for the administrator, they can be held personally liable for actions taken on behalf of the Pension Fund.

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A.3 BACKGROUND: INDEMNIFICATION

- In order to attract and retain talented individuals, organizations must be prepared to protect their agents and employees from the liabilities to which they are exposed in serving the organization.
- Organizations need to ensure that their agents and employees are prepared to take appropriate risks despite the possibility of personal liability, but also that agents and employees refrain from unduly risky behaviour.
- Indemnification of agents and employees encourages prudent risk taking and sound management.

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A4. INDEMNIFICATION AT PRESENT

- Under section 21 of the Trust Deed, the Trustees are indemnified by CBC/Radio-Canada.
- The Trustees also now benefit from a contractual indemnification by CBC/Radio-Canada (as approved by the Board of Directors in November).
- Unlike the Trustees, the agents/employees do not have an indemnity in either the Trust Deed or in their employee/service agreements with the Trustees.
- Section 21 of CBC/Radio-Canada's By-Laws stipulates that the Corporation may indemnify a person who acts or acted <u>at the Corporation's request</u> as a director, trustee, administrator or officer of another entity. CBC/Radio-Canada has not requested the agents/employees to act on behalf of the Pension Fund, and therefore cannot currently indemnify them directly.

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A5. PROPOSED INDEMNIFICATION

- Given the potential for exposure and the rationale for indemnification, the Board of Trustees and the Board of Directors have been asked to consider amending s. 21 of the Trust Deed to provide for indemnification by the Pension Fund of the Pension Fund's agents/employees.
- CBC/Radio-Canada is ultimately responsible if the Pension Fund is unable to fully satisfy its indemnity obligations. As a result, it is also recommended to the Board of Directors that CBC/Radio-Canada back-stop the Pension Fund's indemnity to its agents/employees.
- This additional layer of indemnity by CBC/Radio-Canada will ensure that the scope and breadth of the employee/agent's indemnity is ultimately equivalent to the Trustees' indemnity, who are indemnified directly by CBC/Radio-Canada while ensuring that the Pension Fund (rather than CBC/Radio-Canada) shoulders the indemnification obligation to the extent the Fund has the means to do so.
- If this additional indemnity is not approved, Paragraph 21 7) of the proposed amendments to the Trust Deed will be struck and the By-Law will remain unchanged, but the employees/agents of the Trustees would nonetheless be indemnified by the Pension Fund (assuming the Board of Trustees, Board of Directors and Minister of Heritage approve the proposed amendments to the Trust Deed).

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A6. PROPOSED AMENDMENTS TO TRUST DEED

- In addition to the above proposed modifications, we are proposing a number of housekeeping amendments to s. 21 of the Trust Deed to bring it fully in-line with modern indemnification principles.
- Accordingly, the proposed amendments to s. 21 of the Trust Deed are to:
  - Modernize the indemnification of Trustees to reflect the standard contained in CBC/Radio-Canada's By-Laws (and, incidentally, the *Canada Business Corporations Act*) to:
    - *Add "investigative or other" proceeding*
    - *Add that the Trustee must have acted with a view to the best interests of the Fund*
    - *Modify the standard for indemnification of defense costs and for an advance of funds from "substantially successful" to "no fault or omission".*
  - Provide for indemnification of the agents/employees of the Trustees on the same conditions as the Trustees are indemnified by CBC/Radio-Canada;
  - Provide for an additional indemnity by CBC/Radio-Canada of the agents/employees of the Trustees in the event that the Pension Fund cannot fulfil its indemnification obligations to these agents/employees.

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A7. PROPOSED AMENDMENTS TO SECTION 21 OF THE BY-LAWS

- The proposed amendments to s. 21 of the By-Laws is to provide for an additional indemnity by CBC/Radio-Canada of the agents/employees of the Trustees in the event that the Pension Fund cannot fulfil its indemnification obligations to these agents/employees.

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A8. RESOLUTION

- Subject to the approval of the Minister of Heritage, that:
  - the proposed amendments to the Trust Deed and Section 21 of the By-Laws (see Appendices) be approved; and
  - the individuals, to be determined by the Board of Trustees from time to time, be entitled to indemnification by the Pension Fund and, if the Pension Fund cannot fulfil its indemnification obligations to these individuals, CBC/Radio-Canada shall fulfil the Pension Fund's indemnification obligations to these individuals.

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A9. NEXT STEPS

- Approval of the Minister of Heritage

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A10. APPENDICES

- Proposed amendments to the Trust Deed
- Proposed amendments to Section 21 of the By-Laws

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SCHEDULE "C"
Amended ●~~November 17~~, 2014~~0~~

TRUST DEED

THIS TRUST DEED made as of the 3rd day of August A.D.1961 (as amended
the 5th day of October 1961)
and the 19th day of February, 1963)
and the 17th day of December, 1963)
and the 10th day of September, 1969)
and the 7th day of December, 1971)
and the 17th day of February, 1972)
and the 25th day of November, 1975)
and the 7th day of December, 1976)
and the 29th day of January, 1980)
and the 9th day of February, 1982)
and the 25th - 26th day of June, 1987)
and the 15th day of September, 1992)
and the 12th day of June, 1995)
and the 25th day of March, 1997
and the 12th day of March 2003
and the 20th day of June 2007
and the 20th day of April 2009
and the 17th day of November 2010
and the ● day of ● 2014

BETWEEN

THE CANADIAN BROADCASTING CORPORATION
(Hereinafter referred to as the **"Corporation"**)

OF THE FIRST PART:

AND

Peter D. Charbonneau~~Timothy Casgrain~~
Suzanne Morris
Roula Zaarour~~Robert Fisher~~
Isabelle Doyon~~Paul Gaffney~~
Jonathan Soper~~Claude Godin~~
Paul Gaffney~~Katya Laviolette~~
Brian Mitchell

As "**TRUSTEES**"(hereinafter for consistency in French and logic referred to as the **"CBC Pension Board of Trustees**" or as "the **Trustees**")

OF THE SECOND PART:

WHEREAS it is deemed desirable and advisable to execute this Trust Deed for the purpose of implementing the Canadian Broadcasting Corporation Pension Plan, and setting forth the manner in which and the terms under which the Pension Plan is to be administered;

NOW THEREFORE THIS TRUST DEED WITNESSETH that the parties hereto have agreed and do hereby covenant, agree and declare as follows:

1. PENSION PLAN ESTABLISHED BY THE CORPORATION

The Corporation being party hereto of the First Part, has established the Canadian Broadcasting Corporation Pension Plan effective September 1, 1961 (appended hereto as Schedule "B" and hereinafter called "the Plan") by virtue of Section 26(2) of the Broadcasting Act, S.C. 1958, C. 22, to be administered in accordance with the trusts of this Deed, which shall extend to and include all duties, obligations and requirements imposed upon the Trustees by this Deed and by the Plan, and by such amendments or modifications to the Plan as may be made from time to time.

2. TRUSTEES DEFINED

The above named parties of the Second Part and their successors in this Trust as Trustees, and the Trustees for the time being hereunder, are sometimes referred to as the "CBC Pension Board of Trustees" or as "the Trustees".

3. THE TRUSTEES

(1) There shall be a maximum number of seven Trustees.

(2) At all times a majority of the Trustees shall either hold office as Directors of the Corporation or be officers of the Corporation employed full time by the Corporation.

(3) The following officers of the Corporation shall be Trustees by virtue of their office with the Corporation.

(a) The senior executive officer of the Corporation responsible for Human Resources or such other Corporate Executive of the Corporation as designated by the President and CEO of the Corporation and approved by the Board of Directors of the Corporation.

(b) The senior executive officer of the Corporation responsible for finance, or such other Corporate Executive of the Corporation as designated by the President and CEO of the Corporation and approved by the Board of Directors of the Corporation,

either of whom, upon ceasing to hold such office with the Corporation, shall ipso facto cease to be a Trustee, and the successor in office shall be a Trustee in his/her place and stead. A certified copy of a resolution of the Board of Directors of the Corporation indicating the

persons who may from time to time occupy the aforesaid offices shall be conclusive evidence thereof.

(4) All Trustees other than those specified in subsection (3) of clause 3 shall be appointed by the Corporation. All Trustees other than those specified in subsection (3) of clause 3 shall be entitled to resign at any time by giving thirty (30) days' notice in writing to the Corporation.

(5) Subject always to the provisions of subsections (1), (2) and (3) of clause 3, the Corporation may at any time and from time to time by resolution of its Board of Directors appoint an additional Trustee or Trustees, fill in any vacancy caused by the death or resignation of a Trustee or remove one or more of the Trustees from office.

(6) When the number of Trustees is reduced for any reason to less than six, the Corporation shall then appoint a successor Trustee or Trustees so that the CBC Pension Board of Trustees shall consist of at least six Trustees.

4. THE CORPORATION CONFIRMS THE FUND UNTO THE CBC PENSION BOARD OF TRUSTEES

The Corporation for all its right, title and interest therein and thereto doth hereby confirm unto the CBC Pension Board of Trustees the Trust Property coming into their hands from time to time to the end that the Trustees shall have and hold the same upon the trusts of this Deed.

5. THE FUND

The Trust Property (hereinafter sometimes referred to as "the Fund") shall consist of all assets, including investments thereof held by the CBC Pension Board of Trustees from time to time and the income therefrom, and shall in addition extend to and include all additions and payments thereto, proceeds thereof and income therefrom, for the time being in the possession of or coming into the hands of the CBC Pension Board of Trustees for the purposes of the Plan and shall be dealt with in accordance with the trusts of this Deed and the Plan.

6. THE TRUSTEES ACCEPT THE TRUST

The Trustees accept the trusts hereof and undertake to hold, invest, distribute and administer the Fund in accordance with the provisions of the Plan and this Trust Deed.

7. COVENANT AND POWERS OF THE CORPORATION

The Corporation doth by these presents covenant and agree with the Trustees that it will do or cause to be done all acts and things required on its part to be done in accordance with the requirements in that behalf of this Deed and by the Plan as now established or as the same may be hereafter amended, modified, established and declared from time to time. Without limiting the generality of the foregoing, the Corporation undertakes:

(1) To deduct contributions from the salary of employees as required in the Plan, and to pay all of such contributions to the Trustees not later than fifteen days following the end of the month in which such contributions were deducted.

(2) To pay to the Trustees the contributions to be made by the Corporation pursuant to the Plan from time to time.

(3) To determine the earnings, average earnings, pensionable service and the age of contributors, and to furnish to the Trustees all such information as they may require for the proper administration of the Plan.

8. COVENANT AND POWERS OF THE TRUSTEES

The duties, obligations and requirements of the Trustees are limited to those set forth in this Deed and in the Plan and in such amendments or modifications to the Plan as may be made from time to time by the Corporation, provided always that no such amendment or modification shall be binding on the Trustees without their consent in writing if such amendment or modification would impose more onerous duties on the Trustees. The Trustees shall have the power:

(1) **Invest**

To invest and re-invest the Fund and keep the Fund invested, without distinction between principal and income, as the Trustees in their discretion shall think fit in such securities, loans or investments as are prescribed by the Pension Benefits Standards Act and Regulations thereunder, as amended from time to time, provided that the Trustees, in exercising their investment power, shall not be restricted to those investments authorized by the Trustee Act of Ontario, or other similar provincial legislation governing the investment of trust funds. It is provided, however, that the Trustees in their discretion may keep such portion of the Fund in cash or cash balances as the Trustees may from time to time deem appropriate.

(2) **Transaction**

To sell, exchange, convey, transfer, mortgage, pledge or otherwise dispose of any property held by them, by private contract or at public auction, to receive the consideration price and grant discharge therefor, and no person dealing with the CBC Pension Board of Trustees shall be bound to see to the application of the purchase money or mortgage money or to enquire into the validity, expediency or propriety of any such sale or other disposition.

(3) **Representation Rights**

To vote upon any stocks, bonds, or other securities of any corporation or other issuer at any time held in the Fund, or otherwise consent to or request any action on the part of any such corporation or other issuer, and to give general or special proxies or powers of attorney with or without substitution and to participate in re-organizations, consolidations, mergers and similar transactions with respect to such securities; and to deposit such stocks or other securities in any voting trusts or with any protective or like committee or with a Trustee or with depositaries

designated thereby and to exercise any subscription rights and conversion privileges, and generally to exercise any of the powers of an owner with respect to stocks or other securities or property comprising the Fund.

(4) **Court Actions**

In their discretion, to sue in any court of competent jurisdiction for the enforcement of any contract, right or claim, and to defend against or to compromise, settle or otherwise dispose of any demand, claim or suit alleged or brought by them or against them, or any of them, or against the Fund.

(5) **Decisions**

Subject always to the rights and obligations of the Corporation as herein set forth, to determine any question before them concerning matters related to the trusts hereof and the administration of the Plan.

(6) **Employment of Assistants and Officers**

To employ such clerical, legal, actuarial, accounting or other assistants and officers as the Trustees may deem necessary for the proper administration of the trusts hereof and of the Plan.

To delegate to such assistants or officers the duty of determining on the basis of information received from the Corporation according to Clause 7(3) hereof, or from other sources, the benefit payments or other payments which may become payable, or cease to be payable, and of taking action in respect thereto and in respect of any matter pertaining to the discharge of the duties of the Trustees under the terms of this Trust Deed, in accordance with such directions as may be given by the Trustees.

(7) **Custody and Banking**

To make such arrangements as they may from time to time deem proper for the care and custody of the monies, property and assets comprising the Fund, and without limiting the generality of the foregoing may deposit any such monies in an account or accounts with any member of the Canadian Payments Association or Trust Company registered under the *Trust and Loan Companies Act (Canada)* in the name of the "CBC Pension Board of Trustees", the "CBC Pension Plan" or the "CBC Pension Fund" and cheques upon any such account or accounts may be signed by such person or persons and in such manner as the Trustees may from time to time by resolution passed by the CBC Pension Board of Trustees provide, and cheques so signed shall be valid and binding upon the Trustees.

(8) (a)**Employment of Agents and Advisors**

To employ agents to make and manage investments, keep records, maintain accounts, hold registered instruments in the name of the Trustees, in the name of any of such agents or in the names of other nominees, issue cheques on the fund, provide safe custody for investments of the

fund, attend to necessary bookkeeping and maintenance of records and provision of reports, and generally perform duties of a similar nature.

(b)**Employment of Advisors**

To employ advisors to advise the Trustees with respect to the making and managing of investments and with respect to all other matters related to the duties of the Trustees set forth in this Deed and in the Plan.

(9) **Consultation Rights and Protection**

From time to time to consult with and seek opinions, advice or information from legal counsel who may be counsel to the Corporation, actuaries, bankers, accountants, doctors or other persons, and any such opinions, advice or information shall be full justification to the CBC Pension Board of Trustees for any action taken or suffered, in good faith, in accordance with such opinions, advice or information, and the Trustees shall be fully protected with respect to any such action.

(10)**Management of Trust Property**

To hold, manage and protect the Fund, and to have power to sell, collect, sue for, alter or change the investments or assets of the Fund, from time to time as they shall deem advisable. They shall have power to renew or extend or participate in the renewal or extension of any mortgage, upon such terms as may be deemed advisable, and to agree to reduction in the rate of interest on any mortgage or to any other modification or change in the terms of any mortgage or of any guarantee pertaining thereto in any manner or to any extent that may be deemed advisable for the protection of the Fund or the preservation of the value of the investment; to waive any default whether in the performance of any covenant or condition of any mortgage or in the performance of any guarantee or to enforce any such default in such manner and to such extent as may be deemed advisable; to exercise and enforce any and all rights of foreclosure, to bid in property on foreclosure, to take a deed in lieu of foreclosure, with or without paying a consideration therefore and, in connection therewith, to release the obligation on the bond secured by such mortgage and to exercise and enforce in any action, suit, or proceeding at law or in equity any rights or remedies in respect to any such mortgage or guarantee.

(11)**Payment of Benefits**

To pay or cause to be paid out of the Fund all pensions and other benefits out of the Fund to the persons from time to time entitled to receive the same according to the Plan.

(12)**Recommendations to the Corporation**

To make such recommendations to the Corporation as they may deem appropriate with respect to all matters relating to this Trust Deed and the Plan.

(13)**Incorporation**

To take all action deemed advisable by the Trustees to incorporate and organize one or more real estate corporation or resource corporation as those terms are defined by the Pension Benefits Standards Regulations, as amended from time to time;

To take all action deemed advisable by the Trustees to establish and organize one or more real estate investment trusts as that term is defined by the Pension Benefits Standards Regulations, as amended from time to time.

To take all action deemed advisable by the Trustees to incorporate or establish any other vehicle to facilitate investment of the Fund as may be prescribed by the Pension Benefits Standards Act and the Regulations thereunder, as amended from time to time.

8. (A) COVENANT OF THE TRUSTEES TO OBTAIN PERIODIC ACTUARIAL SURVEYS

The Trustees shall obtain an actuarial report on the financial condition of the Plan not later than March 31, 1965, and shall obtain such actuarial reports subsequently occurring at least once every three years, and within sixty (60) days following receipt of any such report shall submit a copy thereof to the Corporation who shall decide on the action to be taken thereto.

9. DEFINITIONS

All definitions of words and expressions contained in the Plan shall also apply to such words and expressions where used in this Trust Deed. The expression "Trust Deed" as used herein and in any instrument supplemental or ancillary hereto shall mean this Trust Deed and all instruments supplemental and ancillary thereto. Where the context so permits, words importing the singular number only shall include the plural and vice versa.

10. VESTING OF TRUST PROPERTY ON CHANGE OF TRUSTEES

Upon any person who has been a Trustee hereunder ceasing for any reason to be such Trustee, the Fund and all property, real and personal, then forming a part of the Fund, vested in such Trustee shall forthwith, and without the execution of any conveyance, assignment, transfer or other document, be vested in the remaining or continuing Trustees, and upon the appointment of a new Trustee or new Trustees in succession to any person or persons who has or have ceased to be a Trustee or Trustees, or pursuant to any provisions of this Trust Deed, the Fund and all the property shall forthwith and without the execution of any conveyance, assignment, transfer or other document whatsoever be vested in such new Trustee or new Trustees and the continuing Trustees.

11. CONVEYANCE BY RETIRING TRUSTEE

Notwithstanding the provisions of the last preceding clause hereof, every person ceasing to be a Trustee hereunder shall at the request of the CBC Pension Board of Trustees convey, assign, transfer

and make over or join in conveying, assigning, transferring and making over the Fund, and any or all of the real and personal property of the Trust as the CBC Pension Board of Trustees may direct.

12. MEETINGS OF CBC PENSION BOARD OF TRUSTEES

The Trustees shall hold an annual meeting within ninety (90) days after the end of each fiscal year and at such meeting shall elect a Chairperson to hold office until the next annual meeting and may appoint a secretary who need not be a Trustee. Other meetings of the Trustees shall be held as the Trustees themselves shall decide.

13. QUORUM OF TRUSTEES AND POWERS OF MAJORITY

A majority of the Trustees shall form a quorum for the transaction of business. Questions arising at any meeting of the CBC Pension Board of Trustees shall be decided by a majority of votes. Each Trustee shall have one vote except that, in the event of an equality of votes, the Chairperson of the meeting in addition to his original vote shall have a second casting vote.

14. TRUSTEES MAY ACT BY WRITTEN RESOLUTION

A resolution or minute in writing signed by all the Trustees shall be deemed for all purposes to be an act of the Trustees to the effect therein expressed with the same force and effect as if it had been duly passed by proper vote at a duly constituted meeting. It shall be the duty of the Secretary to record such resolution or minute in the CBC Pension Board of Trustees' minute book under its proper date.

15. MINUTES OF MEETING

The minutes of all meetings of the CBC Pension Board of Trustees shall be signed as provided hereunder not later than two (2) meetings following that meeting of the Trustees .

The minutes of any meetings of the CBC Pension Board of Trustees or any portion thereof or any information relating to any action or decision made by or on behalf of the Trustees may be certified from time to time by the signatures of any two of the Trustees or of a Trustee and the Secretary of the CBC Pension Board of Trustees and, when so certified, shall avail for all purposes and may be accepted and relied upon for the purposes of any dealings with the Trustees or in connection with any act or thing done or to be done on their behalf.

16. BY-LAWS OF CBC PENSION BOARD OF TRUSTEES

The CBC Pension Board of Trustees may enact by-laws regulating the calling and convening of meetings, the procedure thereat and generally respecting the exercise of their powers and the performance of their duties, provided that no such by-law shall be effective to the extent that it may be contrary to or in conflict with the provisions of this Trust Deed or of the Plan.

17. EXECUTION OF OTHER DOCUMENTS

All conveyances, discharges of mortgages, assignments of mortgage, transfers of stocks, bonds and other securities, agreements and other documents relating to the Fund or to any investment thereof or to any payments to be made from the Fund, which may be required to be executed by the CBC Pension Board of Trustees, may be executed in the name of and on behalf of the CBC Pension Board of Trustees by such person or persons, or corporations or in such other manner as the CBC Pension Board of Trustees may from time to time by resolution duly passed by them provide, and any or all such documents so executed shall be valid and binding upon the Trustees.

18. CBC PENSION BOARD OF TRUSTEES - EXPENSES

Effective April 1, 1995 all fees, charges and other costs incurred by the Trustees in the setting up and administration of the Plan, and in the setting up and management of the Fund, and the expenses incurred by the Trustees in the performance of their duties, including the fees of legal counsel, actuaries, bankers, accountants, doctors and other persons for services rendered to the Trustees and including the compensation to Trustees who are not full-time employees of the Corporation as may be agreed upon in writing from time to time by the Trustees and all other charges and expenses incurred by the Trustees in the performance of their duties, shall be paid by the Fund. Any such costs, charges or expenses may first be paid or incurred by the Corporation and in this event the Corporation shall recover such costs from the Fund. In no event shall any part of the Fund be used or diverted to purposes other than the Plan or the Fund.

All taxes of any and all kinds whatsoever that may be levied or assessed under existing or future laws upon or in respect of the Fund, or the income thereof, shall be paid from the Fund.

19. BOOKS OF ACCOUNT AND AUDIT

The CBC Pension Board of Trustees shall keep or cause to be kept accounts to all investments, receipts, disbursements and other transactions hereunder, and all accounts, books and records relating thereto shall be open to inspection and audit at all reasonable times by any company or person designated by the Corporation.

Provided, however, that, where the CBC Pension Board of Trustees has appointed a trust company or trust companies as its agent or agents to make and manage investments of the Fund, CBC Pension Board of Trustees may delegate to such trust company or trust companies the duty of keeping the aforesaid accounts and may file with the Corporation such accounts as are provided to them by the trust company or trust companies pursuant to the Agreement made with the trust company or trust companies as full compliance pro tanto with the provisions of this Section.

Within ninety (90) days following the close of each fiscal year of the Fund the CBC Pension Board of Trustees shall file with the Corporation an audited statement setting forth all investments, receipts, disbursements and other transactions effected by it during the past fiscal year. Within ninety (90) days of the death, removal or resignation of any Trustee, an audited statement setting forth all investments, receipts, disbursements and other transactions during the period since the last audit shall be filed, unless all Trustees, including the departing Trustee or his/her legal representatives

agree in writing within fourteen days of the date of death, resignation or removal to dispense with a special audit. Where the Trustees agree to dispense with a special audit, the determination of the liability of all Trustees, including the departing Trustee, shall be made on the basis of the annual audit. Upon expiration of ninety (90) days from the date of filing of such audited statement, the Trustees shall be forever released and discharged from all liability and accountability to anyone with respect to their accounts and transactions reflected in such audited statement, except with respect to any error in such audited statement as to which the Corporation shall, within such last mentioned ninety (90) day period, file with the CBC Pension Board of Trustees written objections and except for loss or diminution of the Fund resulting from negligence, wilful misconduct or lack of good faith of the Trustees or any of them.

20. EVIDENCE

A certificate signed by the Chairperson and Secretary of the CBC Pension Board of Trustees, certifying which Trustees hereunder or other person or persons or corporation have been duly authorized by the CBC Pension Board of Trustees to execute cheques, conveyances, discharges of mortgage, assignments of mortgage, transfer of stocks, bonds or other securities, agreements and other documents shall be conclusive evidence of such Trustee or person or persons or corporation so to execute the same, and may be accepted and acted upon by any interested party.

A certificate signed by the officers of the Corporation so empowered to do under the by-laws of the Corporation certifying that any person or persons is or are Trustees of the said Plan or that any person or persons has or have been appointed as Trustee or Trustees thereof or has or have ceased to be Trustee or Trustees thereof may be accepted and acted upon by any person as conclusive evidence set forth therein. A certificate signed by the officers of the Corporation so empowered to do under the by-laws certifying that any person or persons is or are authorized to do any act, matter or thing required to be done by the Corporation hereunder or which may be done by the Corporation hereunder shall be conclusive evidence of the authority of such person or persons to so act and may be accepted and acted upon by the Trustees.

21. PROTECTION OF TRUSTEES, AGENTS, EMPLOYEES AND INDEMNITY

The Trustees shall not be held or deemed in any manner to guarantee the Fund against loss or depreciation, and no Trustee shall be liable for any loss other than a loss due to his/her own gross negligence, willful misconduct or lack of good faith and no Trustee shall in any event be liable for any action or failure to act of any other Trustee.

The Trustees shall not be responsible for any misconduct on the part of any attorney, banker, receiver, lawyer, mandatory or persons appointed by them hereunder or be bound to supervise the proceedings of any such appointees.

Indemnity

1) The Corporation shall indemnify a present or former Trustee and Trustee's heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, that are reasonably incurred by the Trustee in respect of any civil, criminal, ~~or~~ administrative, investigative ~~action~~ or other proceeding to which the Trustee is a party by reason of being or having been such a Trustee, if the Trustee

a) acted honestly and in good faith with a view to the best interests of the Fund; and

b) in the case of any criminal or administrative action or proceeding that is enforced by a monetary penalty, believed on reasonable grounds that the Trustee's conduct was lawful.

2) Notwithstanding anything in section 1), a Trustee referred to above is, and the heirs and legal representatives of the Trustee are, entitled to indemnity from the Corporation in respect of all costs, charges and expenses reasonably incurred by the Trustee~~director or officer~~ in connection with the defence of any civil, criminal, investigative or other~~administrative action or~~ proceeding to which the Trustee was made a party by reason of being or having been such a Trustee, if the Trustee was (a) not judged by the court or other competent authority to have committed any fault or omitted to do anything that the individual ought to have done~~substantially successful on the merits of the defence of the action or proceeding~~; and (b) fulfils the conditions set out in paragraphs 1 (a) and (b) above.

3) The Corporation may advance moneys to a Trustee or other individual for the costs, charges and expenses of a proceeding referred to above. The individual shall repay the money to the Corporation if, after all appeals have been exhausted, the individual has ~~not~~ been judged by the court or other competent authority to have committed a fault or omitted to do anything that the individual ought to have done~~substantially successful on the merits of the defence of the action or proceeding~~, was determined to not have acted honestly and in good faith with a view to the best interests of the Fund, and, in the case of any criminal or administrative action or proceeding that is enforced by a monetary penalty, was determined to not have believed on reasonable grounds that the Trustee's conduct was lawful.

Sections 21 1), 2) and 3) ~~This clause 21~~ shall extend, apply to and include all employees of the Corporation, and such other persons who at the request of the CBC Pension Board of Trustees serve as directors on the board of directors of companies in which the CBC Pension Board of Trustees has an interest.

4) The Fund shall indemnify a person who acts or acted as an agent or employee to the CBC Pension Board of Trustees and such person's heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, that are reasonably incurred by such person in respect of any civil, criminal, administrative, investigative or other proceeding to which such person is a party by reason of being or having been an agent or employee to the CBC Pension Board of Trustees, if such person

a) acted honestly and in good faith with a view to the best interests of the Fund; and

b) in the case of any criminal or administrative action or proceeding that is enforced by a monetary penalty, believed on reasonable grounds that such person's conduct was lawful.

~~3)~~5) Notwithstanding anything in section 4), such person, and the heirs and legal representatives of such person, are entitled to indemnity from the Fund in respect of all costs, charges and expenses reasonably incurred by such person in connection with the defence of any

civil, criminal, investigative or other proceeding to which such person was made a party by reason of being or having been an agent or employee to the CBC Pension Board of Trustees, if such person was (a) not judged by the court or other competent authority to have committed any fault or omitted to do anything that the individual ought to have done; and (b) fulfills the conditions set out in paragraphs 4 (a) and (b) above.

6) The Fund may advance moneys to such person or other individual for the costs, charges and expenses of a proceeding referred to above in section 4). The individual shall repay the money to the Fund if, after all appeals have been exhausted, the individual has been judged by the court or other competent authority to have committed a fault or omitted to do anything that the individual ought to have done, was determined to not have acted honestly and in good faith with a view to the best interests of the Fund and, in the case of any criminal or administrative action or proceeding that is enforced by a monetary penalty, was determined to not have believed on reasonable grounds that such person's conduct was lawful.

7) If the Fund cannot fulfill its indemnification obligations to the agent and employees of the CBC Pension Board of Trustees, CBC/Radio-Canada shall fulfill the Fund's indemnification obligations to the agents and employees of CBC/Radio-Canada's Pension Board of Trustees pursuant to paragraphs 4, 5 and 6 above.

22. AUDIT AND AUDITORS' REPORT

The Trustees shall annually appoint Auditors who shall conduct an audit of the accounts of the CBC Pension Board of Trustees and their dealings with the Fund from time to time and at least once in each fiscal year of the Fund.

The Auditors shall have the right of access at all reasonable times to the books, accounts, records, files, vouchers and registers of the CBC Pension Board of Trustees and of any agent or agents of the Trustees, which have to do with the financial transactions or financial position of the Fund, and may require from the Trustees or from such agents, if any, such information and explanations as they may deem necessary for the performance of their duties.

The statements of account which the Trustees are required to file with the Corporation according to Clause 19 of this Deed, including any statements of account prepared by a trust company or trust companies as referred to therein, shall be submitted to the Corporation in conjunction with the report of the Auditors in relation thereto.

23. AMENDMENT

The Corporation and Trustees may from time to time by instrument in writing vary or amend any of the provisions of the Trust Deed or the trusts thereby established, provided that no such variation or

amendment shall authorize or permit at any time any part of the Fund to be used for or diverted to purposes other than the Plan or the Fund.

24. TERMINATION OF THE PLAN

If the Plan is terminated by the Corporation, the Trustees shall, if so requested in writing by the Corporation, surrender the Fund to any trust company, person or persons, corporation or corporations designated by the Corporation upon being satisfied that the Fund will be held by such trust company, person or persons, corporation or corporations on terms substantially identical to the terms under which the Trustees may at such time hold the Fund. In such event the trust created by this Deed shall terminate.

25. FISCAL YEAR

The fiscal year of the Fund shall end on the 31st day of December in each year. The fiscal year ending on the 31st day of December, 1971, shall be deemed to have commenced on the 1st day of April, 1971.

26. ADMINISTRATIVE REGULATION OF THE PLAN

In the discharge of its responsibilities set forth in this Deed and in the Plan and within the terms of the Plan, the Trustees may from time to time adopt procedures under which the Plan shall be administered and may amend, repeal or add to such procedures.

27. INTERPRETATION

The headings herein and the Plan are inserted for purposes of convenience only and are not to be considered as part or as an interpretation of the Trust Deed or the Plan or any part thereof. The Trust Deed and the Plan shall be construed, interpreted and enforced according to the laws of the Province of Ontario, Canada.

28. CONFLICT OF INTEREST

If, by reason of any matter in which the Pension Board is involved, whether or not such matter is to be or has been dealt with by the Pension Board of Trustees or a committee thereof, there is a material conflict of interest between the role of a Trustee and his or her role in any other capacity, including but not limited to that of officer or Director of the Corporation, the Trustee shall forthwith, upon becoming aware of such conflict, disclose in writing to the Chairperson of the Pension Board of Trustees and to the Pension Fund Managing Director / CEO or in person at a meeting of the Pension Board of Trustees, and request to have entered in the minutes of the Pension Board of Trustees, the nature and extent of the interest in conflict with his or her role as Trustee in relation to the matter. He or she shall thereafter absent himself or herself from any meeting of the Pension Board of Trustees and any committee thereof at all times when the matter is discussed, decided or otherwise dealt with and shall refrain from voting on any resolution related to the matter. A Trustee who acts in conformity with this requirement shall not incur any personal liability by reason of so doing, and

no action by the Pension Board of Trustees or any committee thereof shall be open to challenge by reason of the non-participation of that Trustee in compliance with this section.

Without limiting the generality of the foregoing, where a material contract is made or a material transaction is entered into between the Pension Board of Trustees and a Trustee or between the Pension Board of Trustees and another person of which the Trustee is a director or officer or in which he or she has a material interest,

a) the Trustee is not accountable to the Pension Board of Trustees for any profit or gain he or she realizes from the contract or transaction; and

b) the contract or transaction is neither void nor voidable,

by reason only of that relationship if the Trustee disclosed his or her interest in accordance with this section.

IN WITNESS WHEREOF the parties hereto have executed this **Trust Deed** under seal.

CANADIAN BROADCASTING CORPORATION

_____
Hubert T. Lacroix

CBC PENSION BOARD OF TRUSTEES

_____
Peter D. Charbonneau~~Timothy Casgrain~~

_____
Suzanne Morris

_____
Roula Zaarour~~Robert Fisher~~

_____
Isabelle Doyon~~Paul Gaffney~~

Jonathan Soper~~Claude Godin~~

Paul Gaffney~~Katya Laviolette~~

Brian Mitchell

SIGNED, SEALED
AND DELIVERED

DATE ~~December 6~~, 2014~~0~~

IN THE PRESENCE OF

~~Edith Cody-Rice~~
Senior Legal Counsel
Canadian Broadcasting Corporation

BY-LAWS OF THE CANADIAN BROADCASTING CORPORATION

13. INDEMNITIES TO DIRECTORS AND OTHERS

(1) The following provisions are intended to operate in addition to, and not in place of, any specific provisions of the *Financial Administration Act* or the regulations made pursuant to that *Act* with respect to the indemnification of Directors and Officers of CBC/Radio-Canada: The Corporation may indemnify a present or former Director, Officer or employee of the Corporation, a person who acts or acted at the Corporation's request as a director, trustee, administrator or officer of another Entity, or a present or former agent or employee of the Corporation's Pension Board of Trustees against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgement, that are reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative or other proceeding in which the individual is involved by reason of that association with the Corporation or that other Entity . This indemnity includes indemnification against statutorily imposed personal liability of Directors and Officers or other individual.

(2) The Corporation may advance moneys to a Director, Officer or other individual for the costs, charges and expenses of a proceeding referred to in subsection (1). The individual shall repay the moneys if the individual does not fulfil the conditions of subsection (3).

(3) The Corporation may not indemnify an individual under subsection (1) unless the individual

(a) acted honestly and in good faith with a view to the best interests of the Corporation or, as the case may be, the best interests of the other Entity for which the individual acted as director, trustee, administrator, ~~or~~ officer, agent or employee as the case may be ~~at the Corporation's request~~; and

(b) in the case of any criminal or administrative action or proceeding that is enforced by a monetary penalty, the individual had reasonable grounds for believing that the individual's conduct was lawful.

(4) The Corporation may purchase and maintain insurance for the benefit of an individual referred to in subsection (1) against any liability incurred by the individual

(a) in the individual's capacity as a Director or Officer of the Corporation; or

(b) in the individual's capacity as a director, trustee, administrator or officer of another Entity, if the individual acts or acted in that capacity at the Corporation's request.

(5) Despite subsection (1), an individual referred to in that subsection is entitled to indemnity from the Corporation in respect of all costs, charges and expenses reasonably incurred by the individual in connection with the defense of any civil, criminal, administrative, investigative or other proceeding to which the individual is subject because of the individual's association with the Corporation or other Entity as described in subsection (1), if the individual seeking indemnity

(a) was not judged by the court or other competent authority to have committed any fault or omitted to do anything that the individual ought to have done; and

(b) fulfils the conditions set out in subsection (3).

(6) The indemnity of a Director under subsection (1) shall ultimately be decided by the Board in absence of the individual seeking indemnification. For other individuals, the decision to indemnify, the nature and extent of the indemnification shall be decided by the President and Chief Executive Officer pursuant to the policies that the Corporation may adopt from time to time and this By-law.