



STEVENSON MEMORIAL HOSPITAL CORPORATE BY-LAW

Approved by the Board of Directors: June 13, 2024

Confirmed by the Members of the Corporation: June 25, 2024

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STEVENSON MEMORIAL HOSPITAL

BY-LAW NUMBER 2024-1

PREAMBLE

A By-law relating to the transaction of the business and affairs of Stevenson Memorial Hospital (the “Corporation”).

Be it enacted as a By-law of the Corporation as follows:

ARTICLE 1 - INTERPRETATION

1.1 Definitions

In this By-Law and all other By-laws of the Corporation, unless the context otherwise requires:

- (a) “**Act**” means the Ontario *Not-for-Profit Corporations Act, 2010*, S.O. c. 15, and the regulations thereunder, as amended from time to time;
- (b) “**Associates**” includes the parents, grandparents, children, grandchildren, siblings, spouse, common law partner or members of the household of a Director or Officer or an individual with a formal relationship to a Director or Officer;
- (c) “**Board**” means the Board of Directors of the Corporation;
- (d) “**Chair**” means the Chair of the Board;
- (e) “**Chief Executive Officer**” means, in addition to ‘administrator’ as defined in the *Public Hospitals Act*, the President and Chief Executive Officer of the Corporation;
- (f) “**Chief Financial and Information Officer**” means a senior employee employed by the Hospital who reports directly to the Chief Executive Officer and is responsible for the treasury and controllership functions in the Hospital;
- (g) “**Chief Nursing Executive**” means the senior nurse employed by the Hospital who reports directly to the Chief Executive Officer and is responsible for nursing services provided in the Hospital;
- (h) “**Chief of Staff**” means the Chief of the Medical Staff appointed by the Board;
- (i) “**Conflict of Interest**” means any situation in which another interest or relationship impairs the ability of a Director or Officer to carry out the duties and responsibilities of a Director or Officer in an actual, potential, or perceived manner. Conflict of Interest includes, without limitation, the following areas that may give rise to a Conflict of Interest for the Directors or Officers of the Corporation, namely:

- (i) Pecuniary or financial interest - a Director or Officer is said to have a pecuniary or financial interest in a decision when the Director or Officer (or an Associate) stands to gain by that decision, either in the form of money, gifts, favours, gratuities, or other special considerations;
 - (ii) Undue influence - interests that impede a Director or Officer in his or her duty to promote the best interest of the Corporation, participation or influence in Board decisions that selectively and disproportionately benefit particular agencies, companies and organizations, professional groups, or client from particular demographic, geographic, political, socio-economic, cultural, or other groups is a violation of the Director's or Officer's entrusted responsibility to the Corporation; or
 - (iii) Adverse interest - a Director or Officer is said to have an adverse interest to the Corporation when that Director or Officer is a party to a claim, application or proceeding against the Corporation.
- (j) **“Corporation”** means The Stevenson Memorial Hospital with registered office at 200 Fletcher Crescent, PO Box 4000, Alliston, Ontario L9R 1W7;
 - (k) **“Dentist”** means a dental practitioner in good standing with the College of Dental Surgeons of Ontario;
 - (l) **“Dental Staff”** means the Dentists who have been appointed by the Board to the Dental Staff;
 - (m) **“Director”** means an individual elected or appointed to the Board;
 - (n) **“Excluded Person”** means:
 - (i) Any member of the medical, dental, midwifery or extended class nursing staff other than the members of the Medical Staff appointed to the Board pursuant to the *Public Hospitals Act*;
 - (ii) Any employee other than the current Chief Executive Officer;
 - (iii) Any individual who has been within the preceding five (5) year period an employee of the Corporation; and/or
 - (iv) Any person who lives in the same household as a member of the medical, dental, midwifery or extended class nursing staff or an employee of the Corporation or a person referred to in subsection (v) below;
 - (o) **“Ex-officio”** means membership “by virtue of office” and includes all rights, responsibilities, and power to vote unless otherwise specified;
 - (p) **“Extended Class Nursing Staff”** means those Registered Nurses in the Extended Class who are:

- (i) nurses that are employed by the Hospital, and are authorized to diagnose, prescribe for or treat out-patients in the Hospital;
- (ii) nurses who are not employed by the Hospital and to whom the Board has granted privileges to diagnose, prescribe for or treat out-patients in the Hospital;
- (q) **“Hospital”** means the public hospital operated by the Corporation;
- (r) **“Ineligible Individual”** has the meaning in section 149.1 of the *Income Tax Act* (Canada), as amended from time to time¹;
- (s) **“Medical Advisory Committee”** means the Medical Advisory Committee established by the board as required by the *Public Hospitals Act*;
- (t) **“Medical Staff”** means the Physicians who have been appointed to the Medical Staff by the Board;
- (u) **“Members”** means members of the Corporation as described in Article 2;
- (v) **“Midwife”** means a midwife in good standing with the College of Midwives of Ontario;
- (w) **“Midwifery Staff”** means the Midwives who have been appointed to the Midwifery Staff by the Board;

¹ Section 149.1 of the *Income Tax Act* defines “ineligible individual” as follows:

“ineligible individual”, at any time, means an individual who has been

(a) convicted of a relevant criminal offence unless it is a conviction for which

(i) a pardon has been granted or issued and the pardon has not been revoked or ceased to have effect, or

(ii) a record suspension has been ordered under the *Criminal Records Act* and the record suspension has not been revoked or ceased to have effect,

(b) convicted of a relevant offence in the five-year period preceding that time,

(c) a director, trustee, officer or like official of a registered charity or a registered Canadian amateur athletic association during a period in which the charity or association engaged in conduct that can reasonably be considered to have constituted a serious breach of the requirements for registration under this Act and for which the registration of the charity or association was revoked in the five-year period preceding that time,

(d) an individual who controlled or managed, directly or indirectly, in any manner whatever, a registered charity or a registered Canadian amateur athletic association during a period in which the charity or association engaged in conduct that can reasonably be considered to have constituted a serious breach of the requirements for registration under this Act and for which its registration was revoked in the five-year period preceding that time, or

(e) a promoter in respect of a tax shelter that involved a registered charity or a registered Canadian amateur athletic association, the registration of which was revoked in the five-year period preceding that time for reasons that included or were related to participation in the tax shelter.

Under this section “relevant criminal offence” means a criminal offence under the laws of Canada, and an offence that would be a criminal offence if it were committed in Canada, that (a) relates to financial dishonest, including tax evasion, theft and fraud, or (b) in respect of a charity or Canadian amateur athletic association, is relevant to the operation of the charity or association.

- (x) **“Ordinary Resolution”** means a resolution that is submitted to a meeting of the Members of a corporation and passed at the meeting, with or without amendment, by at least a majority of the votes cast, or is consented to by each Member of the Corporation entitled to vote at a meeting of the Members of the Corporation;
- (y) **“Patient”** means, unless otherwise specified or the context otherwise requires, any in-patient or out-patient of the Corporation;
- (z) **“Physician”** means a medical practitioner in good standing with the College of Physicians and Surgeons of Ontario;
- (aa) **“Policies”** means a policy adopted by the Board in accordance with section **Error! Reference source not found.**; and
- (bb) **“President of the Professional Staff Association”** means a physician elected by the medical staff who is the president of the medical staff;
- (cc) **“Professional Staff”** means the Medical Staff, Dental Staff, Midwifery Staff and Extended Class Nursing Staff;
- (dd) **“Public Hospitals Act”** means the *Public Hospitals Act* (Ontario), and, where the context requires, includes the Regulations made under it;
- (ee) **“Registered Nurse in the Extended Class”** means a member of the College of Nurses of Ontario who is a registered nurse and holds an extended certificate of registration under the *Nursing Act, 1991*;
- (ff) **“Special Resolution”** means a resolution submitted to a special meeting of the Members duly called for the purpose of considering the resolution and passed at the meeting, with or without amendment, by at least two-thirds (2/3rds) of the votes cast or consented to in writing by each Member of the Corporation entitled to vote at a meeting of the Members.

1.2 Interpretation

In this By-law and in all other By-laws of the Corporation, unless the context otherwise requires, words importing the singular number shall include the plural number and vice versa and references to persons shall include firms and corporations and words importing one gender shall include the opposite.

ARTICLE 2 - MEMBERSHIP IN THE CORPORATION

2.1 Members

Membership in the Corporation shall consist of one class of membership, and who shall be those persons who are from time to time the voting Directors of the Corporation, each of whom shall become a Member upon becoming a voting Director without further action or formality and shall cease to be a Member immediately upon ceasing to be a voting Director without further action or formality.

2.2 Non-Transferable

Membership in the Corporation is not transferable.

2.3 Fees

No fee shall be payable by Members.

2.4 Voting and Notice

Each Member shall be entitled to one vote. Members shall be entitled to notice of and to attend annual and special meetings of Members.

2.5 Right of Members

Members shall have the rights as set out in the By-law and the rights of members in the Act.

ARTICLE 3 - ANNUAL OR SPECIAL MEETINGS OF MEMBERS

3.1 Location

Meetings of the Members shall be held at the registered office of the Corporation or at any place in Ontario as the Board may determine.

3.2 Annual Meetings

In accordance with the *Public Hospitals Act*, the annual meeting of Members shall be held between the 1st day of April and the 31st day of July of each year.

3.3 Calling of Meetings

The Board shall have the power to call an annual or special meeting of the Members of the Corporation.

3.4 Quorum

A majority of the Members entitled to vote will constitute a quorum at a meeting of Members.

3.5 Notice

Notice of meetings of Members shall be given by sending it to each Member, Director and the Auditor by one of the methods set out in section 17.1 at least ten (10) days and not more than fifty (50) days prior to the meeting.

3.6 Votes

- (a) Each Member entitled to vote and in attendance at a meeting shall have the right to exercise one vote.
- (b) At all meetings of Members of the Corporation, every question shall be determined by a majority of votes unless otherwise specifically provided by statute or by this By-law.
- (c) Votes at all meetings of Members shall be cast in person and not by proxy.
- (d) Every question submitted to any meeting of Members shall be decided in the first instance by a show of hands and in the case of an equality of votes, whether on a show of hands or a ballot, the motion shall be deemed to have been lost.
- (e) At any meeting of Members, unless a ballot is demanded, a declaration by the chair of the meeting that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact.
- (f) A ballot may be demanded either before or after any vote by show of hands by any Member entitled to vote at the meeting. If a ballot is demanded on the election of a chair or on the question of adjournment, it shall be taken forthwith without

adjournment. If a ballot is demanded on any other question or as to the election of Directors, the vote shall be taken by ballot in such manner and either at once, later in the meeting or after adjournment as the chair of the meeting directs. The result of a ballot shall be deemed to be the resolution of the meeting at which the ballot was demanded. A demand for a ballot may be withdrawn.

3.7 Chair of the Meeting

The Chair of a meeting of the Members of the Corporation shall be:

- (a) The Chair of the Corporation; or
- (b) The Vice-Chair of the Corporation, if the Chair is absent or is unable to act; or
- (c) The Treasurer if the Chair or Vice-Chair is absent or unable to act; or
- (d) A chair elected by the Members present if the Chair, Vice Chair, and Treasurer are absent or unable to act. The Secretary shall preside at the election of the chair of the meeting, but if the Secretary is not present, the Directors, from those present, shall choose a Director to preside at the election.

3.8 Adjourned Meetings of Members

If within one-half (1/2) hour after the time appointed for a meeting of the Members of the Corporation, a quorum is not present, the meeting shall stand adjourned until a day to be determined by the Board

3.9 Notice of Adjourned Meeting

Not less than three (3) days' notice of an adjourned meeting of Members shall be given in such manner as the Board may determine.

ARTICLE 4 - DIRECTORS

4.1 Composition of Board

The Board shall consist of:

- (a) Twelve (12) Directors who satisfy the criteria set out in section 4.3 and who are elected by the Members entitled to vote in accordance with section 4.7 or appointed in accordance with section 4.10; and
- (b) Non-voting Ex-Officio Directors consisting of:
 - (i) Chief Executive Officer;
 - (ii) Chief Nursing Executive;
 - (iii) Chief of Staff;
 - (iv) President of the Professional Staff Association;

4.2 Duties and Responsibilities

The Board shall govern and oversee the management of the affairs of the Corporation and may exercise all such other powers and do all such other acts and things as the Corporation is, by its charter or otherwise, authorized to exercise and do.

4.3 Qualification of Directors

No person shall be qualified for election or appointment as a Director referred to in subsection 4.1(a) if he or she:

- (a) is less than eighteen (18) years of age;
- (b) has the status of a bankrupt;
- (c) is a person who has been found under the *Substitute Decisions Act, 1992* or under the *Mental Health Act* to be incapable of managing property;
- (d) is a person who has been found to be incapable by any court in Canada or elsewhere.
- (e) is an Ineligible Individual;
- (f) does not have their principal residence or carry on business within the area served by the Corporation as established by the Board from time to time;
- (g) is convicted of a criminal offense within the preceding ten years and has not been discharged absolutely or on condition; or
- (h) is an Excluded Person.

4.4 Vacancy of Office

The office of a Director shall be automatically vacated:

- (a) if a Director shall resign such office by delivering a written resignation to the Secretary of the Corporation;
- (b) if a Director dies;
- (c) if a Director is removed pursuant to section 4.5;
- (d) if, in the case of an elected Director, he or she ceases to meet the requirements of subsection 4.3 except by resolution of the Board.

Where there is a vacancy in the Board, the remaining Directors may exercise all the powers of the Board so long as a quorum remains in office.

4.5 Removal

- (a) The office of an elected Director may be vacated by Ordinary Resolution of the Members.
- (b) The voting Directors may recommend removal of an elected Director to the Members by two-thirds vote if a Director fails to comply with the *Public Hospitals Act*, the Act, the Corporation's Letters Patent, By-law, Rules, policies and procedures adopted by the Board, including without limitation, confidentiality and conflict of interest requirements.
- (c) A Director is entitled to give the Corporation a statement giving reasons for resigning or for opposing the Director's removal as a Director if a meeting is called for the purpose of removing the Director.

4.6 Election and Term

Directors shall be elected and shall retire in rotation as herein provided. The Directors referred to in subsection 4.1(a) shall be elected for a term of three (3) years provided that each such Director shall hold office until the earlier of the date on which their office is vacated pursuant to sections 4.4 or 4.5 or until the end of the meeting at which his or her successor is elected or appointed. Four (4) Directors shall retire from office each year subject to re-election as permitted by section 4.9.

4.7 Nomination Procedure for Election of Directors

Nominations made for the election of Directors at a meeting of Members may be made by the Board in accordance with the nominating and election procedure prescribed by the Board from time to time or as otherwise provided under the Act.

4.8 Director Consent to Act

An individual who is elected or appointed to hold office as a Director shall, in writing, consent to the election or appointment before or within 10 days after the election or appointment, unless the

Director has been elected or appointed where there is no break in the Director's terms of office. If an elected or appointed Director consents in writing after the 10-day period, the election or appointment is valid.

4.9 Maximum Terms

Each Director referred to in subsection 4.1(a) shall be eligible for re-election provided that such Director shall not be elected or appointed for a term that will result in the Director serving more than nine (9) consecutive years. Such Director may also be eligible for re-election for another term or terms (to a maximum of nine (9) consecutive years) if one (1) or more years have elapsed since the termination of his or her last term. In determining a Director's length of service as a Director, service prior to the coming into force of this By-law shall be included. Despite the foregoing a Director may, by resolution of the Board, have their maximum term as a Director extended for the sole purpose of that Director succeeding to the office of Chair or serving as Chair. Despite the foregoing, where a Director was appointed to fill an unexpired term of a Director such partial term shall be excluded from the calculation of the maximum years of service.

4.10 Filling of Vacancies

So long as there is a quorum of Directors in office, any vacancy occurring in the Board of Directors may be filled by a qualified person appointed for the remainder of the term by the Directors then in office.

In the absence of a quorum of the Board, or if the vacancy has arisen from a failure of the Members to elect the number of Directors required to be elected at any meeting of Members, the Board shall forthwith call a meeting of Members to fill the vacancy and, if they fail to call a meeting or if there are no Directors then in office, the meeting may be called by any Member. A Director so appointed or elected shall hold office for the unexpired portion of the term vacated.

4.11 Director Remuneration

The Directors shall serve as such without remuneration and no Director shall directly or indirectly receive any profit from his or her position as such provided that a Director may be reimbursed reasonable expenses incurred by the Director in the performance of his or her duties.

ARTICLE 5 – MEETINGS OF DIRECTORS

5.1 Meeting of Directors

The Board shall meet at such times and in such places as may be determined by the Board, the Chair or the Chief Executive Officer. Special meetings of the Board may be called by the Chair or by the Chief Executive Officer and shall be called by the Secretary upon receipt of the written request of four (4) Directors.

5.2 Regular Meetings

The Board may appoint one (1) or more days for regular meetings of the Board at a place and time named. A copy of any resolution of the Board fixing the place and time of regular meetings of the Board shall be given to each Director forthwith after being passed and no other notice shall be required for any such regular meeting.

5.3 Electronic Meetings

A meeting of Directors or a meeting of a Committee of the Board may be held by such telephone, electronic or other communication facilities that permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and the Director or Committee member participating in the meeting by those means is deemed to be present at the meeting.

5.4 Notices

Notice of meetings, other than regular meetings, shall be given to all Directors at least forty-eight (48) hours prior to the meeting. The Chair or the Chief Executive Officer may call a meeting on less notice, by such means as are deemed appropriate, provided that notice is given to all Directors and all the Directors consent to the holding of such meeting. In calculating the said forty-eight (48) hour notice period Saturdays, Sundays and statutory holidays shall be excluded.

5.5 Quorum

More than 50% of the voting Directors shall constitute a quorum.

5.6 First Meeting of New Board

Provided a quorum of Directors is present, each newly elected Board may, without notice, hold its first meeting immediately following the Annual Meeting at which such Board is elected.

5.7 Persons Entitled to be Present

Guests may attend meetings of the Board with the consent of the meeting on the invitation of the Chair or Chief Executive Officer. The President of the Hospital Auxiliary and the Chair of the Hospital Foundation Board of Directors may attend meetings of the Board at the discretion of the Chair. The Board may adopt a policy from time to time with respect to the attendance of the public at meetings of the Board.

5.8 Voting

Each voting Director present at a meeting of the Board shall be entitled to one (1) vote on each matter. A Director shall not be entitled to vote by proxy. Any question arising at any meeting of the Board, or any Committee of the Board shall be decided by a majority of votes.

5.9 Casting Votes

In the case of an equality of votes, the Chair shall not have a second vote and the motion is lost.

5.10 Ballot

The vote on any question shall be taken by secret ballot if so demanded by any Director present and entitled to vote. Such ballots shall be counted by the Chair of the meeting. Otherwise, a vote shall be taken by a show of hands. A declaration by the Chair of the meeting that a resolution has been carried by a particular majority or not carried shall be conclusive.

5.11 Adjournment of the Meeting

If within one-half ($\frac{1}{2}$) hour after the time appointed for a meeting of the Board a quorum is not present, the meeting shall stand adjourned until a day within two (2) weeks to be determined by the Chair of the meeting.

5.12 Notice of Adjourned Meeting

At least twenty-four (24) hours' notice of the adjourned meeting by an appropriate means shall be given to each Director; provided that in calculating such twenty-four (24) hour notice period Saturday, Sundays and statutory holidays shall be excluded.

ARTICLE 6 – INTEREST OF DIRECTORS AND OFFICERS IN CONTRACTS

6.1 Declaration of Conflict

- (a) Every Director or Officer who, either directly or through one of the Director’s or Officer’s Associates, has, or thinks the Director or Officer may potentially have, a Conflict of Interest shall disclose the nature and extent of the interest at a meeting of the Board in accordance with Board policy on Conflicts of Interest, as set from time to time.
- (b) A Conflict of Interest may occur with respect to a proposed or current contract, transaction, matter or decision of the Corporation, or any other matter that competes for the interest of the Director or Officer.
- (c) Any Director or Officer who is in any way, directly or indirectly, interested in a contract, proposed contract, transaction, matter or decision with the Corporation shall disclose in writing or have entered in the minutes, the nature and extent of such Director’s or Officer’s interest in such contract, proposed contract, transaction, matter or decision with the Corporation.
- (d) The disclosure required by subsection 6.1(a), shall be made:
 - (i) at the meeting at which a proposed contract, transaction, matter or decision is first considered if the Director or Officer is present, and otherwise, at the first meeting after the Director or Officer becomes aware of the contract or proposed contract, transaction, matter or decision;
 - (ii) if the Director or Officer was not then interested in a proposed contract, transaction, matter or decision, at the first meeting after such Director or Officer becomes so interested; or
 - (iii) if the Director or Officer becomes interested after a contract, transaction, matter or decision is made, at the first meeting held after the Director or Officer becomes so interested.
- (e) A Director or Officer referred to in subsection 6.1(a) is not liable to account for any profit made on the contract by the Director or Officer or by a corporate entity, business firm or organization in which the Director or Officer has a material interest, provided:
 - (i) the Director or Officer disclosed the Director’s or Officer’s interest in accordance with subsection 6.1(d) or (g); and
 - (ii) the Director or Officer has not voted on the contract.
- (f) A Director or Officer referred to in subsection 6.1(a) shall not vote on any resolution to approve the contract, transaction, matter or decision and shall not take part in the discussion or consideration of, or in any way attempt to influence the

voting on any question with respect thereto and shall exit the meeting when the applicable issue is under consideration.

- (g) For the purposes of this section 6.1, a general notice to the Directors by a Director or Officer declaring that the person is a director or officer of or has a material interest in a body corporate, business firm or organization and is to be regarded as interested in any contract made therewith, is a sufficient declaration of interest in relation to any contract, transaction, matter or decision so made.

ARTICLE 7 - PROTECTION OF OFFICERS AND DIRECTORS

7.1 Directors Liability

Any Director or Officer of the Corporation shall not be liable for any act, receipt, neglect or default of any other Director, officer or employee or for any loss, damage or expense happening to the Corporation through any deficiency of title to any property acquired by the Corporation or for any deficiency of any security upon which any moneys of the Corporation shall be invested or for any loss or damage arising from bankruptcy, insolvency or tortious act of any person including any person with whom any moneys, securities or effects shall be deposited or for any loss, conversion, or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets belonging to the Corporation or for any other loss, damage or misfortune which may happen in the execution of the duties of such Director's or officer's respective office unless such occurrence is as a result of such Director's or officer's own willful neglect or default and provided actions have been taken honestly and in good faith with a view to the best interests of the Corporation and if the matter is a criminal or administrative proceeding that is enforced by a monetary penalty, the individual has reasonable grounds for believing their conduct was lawful.

7.2 Indemnities of Directors and Others

Every Director or Officer of the Corporation and his or her heirs, executors, administrators and estates and effects, respectively, shall from time to time and at all times, be indemnified and saved harmless out of the funds of the Corporation from and against:

- (a) All costs, charges and expenses whatsoever which such Director or Officer sustains or incurs in or about any action, suit or proceedings which is brought, commenced or prosecuted against him or her, for or in respect of any act, deed, matter or thing whatsoever, made, done or permitted by him or her, in or about the execution of the duties of his or her office; and
- (b) All other costs, charges and expenses which he or she sustains or incurs in or about or in relation to the affairs of the Corporation, except such costs, charges or expenses as are occasioned by his or her own willful neglect or default.
- (c) The indemnity provided for in the preceding paragraph:
 - (i) shall not apply to any liability which a Director or Officer of the Corporation may sustain or incur as the result of any act or omission as a member of the Professional Staff of the Corporation; and
 - (ii) shall be applicable only if the Director or Officer of the Corporation acted honestly and in good faith with a view to the best interests of the Corporation and in the case of criminal or administrative action or proceeding that is enforceable by a monetary penalty, had reasonable grounds for believing that his or her conduct was lawful.

7.3 Pre-Indemnity Considerations

Before giving approval to the indemnities provided in section 7.2 herein, or purchasing insurance the Board shall consider the following pre-indemnity consideration as specified in the *Charities Accounting Act*:

- (a) degree of risk to which the Director or officer is or may be exposed;
- (b) whether, in practice, the risk cannot be eliminated or significantly reduced by means other than the indemnity or insurance;
- (c) whether the amount or cost of the insurance is reasonable in relation to the risk;
- (d) whether the cost of the insurance is reasonable in relation to the revenue available;
and
- (e) whether it advances the administration and management of the property to give the indemnity or purchase the insurance.

ARTICLE 8 - COMMITTEES

8.1 Committees

The Board may establish committees from time to time. The Board shall determine the duties of such committees. The committees of the Board shall be:

- (a) Standing Committees, being those committees, whose duties are normally continuous; and
- (b) Special Committees, being those committees appointed for specific duties whose mandate shall expire with the completion of the tasks assigned.

8.2 Functions, Duties, Responsibilities and Powers of Committees

The functions, duties, responsibilities and powers of committees shall be provided in the resolution of the Board by which such committee is established or in terms of reference adopted by the Board.

8.3 Committee Members, Chair

Unless otherwise provided by By-law or by Board resolution, the Board shall appoint the members of the committee, the chair of the committee and, if desirable, the vice chair thereof. The members of any committee (other than an Executive Committee, if any) need not be Directors of the Corporation provided that the majority of committee members will be Directors. The members and the chair and vice chair of a committee will hold their office at the will of the Board. Each chair of a Standing Committee shall be a member of the Board. Unless otherwise provided, the Chair and Chief Executive Officer shall be ex-officio members of all committees.

8.4 Procedures at Committee Meetings

The Board shall provide for the composition, functions, duties, responsibilities, powers and procedures of the Board committees in the Board resolution by which a Board committee is established or in Board-approved terms of reference or general committee policy.

8.5 Executive Committee

The Board may, but shall not be required to, elect an Executive Committee consisting of not fewer than three (3) elected Directors and may delegate to the Executive Committee powers of the Board, subject to the limits on the authority of committees in section 8.6 and such restrictions, as may be imposed by the Board by resolution. The Board shall fix the quorum of the Executive Committee at not less than a majority of its members. Any Executive Committee member may be removed by a majority vote of the Board.

8.6 Limits on the Authority of Committees

No Committee has authority to:

- (a) submit to the members any question or matter requiring approval of the members;
- (b) fill a vacancy among the Directors or in the office of auditor or of a person;

- (c) appointed to conduct a review engagement of the Corporation;
- (d) appoint additional Directors; or
- (e) issue debt obligations except as authorized by the Board.

ARTICLE 9 - OFFICERS

9.1 Officers

The Officers of the Corporation shall include:

- (a) Chair of the Board;
- (b) Vice-Chair;
- (c) Treasurer;
- (d) Secretary who shall be the Chief Executive Officer; and
- (e) may include any such other officers as the Board may by resolution determine. The officers shall be elected or appointed by resolution of the Board at the first meeting of the Board following the annual meeting of Members at which the Directors are elected or at such other times when a vacancy shall occur. A person may hold more than one office.

9.2 Terms of Office

- (a) Unless otherwise provided in this By-law, the Chair and Vice Chair of the Corporation shall hold office for a maximum of two (2) one-year terms from the date of appointment or election or until their successors are elected or appointed in their stead.
- (b) Unless otherwise provided for this By-Law, the Treasurer of the Corporation shall hold office for a maximum of three (1) one-year terms from the date of appointment or election or until their successor is elected or appointed in their stead.
- (c) The Officers must take a break in continuous service of at least one (1) year before they may be re-elected or re-appointed to any office after they have served a maximum term.
- (d) Officers shall be subject to removal by resolution of the Board at any time.

ARTICLE 10 - DUTIES OF OFFICERS

10.1 Chair of the Board

The Chair shall be elected by the Board from among the elected Directors. The Chair shall, when present, preside at all meetings of the Members and the Board and shall represent the Corporation and the Board as may be required or appropriate and shall have such other powers and duties as the Board may specify. The Chair shall be an *ex-officio* member of all committees of the Board. The Chair shall be elected annually and shall be eligible for re-election provided that the Chair shall serve no longer than two (2) consecutive years. Notwithstanding the foregoing, where a Director has served two (2) consecutive years as Chair, the Board may, by resolution approved by two-thirds (2/3) resolution of the Board, provide that such member is eligible for re-election as Chair provided, however, that in no event shall such member serve longer than four (4) consecutive years. The Board Chair shall perform all duties as prescribed in the Board policies.

10.2 Vice-Chair

The Vice-Chair shall be elected by the Board from among the elected Directors. A Vice-Chair shall, in the absence or disability of the Chair, perform the duties and exercise the powers of the Chair and shall perform such other duties as shall from time to time be assigned to the Vice-Chair by the Board.

10.3 Treasurer

The Treasurer shall be a Director and shall work collaboratively with the Board, Chair and the Chief Executive Officer to support the Board in fulfilling their fiduciary responsibilities. The Board Treasurer shall perform all duties as prescribed in the Board policies.

10.4 Chief Executive Officer

The Chief Executive Officer shall be a non-voting member of the Board, the President of the Corporation and the administrator of the Hospital for the purposes of the *Public Hospitals Act*. Subject to the authority of the Board, the Chief Executive Officer shall be responsible for the administration, organization and management of the affairs of the Corporation.

10.5 Secretary

The Secretary shall carry out the duties of the secretary of the Corporation generally and shall attend or cause a recording secretary to attend all meetings of the Members, Board, Executive Committee and other committees to act as a clerk thereof and to record all votes and minutes of all proceedings in the books to be kept for that purpose. The Secretary shall give or cause to be given notice of all meetings of the Members and of the Board of Directors and shall perform such other duties as may be prescribed by the By-law or the Board policies.

10.6 Other Officers

The powers and duties of all other officers shall be such as the Board may from time to time determine. Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such an assistant unless the Board otherwise directs.

ARTICLE 11 - ORGANIZATION AND FINANCIAL

11.1 Execution of Documents

Subject to section 11.2, deeds, transfers, assignments, contracts, agreements, mortgages, conveyances, obligations, certificates or any other instruments or documents requiring the signature of the Corporation, shall be signed by any one of the Chair or the Vice Chair or the Treasurer together with the Chief Executive Officer and all instruments or documents so signed shall be binding upon the Corporation without any further authorization or formality.

11.2 Other Signing Officers

In addition to the provisions of section 11.1, the Board may from time to time by resolution direct the manner in which and the person or persons by whom any particular instrument or class of instruments or document may or shall be signed. Any signing officer certifies a copy of any instrument, resolution, By-law or other document of the Corporation to be a true copy.

11.3 Banking Arrangements

The banking business of the Corporation or any part thereof shall be transacted with such banks, trust companies or other financial institutions as the Board may, by resolution, from time to time determine.

11.4 Fiscal Year

Unless otherwise determined by the Board and subject to the *Public Hospitals Act*, the fiscal year end of the Corporation shall be the last day of March in each year.

11.5 Appointment of Auditor

- (a) Subject to the Act, the Members of the Corporation at each annual meeting shall appoint an auditor of the Corporation, who shall hold office until the close of the next annual meeting. If an appointment is not made, then the incumbent auditor continues in office until a successor is appointed.
- (b) The Members may, by Ordinary Resolution passed at a special meeting of the Members, remove any auditor before the expiration of the term of office in accordance with the Act and may elect a replacement to fill such vacancy. Where the Members do not fill the vacancy, the Directors may do so in accordance with section (d).
- (c) The Corporation shall give the auditor at least two (2) days to prepare a statement giving reasons opposing the auditor's removal. The auditor shall provide any such statement to the Board. Any such statement provided by the auditor shall be included in the notice of the special meeting called to remove the auditor.
- (d) Subject to the Articles, the Board shall immediately fill any vacancy in the office of auditor.

- (e) The remuneration of an auditor may be fixed by the Members by Ordinary Resolution, or if the Members do not do so, then it shall be fixed by the Board.
- (f) The auditor shall have the rights and privileges as set out in the Act and shall perform the audit function as prescribed therein.

11.6 Borrowing Power

Without limiting the borrowing powers of the Corporation as set forth in the Act, and subject to any provision in the *Public Hospitals Act*, the Board may from time to time, on behalf of the Corporation:

- (a) Borrow money on the credit of the Corporation;
- (b) Issue, sell or pledge securities (including bonds, debentures, notes or other similar obligations, secured or unsecured) of the Corporation; or
- (c) Charge, mortgage, hypothecate or pledge all or any of the real or personal property of the Corporation, including book debts and unpaid calls, rights and powers, franchises and undertakings, to secure any securities or for any money borrowed, or other debt, or any other obligation or liability of the Corporation.

11.7 Investments

Subject to the Corporation's charter, the Board is authorized to make or receive any investments which the Board in its discretion considers advisable.

ARTICLE 12 - BOOKS AND RECORDS

12.1 Books and Records

The Directors shall see that all necessary books and records of the Corporation required by the By-law of the Corporation or by any applicable statute or law are regularly and properly kept.

ARTICLE 13 - CONFIDENTIALITY

13.1 Confidentiality

Every Director, officer, member of the Professional Staff, member of a committee of the Board, employee and agent of the Corporation shall respect the confidentiality of matters:

- (a) Brought before the Board;
- (b) Brought before any Committee;
- (c) Dealt with in the course of the employee's employment or agent's activities; or
- (d) Dealt with in the course of the Professional Staff member's activities in connection with the Corporation.

13.2 Board Spokesperson

- (a) The Chair of the Board is responsible for Board communications and may delegate authority to one or more Directors, Officers or employees of the Corporation to make statements to the news media or public about matters that the Chair determines appropriate for disclosure to the media.
- (b) Such provisions notwithstanding, the Chief Executive Officer is automatically delegated to assume such authority.
- (c) The Board may give authority to one or more Directors, officers or employees of the Corporation to make statements to the news media or public about matters brought before the Board.

ARTICLE 14 - PROFESSIONAL STAFF

14.1 Professional Staff

There shall be a Professional Staff of the Hospital whose appointment and functions shall be as set out in the Professional Staff By-law of the Corporation.

ARTICLE 15 - MATTERS REQUIRED BY LEGISLATION

15.1 Committees and Programs Required by the *Public Hospital Act*

The Board shall ensure that the Corporation establishes such committees and undertakes such programs as are required pursuant to the *Public Hospitals Act*, including a Medical Advisory Committee and a Fiscal Advisory Committee.

15.1.1 Fiscal Advisory Committee

- (a) Pursuant to the Hospital Management Regulation, the Fiscal Advisory Committee shall consist of:
 - (i) Chief Executive Officer;
 - (ii) Chief Nursing Executive;
 - (iii) Chief Financial and Information Officer;
 - (iv) One person representing the Medical and Dental staff;
 - (v) One person representing nurses who are Managers;
 - (vi) One person representing staff nurses; and
 - (vii) Other persons appointed by the Chief Executive Officer
- (b) The Fiscal Advisory Committee shall be chaired by the Chief Executive Officer, or his or her designate.
- (c) The Fiscal Advisory Committee shall make recommendations to the Board with respect to the Operating Plan of the hospital including financial and statistical information; programs and service plan; and human resources and nursing plan.

15.1.2 The Chief Executive Officer shall appoint the members of the fiscal advisory committee and the Medical Advisory Committee required to be established pursuant to the regulations under the Public Hospitals Act.

15.1.3 The Chief Executive Officer shall ensure there are appropriate procedures in place for the appointment of the Chief Nursing Executive.

15.1.4 The Chief Executive Officer shall from time to time approve a process for the participation of the Chief Nursing Executive, nurse managers, and staff nurses, staff and other professionals of the Corporation in decision making related to administrative, financial, operational and planning matters for the election or appointment of the Chief Nursing Executive, staff nurses or nurse managers and other staff and professionals of the Corporation to those administrative committees approved by the Chief Executive Officer to have a nurse, staff or professional representation.

15.2 Committees and Programs Required by the *Excellent Care For All Act*

15.2.1 Quality Committee

The Excellent Care For All Act requires hospitals to have a Quality Committee that reports to the Board. The Committee’s membership must include the following:

- (i) A sufficient number of members to ensure that one third of the members are voting members of the board;
- (ii) One member of the medical advisory committee;
- (iii) Chief Nursing Executive;
- (iv) Chief Executive Officer;
- (v) One person who works in the hospital who is not a physician or registered nurse; and
- (vi) Others appointed by the Board.

15.3 Retention of Written Statements

The Chief Executive Officer shall cause to be retained for at least twenty-five (25) years, all written statements made in respect of the destruction of medical records, notes, charts and other material relating to patient care and photographs thereof.

15.4 Occupational Health and Safety Program

- (a) Pursuant to the regulations under the *Public Hospitals Act*, there shall be an Occupational Health and Safety Program for the Corporation.
- (b) The program referred to in subsection 15.4(a) shall include procedures with respect to:
 - (i) A safe and healthy work environment in the Corporation;
 - (ii) The safe use of substances, equipment and medical devices in the Corporation;
 - (iii) Safe and healthy work practices in the Corporation;
 - (iv) The prevention of accidents to persons on the premises of the Corporation; and
 - (v) The elimination of undue risks and the minimizing of hazards inherent in the Corporation environment.
- (c) The person designated by the Chief Executive Officer to be in charge of occupational health and safety in the Corporation shall be responsible to the Chief

Executive Officer or his or her delegate for the implementation of the Occupational Health and Safety Program.

- (d) The Chief Executive Officer shall report to the Board as necessary on matters in respect of the Occupational Health and Safety Program.

15.5 Health Surveillance Program

- (a) Pursuant to the regulations under the *Public Hospitals Act*, there shall be a Health Surveillance Program for the Corporation.
- (b) The program referred to in section 15.5(a) shall:
 - (i) Be in respect of all persons carrying on activities in the Corporation, and
 - (ii) Include a communicable disease surveillance program.
- (c) The person designated by the Chief Executive Officer to be in charge of health surveillance in the Corporation shall be responsible to the Chief Executive Officer or his or her delegate for the implementation of the Health Surveillance Program.
- (d) The Chief Executive Officer shall report to the Board as necessary on matters in respect of the Health Surveillance Program.

15.6 Organ Donation

Pursuant to the regulations under the *Public Hospitals Act*, the Board shall approve procedures to encourage the donation of organs and tissues including:

- (a) Procedures to identify potential donors; and
- (b) Procedures to make potential donors and their families aware of the options of organ and tissue donations and shall ensure that such procedures are implemented in the Corporation.

ARTICLE 16 - RULES, POLICIES AND PROCEDURES

16.1 Rules of Order

Any questions of procedure at or for any meetings of Members of the Corporation, or the Board, or the Professional Staff, or of any committee, which have not been provided for in this By-law or by the Act or by the *Public Hospitals Act* or regulations thereunder, or the Rules adopted from time to time by the Board or the Professional Staff Rules and Regulations, shall be determined by the chair of such meeting in accordance with the current edition of Nathan & Goldfarb's Company Meetings for Share Capital and Non-Share Capital Corporations.

16.2 Policies

The Board may, from time to time, make such Policies as it may deem necessary or desirable in connection with the management of the business and affairs of the Board and the conduct of the Directors and officers, provided however that any such Policy shall be consistent with the provision of this By-law.

ARTICLE 17 - NOTICES

17.1 Notice

- (a) Whenever under the provisions of the By-law of the Corporation notice is required to be given, unless otherwise provided such notice may be given in writing and delivered or sent by prepaid mail, by facsimile transmission or by electronic mail addressed to the Director, officer, member of a committee, Member or auditor at the postal address, the facsimile number or electronic mail address, as the case may be, at the latest address as shown in the records of the corporation, or in the case of a Director, in the most recent notice or return filed under the *Corporations Information Act*, whichever is the more current
- (b) If any notice is sent by prepaid mail, it shall, subject to the following paragraph, be conclusively deemed to have been received on the day the intended recipient actually receives it or the fifth (5th) business day following the mailing thereof. If delivered, a notice shall be conclusively deemed to have been received at the time of delivery, or if sent by facsimile transmission or electronic mail, it shall be conclusively deemed to be received on the next business day after transmission.
- (c) Notwithstanding the foregoing provisions with respect to mailing, in the event that it may be reasonably anticipated that, due to any strike, lock out or similar event involving an interruption in postal service, any notice will not be received by the addressee by no later than the fifth (5th) business day following the mailing thereof, then the mailing of any such notice as aforesaid shall not be an effective means of sending the same but rather any notice must then be sent by an alternative method which it may reasonably be anticipated will cause the notice to be received reasonably expeditiously by the addressee.
- (d) Any person entitled to receive any such notice may waive such notice either before or after the meeting to which such notice refers.

17.2 Computation of Time

In computing the date when notice must be given under any provision requiring a specified number of days' notice of any meeting or other event, the date of giving the notice shall be excluded and the date of the meeting or other event shall be included.

17.3 Omissions and Errors

The accidental omission to give any notice to any Member, Director, officer, member of a committee or the auditor of the Corporation or the non-receipt of any notice by any Member, Director, officer, member of a committee or the auditor of the Corporation or any error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

17.4 Waiver of Notice

Any Member, Director, officer, member of a committee or the auditor of the Corporation may waive any notice required to be given to him or her under any provision of the *Public Hospitals Act*, the Act or the Articles or the By-law of the Corporation, and such waiver, whether given before or after the meeting or other event of which notice is required to be given, shall cure any default in giving such notice. Attendance and participation at a meeting constitute a waiver of notice except if the individual attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting was not lawfully called.

ARTICLE 18 - AMENDMENTS OF BY-LAW

18.1 Amendment

Subject to applicable legislation, the provisions of the By-law of the Corporation may be repealed or amended by By-law enacted by a majority resolution of the Directors at a meeting of the Board of Directors and confirmed by the Members entitled to vote and voting at a meeting duly called for the purpose of considering the said By-law.

18.2 Effect of Amendment

Subject to the Act and to section 18.3 below, a By-law or an amendment to a By-law passed by the Board has full force and effect:

- (a) From the time the motion was passed, or
- (b) From such future time as may be specified in the motion.

This section does not apply to a by-law that requires a Special Resolution of the Members according to subsection 103(1) (fundamental change) of the Act because such by-law amendments or repeals are only effective when confirmed by Members.

18.3 Member Approval

- (a) A By-law or an amendment to a By-law passed by the Board shall be presented for confirmation at the next annual meeting or at a special meeting of the Members of the Corporation called for that purpose. The notice of such annual meeting or special meeting shall refer to the By-law or amendment to be presented.
- (b) The Members entitled to vote at the annual meeting or at a special meeting may confirm the By-law as presented or reject or amend it, and if rejected, it thereupon ceases to have effect and if amended, it takes effect as amended.
- (c) In any case of rejection, amendment, or refusal to approve the By-law or part of the By-law in force and effect in accordance with any part of this section, no act done or right acquired under any such By-law is prejudicially affected by any such rejection, amendment or refusal to approve.

18.4 Amendments to Professional Staff By-law

Prior to submitting all or any part of the Professional Staff By-law to the process established in sections 18.1 and 18.3, the procedures set out in the Professional Staff By-law shall be followed.