



Canada
Corporations Act

Loi sur les
corporations canadiennes

C A N A D A

LETTERS PATENT

WHEREAS an application has been filed to incorporate a corporation under the name

CANADIAN PUBLIC ACCOUNTABILITY BOARD
CONSEIL CANADIEN SUR LA REDDITION DE COMPTES

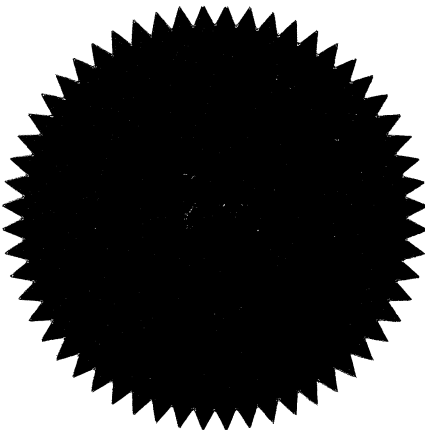
THEREFORE the Minister of Industry by virtue of the powers vested in him by the *Canada Corporations Act*, constitutes the applicants and such persons as may hereafter become members in the corporation hereby created, a body corporate and politic in accordance with the provisions of the said Act. A copy of the said application is attached hereto and forms part hereof.

Date of Letters Patent - April 14, 2003

GIVEN under the seal of office of the Minister of Industry.

for the Minister of Industry

File Number: 415782-6



**APPLICATION FOR INCORPORATION OF A
CORPORATION WITHOUT SHARE CAPITAL UNDER
PART II OF THE *CANADA CORPORATIONS ACT***

To the Minister of Industry.

I

The undersigned hereby apply to the Minister of Industry for the grant of a charter by letters patent under the provisions of Part II of the *Canada Corporations Act* constituting the undersigned, and such others as may become members of the Corporation thereby created, a body corporate and politic under the name of

**CANADIAN PUBLIC ACCOUNTABILITY BOARD
CONSEIL CANADIEN SUR LA REDDITION DE COMPTES**

The undersigned have satisfied themselves and are assured that the proposed name under which incorporation is sought is not the same or similar to the name under which any other company, society, association or firm, in existence is carrying on business in Canada or is incorporated under the laws of Canada or any province thereof or so nearly resembles the same as to be calculated to deceive and that it is not a name which is otherwise on public grounds objectionable.

II

The applicants are individuals of the full age of eighteen years with power under law to contract. The name, the address and the occupation of each of the applicants are as follows:

G rard Caron

President, CEO and Secretary General
Ordre des comptables agr es du Qu bec

Steven James Glover

Executive Director
Institute of Chartered Accountants of Alberta

Brian Alexander Hunt

President and CEO
Institute of Chartered Accountants of Ontario

The said applicants Gérard Caron, Steven James Glover and Brian Alexander Hunt, together with Raymond Bachand, Robert Bertram, Brian Canfield, Wendy Dobson, Ron Gage, Jacques Ménard, Edward Newall and Gordon Thiessen, each of whom has consented to act as a first director of the Corporation, will be the first directors of the Corporation.

III

The objects of the Corporation are:

1. to contribute to public confidence in the integrity of financial reporting of public companies by promoting high quality, independent auditing including, without limitation, by overseeing the implementation and ongoing effectiveness of a system of practice inspection, and establishing and maintaining the membership requirements, for firms that audit public companies in Canada;
2. to contribute to ongoing discussions among regulators, the industry, the public and other interested parties about, among other things, industry best practice approaches relating to various aspects of auditing public companies;
3. to develop and implement awareness campaigns to educate the general public about the mandate and activities of the Corporation;
4. to coordinate with similar oversight entities in other countries, or with a transnational oversight entity, the oversight of Canadian auditing firms that audit public companies operating outside Canada or which are affiliated with auditing firms located outside of Canada; and
5. to do all things in furtherance of the above objects, and as incidental and ancillary thereto, to exercise any of the powers as prescribed by the *Canada Corporations Act* or any other statutes or laws from time to time applicable.

IV

The operations of the Corporation may be carried on throughout Canada and elsewhere.

V

The place within Canada where the head office of the Corporation is to be situated is Toronto, Ontario.

VI

In accordance with Section 65 of the *Canada Corporations Act*, it is provided that, when authorized by by-law, duly passed by the directors and sanctioned by at least two-thirds of the votes cast at a special general meeting of the Council of Governors duly called for considering the by-law, the directors of the Corporation may from time to time:

- (a) borrow money upon the credit of the Corporation;
- (b) limit or increase the amount to be borrowed;
- (c) issue debentures or other securities of the Corporation;
- (d) pledge or sell such debentures or other securities for such sums and at such prices as may be deemed expedient; and
- (e) secure any such debentures or other securities, or any other present or future borrowing or liability of the Corporation, by mortgage, hypothec, charge or pledge of all or any currently owned or subsequently acquired real and personal, movable and immovable, property of the Corporation, and the undertaking and rights of the Corporation.

Any such by-law may provide for the delegation of such powers by the directors to such officers or directors of the Corporation to such extent and in such manner as may be set out in the by-law.

Nothing herein limits or restricts the borrowing of money by the Corporation on bills of exchange or promissory notes made, drawn, accepted or endorsed by or on behalf of the Corporation.

VII

The by-laws of the Corporation shall be those filed with the application for letters patent until repealed, amended, altered or added to.

VIII

The Corporation is to carry on its operations without pecuniary gain to its members and any profits or other accretions to the Corporation are to be used in promoting its objects.

IX

It is specially provided that in the event of the dissolution or winding-up of the Corporation, all of its remaining assets after payment of its liabilities, including dissolution or winding-up charges, costs and expenses, shall be distributed to the relevant provincial bodies having professional regulatory authority over accountants practicing in such province, a representative of which, or which itself, has been admitted to the membership of the Corporation as an "Industry Member" (as defined in the by-laws of the Corporation).

DATED this 10th day of April, 2003.

Gérard Caron

Steven James Glover

Brian Alexander Hunt