



Haliburton Highlands Health Services Corporation

Corporate By-Law 2024-1

Passed at the June 27, 2024 Annual Meeting

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**Haliburton Highlands Health Services Corporation
Corporate By-law 2024-1**

A by-law relating generally to the conduct of the activities and affairs of 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 in all other by-laws of the Corporation, unless the context otherwise requires:

- (a) **“Act”** means the *Not-for-Profit Corporations Act, 2010* (Ontario);
- (b) **“Articles”** means any instrument that incorporates the Corporation or modifies its incorporating instrument, including articles of incorporation, restated articles of incorporation, articles of amendment, articles of amalgamation, articles of arrangement, articles of continuance, articles of dissolution, articles of reorganization, articles of revival, letters patent, supplementary letters patent, or a special act;
- (c) **“Associates”** includes the grandparents, parents, children, grandchildren, siblings, spouse, common law partner or members of the household of the Director or Officer as well as any organization, agency, company or individual (such as a business partner) with a formal relationship to a Director or Officer;
- (d) **“Board”** means the board of directors of the Corporation;
- (e) **“Catchment Area”** means the geographic area served by the Corporation including the County of Haliburton and bordering townships, as determined by the Board from time to time;
- (f) **“Chair”** means the chair of the Board;
- (g) **“Chief Nurse Executive”** means the senior nurse employed by the Corporation, who reports directly to the President and Chief Executive Officer and is responsible for nursing services provided in the Hospital;
- (h) **“Chief of Staff”** means the medical staff member appointed by the Board to serve as such in accordance with the *Public Hospitals Act* and the Professional Staff By-law;
- (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 interest in a decision when the Director or Officer (or the Director’s or Officer’s Associates) stands to gain by that decision, either in the form of money, gifts, favours, gratuities, or other special considerations;
 - (ii) undue influence – a Director or Officer is said to have engaged in undue influence and to have violated the Director’s or Officer’s entrusted responsibility to the Corporation when the Director or Officer influences Board decisions to selectively and disproportionately benefit particular agencies, companies, organizations, professional groups, or patients from a particular demographic, geographic, political, socio-economic, or cultural group; and
 - (iii) adverse interest – a Director or Officer is said to have an adverse interest to the Corporation when the Director or Officer is in opposition on a claim, application or proceeding against the Corporation;
- (j) **“Corporation”** means Haliburton Highlands Health Services;
 - (k) **“day”**, unless otherwise specified as a business day, means a clear calendar day;
 - (l) **“Director”** means an individual elected or appointed to the Board;
 - (m) **“Excluded Person”** means:
 - (i) any member of the Professional 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 President and Chief Executive Officer; and
 - (iii) any spouse, child, grandchild, parent, grandparent, brother, sister or member of the household of an employee of the Corporation or member of the Professional Staff.
 - (n) **“ex-officio”** means membership “by virtue of office”, and includes all rights, responsibilities, and power to vote unless otherwise specified or unless otherwise required by the *Public Hospitals Act* or the regulations thereunder;
 - (o) **“Hospital”** means the public hospital operated by the Corporation;
 - (p) **“Ineligible Individual”** has the meaning in section 149.1 of the Income Tax Act (Canada) as amended from time to timeⁱ;
 - (q) **“Members”** means members of the Corporation as described in Article 2;
 - (r) **“Policy”** means a policy adopted by the Board in accordance with section 11.2;

- (s) **“President and Chief Executive Officer”** means, in addition to “administrator” as defined in the *Public Hospitals Act*, the president and chief executive officer of the Corporation who, subject to the authority of the Board, is responsible for the administration, organization, and management of the affairs of the Corporation;
- (t) **“Professional Staff”** means the Board-appointed professional/credentialed staff of the Hospital;
- (u) **“Professional Staff By-law”** means the by-law of the Corporation concerning the Professional Staff made in accordance with the *Public Hospitals Act*;
- (v) **“Public Hospitals Act”** means the *Public Hospitals Act* (Ontario);
- (w) **“Secretary”** means the secretary of the Board;
- (x) **“Special Business”** means all business transacted at a special Members’ meeting and all business transacted at an annual Members’ meeting except for the following:
 - (i) consideration of the financial statements;
 - (ii) consideration of the audit report, if any;
 - (iii) election of directors; and
 - (iv) reappointment of the incumbent auditor;
- (y) **“Special Resolution”** means a resolution submitted to a special meeting 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; and
- (z) **“Vice Chair”** means one or more vice chair(s) of the Board.

1.2 Interpretation

In this By-law and in all other by-laws of the Corporation, unless the context otherwise requires and other than as specifically defined in this By-law, all terms contained in this By-law that are defined in the Act shall have the meanings given to the terms in the Act; words importing the singular shall include the plural and *vice versa*; and headings are used for convenience of reference and do not affect the interpretation of the by-law. Any reference to a statute in this By-law includes, where the context requires, the statute and the regulations made under it, all as amended or replaced from time to time.

Article 2

Members and Members' Meetings

2.1 Members

- (a) Subject to the Articles, there shall be one (1) class of Members in the Corporation. Membership in the Corporation shall be available only to individuals interested in furthering the Corporation's purposes and who have applied for and been accepted into membership in the Corporation by resolution of the Board or in such other manner as may be determined by the Board.
- (b) The Secretary shall maintain a register of the Members in accordance with the Act.

2.2 Eligibility

- (a) A person is eligible to be a Member if the person:
 - (i) is at least 18 years of age;
 - (ii) pays to the Corporation the annual membership fee subject to the following conditions:
 - 1. At the time of payment of the fee the individual must have been a property owner or tenant within the Catchment Area for a period of at least 12 months immediately prior thereto; or
 - 2. Be employed or carry on business in the Catchment Area for a period of at least 12 months immediately prior thereto.
 - (iii) is not an Excluded Person; and
 - (iv) has completed, signed the application and returned it to the Secretary of the Board.

2.3 Application

- (a) Each application for membership in the Corporation must be in a form prescribed by the Directors of the Corporation for the then current year. The decision as to whether a prospective applicant will be admitted will be made by the Board in accordance with section 2.1. The application shall contain:
 - (i) the membership qualifications set out in section 2.2;
 - (ii) a statement by the applicant that the applicant has read the membership qualifications and that the applicant meets all of the requirements set forth therein; and

(iii) the applicable membership fee for the upcoming year.

2.4 Term

(a) Any Annual Membership in the Corporation shall be effective only from August 1st in one year to July 31st in the following year.

2.5 Transfer of Membership

(a) Membership is not transferrable.

2.6 Termination of Membership

(a) A Member may be terminated by a two-thirds (2/3) vote of the Board.

(b) In the event that it is determined that a Member be removed in accordance with section 2.6(a) above, the Member must be given at least fifteen (15) days notice of the removal with reasons and the Member shall be given an opportunity to be heard by the Board not less than five (5) days before the removal becomes effective. The Board will consider such submissions and arrive at a final decision and shall notify the Member.

2.7 Membership Fee

(a) The annual membership fee will be determined by resolution of the Board on an annual basis.

(b) A Member is not entitled to vote at any meetings of the Corporation unless the membership fee was paid in full at least fifty (50) days prior to the date of the meeting.

2.8 Meeting Location

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

2.9 Annual Meeting

The annual Members' meeting shall be held between the 1st day of April and the 31st day of July of each year, unless otherwise approved by the Board, provided such variation is directed by the Minister of Health, all in accordance with the *Public Hospitals Act*.

2.10 Calling Meetings

(a) The Board shall have the power to call, at any time, a Members' meeting.

(b) The Secretary shall call a special meeting of the Corporation if not less than 10% of those Members eligible to vote at such a meeting so request in writing for purposes which are not inconsistent with the Act. The requisition shall be deposited at the Registered Office of the Corporation and may consist of several documents in like forms signed by one or more

requisitioners. If the Directors determine that the requisition meets the requirements set out in the Act, the Directors shall call and hold such meeting within twenty-one (21) days from the date of the deposit of the requisition.

- (c) If the Board or Members call a Members' meeting, the Board may determine that the meeting be held entirely by telephonic or electronic means that permits all participants to communicate adequately with each other during the meeting.

2.11 Quorum

Ten Members shall constitute a quorum at any Members' meeting. If a quorum is present at the opening of a Members' meeting, the Members present may proceed with the business of the meeting, even if a quorum is not present throughout the meeting.

2.12 Notice

- (a) Notice of Members' meetings shall be given by one of the following methods:
 - (i) by sending it to each Member, Director, and to the auditor by one of the methods set out in section 12.1 addressed to the person at their latest address as shown in the Corporation's records not less than ten (10) days and not more than fifty (50) days before the meeting; or
 - (ii) in any other manner permitted by the *Public Hospitals Act*.
- (b) Not less than 21 days, or a prescribed number of days, before each annual meeting or before the signing of a resolution in lieu of the annual meeting, the Corporation shall give a copy of the Board-approved financial statements, auditor's report, and any further information respecting the financial position of the Corporation and the results of its operations required by the Articles or this By-law to all Members who have informed the Corporation that they wish to receive a copy of those documents.
- (c) Notice of a Members' meeting at which Special Business is to be transacted must state the nature of that business in sufficient detail to permit a Member to form a reasoned judgment on the business and state the text of any resolution to be submitted to the meeting.

2.13 Voting

- (a) Each Member in attendance at a Members' meeting shall be entitled to one vote on each matter.
- (b) At all Members' meetings, every question shall be determined by a majority of votes cast, unless otherwise specifically provided by the Act or this By-law.
- (c) If there is a tie vote at a Members' meeting, the chair of the meeting shall not have a second vote to break the tie.

- (d) Votes at all Members' meetings shall be cast by those Members in attendance at the meeting and not by proxy.
- (e) Subject to the Articles, voting at a Members' meeting shall be by show of hands unless a Member demands a ballot.
- (f) A Member may demand a ballot either before or after any vote by show of hands. A Member may withdraw a demand for a ballot.
- (g) Unless a ballot is demanded, an entry in the minutes of a meeting to the effect that the chair of the meeting declared a resolution to be carried or defeated is, in the absence of evidence to the contrary, proof of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

2.14 Chair of the Meeting

The chair of a Members' meeting shall be:

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

2.15 Adjourned Meetings

- (a) If within one-half hour after the time appointed for a Members' meeting, the meeting has not commenced because a quorum is not present, the meeting shall stand adjourned until a day within two weeks to be determined by the Board.
- (b) Notice of the re-scheduled meeting following an adjournment shall be given by e-mail or publication in a newspaper circulated in the Catchment Area in accordance with section 2.12.

2.16 Written Resolution in Lieu of Meeting

A resolution signed by all of the Members is as valid as if it had been passed at a Members' meeting provided that the following matters may not be dealt with by written resolution:

- (a) the resignation, removal or replacement of a Director, where a written statement has been submitted by the Director giving reasons for resigning or opposing his or her removal or replacement; and

- (b) the resignation, removal or replacement of an auditor, where a written statement has been submitted by the auditor giving reasons for resigning or opposing his or her removal or replacement.

2.17 Telephonic or Electronic Members' Meetings

- (a) A meeting of the Members may be held entirely by one or more telephonic or electronic means or by any combination of in-person attendance and by one or more telephonic or electronic means, as determined by the Board, provided that all participants entitled to attend the meeting are able to reasonably participate. A person so participating in a meeting is deemed for the purposes of the Act to be present at the meeting.
- (b) If the Members may attend a meeting by telephonic or electronic means, the notice of the meeting must include instructions for attending and participating in the meeting by the telephonic or electronic means that will be made available for the meeting, including, if applicable, instructions for voting by such means at the meeting.
- (c) A vote at a meeting of the Members may be conducted entirely by one or more telephonic or electronic means or by a combination of one or more telephonic or electronic means and voting in person as determined by the Board.
- (d) At the outset of each such meeting, the Chair shall establish quorum, and shall, whenever not satisfied that the proceedings of the meeting may proceed with adequate security and confidentiality, adjourn the meeting.

Article 3

Board

3.1 Composition of Board

Subject to the Articles, the Board shall consist of a range of sixteen (16) to eighteen (18) Directors, which number shall be fixed by Special Resolution of the Members from time to time or, if a Special Resolution empowers the Directors to determine the number, by resolution of the Directors. The Board shall be composed as follows:

- (a) Twelve (12) Directors, who satisfy the criteria set out in section 3.3 and who are elected by the Members in accordance with sections 3.7 and 3.8 or appointed in accordance with section 3.10;
- (b) the following four *ex-officio* non-voting Directors:
 - (i) President and Chief Executive Officer of the Corporation;
 - (ii) Chief of Staff;
 - (iii) President of the Professional Staff; and

- (iv) Chief Nurse Executive; and
- (c) up to two (2) Directors nominated by the Haliburton County Council from among the Haliburton County Councillors, and who are elected by the Members in accordance with sections 3.7 or appointed in accordance with section 3.10.

3.2 Duties and Responsibilities

Subject to the Act, the Board shall govern and supervise the management of the activities and affairs of the Corporation and may exercise all other powers and do all other acts and things as the Corporation is, by its Articles or otherwise, authorized to exercise and do.

3.3 Qualifications of Directors

- (a) No individual shall be qualified for election or appointment as a Director if the individual:
 - (i) is under 18 years old;
 - (ii) has been found under the *Substitute Decisions Act, 1992* or under the *Mental Health Act* to be incapable of managing property;
 - (iii) has been found to be incapable by any court in Canada or elsewhere;
 - (iv) has the status of a bankrupt;
 - (v) is an “ineligible individual” as defined in the *Income Tax Act* (Canada) or any regulations made under it;
 - (vi) is an Excluded Person; and/or
 - (vii) for Directors under section 3.1(c), is not a Haliburton County Councillor.
- (b) Each Director shall be a Member.
- (c) The Board’s decision as to whether or not a candidate is qualified to stand for election shall be final.

3.4 Director’s 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.

3.5 Ceasing to Hold Office

- (a) A Director shall automatically cease to hold office if the Director:
 - (i) dies;
 - (ii) resigns office by delivering a written resignation to the Secretary, and the resignation shall be effective at the time it is received by the Secretary or at the time specified in the resignation, whichever is later, or
 - (iii) becomes disqualified by virtue of any of sections 3.3(a) or 3.3(b).
- (b) 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.

3.6 Removal

- (a) In accordance with the Act, the Members may remove any elected Director before the expiry of the Director's term of office, and may:
 - (i) to fill a vacancy in the Directors in section 3.1(a), elect a qualified individual as a Director for the remainder of the vacated term; and
 - (ii) to fill a vacancy in the Directors in section 3.1(c), elect a qualified individual who has been nominated by the Haliburton County Council in accordance with section 3.1(c), as a Director for the remainder of the vacated term.
- (b) A Director is entitled to give the Corporation a statement giving reasons for opposing his or her removal as a director if a meeting is called for the purpose of removing him or her.

3.7 Election and Term

Directors shall be elected and shall retire in rotation. The Directors referred to in sections 3.1(a) and 3.1(c) shall be elected for a three-year term, provided that each such Director shall hold office until the earlier of the date on which their office is vacated pursuant to sections 3.5 or 3.6 or until the end of the meeting at which their successor is elected or appointed. Four Directors shall retire from office each year subject to re-election as permitted by section 3.9.

3.8 Nomination Procedure for Election of Directors

Subject to the Act, nominations made for the election of the Directors referred to in section 3.1(a) at a Members' meeting may be made by the Board in accordance with the nominating and election procedure prescribed by the Board from time to time.

3.9 Maximum Terms

- (a) Each Director referred to in sections 3.1(a) and 3.1(c) shall be eligible for re-election. No person shall be elected or appointed for a term that will result in the Director serving more than nine consecutive years, provided however that following a break in continuous service of at least one year, the same person may be re-elected.
- (b) Despite the foregoing:
 - (i) a Director may, by Board resolution, 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 of the Nominating Committee; and
 - (ii) where a Director was appointed to fill an unexpired term of a Director, the partial term shall be excluded from the calculation of the maximum years of service.

3.10 Filling Vacancies

- (a) So long as there is a quorum of Directors in office:
 - (i) a vacancy occurring in respect of the Directors elected pursuant to section 3.1(a), may be filled by a qualified individual appointed for the remainder of the term by the Directors then in office; and
 - (ii) a vacancy occurring in respect of the Directors elected pursuant to section 3.1(c), may be filled by a qualified individual nominated by the Haliburton County Council in accordance with section 3.1(c) and appointed for the remainder of the term by the Directors then in office.
- (b) If there is not a quorum of the Board, or if there has been a failure to elect the number or minimum number of Directors provided for in the Articles, the Directors then in office shall, without delay, call a special Members' meeting to fill the vacancy. A Director appointed or elected to fill a vacancy holds office for the unexpired term of the Director's predecessor term.

3.11 Directors' Remuneration

The Directors shall serve as such without remuneration and shall not, directly or indirectly, receive any profit from their position as such, provided that a Director may be reimbursed reasonable expenses incurred by the Director in the performance of their duties.

Article 4

Board Meetings

4.1 Board Meetings

(a) The Board shall have a minimum of five (5) Board meetings per annum at a time and place named. . A copy of any Board resolution fixing the time and place of regular Board meetings shall be given to each Director forthwith after being passed and, subject to the Act, no other notice shall be required for any regular meeting.

(b) In addition to section 4.1(a):

- (i) the Board, the Chair, or Vice Chair in the absence of the Chair, may call a Board meeting; and
- (ii) the Secretary shall call a Board meeting upon receipt of the written request of five Directors;

and such meeting shall be held at the time and place determined in the notice of meeting.

(c) Notice of a Board meeting need not specify the purpose of or the business to be transacted at the meeting, unless the meeting is intended to deal with any of the following matters, in which case the notice must specify that matter:

- (i) to submit to the Members any question or matter requiring their approval;
- (ii) to fill a vacancy among the Directors or in the position of auditor;
- (iii) to appoint additional Directors;
- (iv) to issue debt obligations, except as authorized by the Directors;
- (v) to approve any annual financial statements; or
- (vi) to adopt, amend, or repeal by-laws.

4.2 Telephonic or Electronic Meetings

(a) A meeting of Directors may be held entirely by one or more telephonic or electronic means or by any combination of in-person attendance and by one or more telephonic or electronic means provided that all participants entitled to attend the meeting are able to communicate simultaneously and instantaneously with each other during the meeting. A Director so participating in a meeting is deemed for the purposes of the Act to be present at the meeting.

- (b) If the Directors may attend a meeting by telephonic or electronic means, the notice of the meeting must include instructions for attending and participating in the meeting by the telephonic or electronic means that will be made available for the meeting, including, if applicable, instructions for voting by such means at the meeting.
- (c) A vote at a meeting of the Directors may be conducted entirely by one or more telephonic or electronic means or by a combination of one or more telephonic or electronic means and voting in person as determined by the Chair.
- (d) At the outset of each such meeting, and whenever votes are required, the Chair of the meeting shall call roll to establish quorum, and shall, whenever not satisfied that the proceedings of the meeting may proceed with adequate security and confidentiality adjourn the meeting to a predetermined date, time and place.

4.3 Notices

Notice of Board meetings, other than regular meetings, shall be given to all Directors at least 48 hours prior to the meeting. The Chair, a Vice Chair, or the Chief Executive Officer may call a meeting on less notice, by means deemed appropriate, provided that notice is given to all Directors and the majority of the Directors consent to holding the meeting. Notice of a meeting that continues an adjourned Board meeting is not required to be given if the time and place of the continued meeting is announced at the meeting that is adjourned

4.4 Quorum

A quorum for any meetings of the Board shall be a majority of the Directors entitled to vote.

4.5 First Board Meeting after Annual Meeting

If a quorum of Directors is present, the Board may, without notice, hold a meeting immediately following the annual Members' meeting.

4.6 Persons Entitled to be Present

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

4.7 Voting

- (a) Each voting Director in attendance at a Board meeting shall be entitled to one vote on each matter.
- (b) As required by the regulations under the *Public Hospitals Act*, the Directors referred to in section 3.1(b) shall not be entitled to vote as Directors but shall otherwise be entitled to

notice of, to attend, and to participate in, Board meetings and to receive the materials that are distributed to voting Directors.

- (c) A Director shall not be entitled to vote by proxy.
- (d) Every question arising at a Board meeting shall be determined by a majority of votes cast, unless otherwise specifically provided by statute or by this By-law.
- (e) If there is a tie vote at a Board meeting, the chair of the meeting shall not have a second vote to break the tie.
- (f) The vote on any question shall be taken by secret ballot if so demanded by any Director in attendance and entitled to vote. The chair of the meeting shall count the ballots. Otherwise, a vote shall be by a show of hands.
- (g) Unless a ballot is demanded, an entry in the minutes of a meeting to the effect that the chair of the meeting declared a resolution to be carried or defeated is, in the absence of evidence to the contrary, proof of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

4.8 Written Resolutions in Lieu of Meeting

- (a) A resolution signed by all of the Directors entitled to vote on that resolution at a Board meeting is as valid as if it had been passed at a Board meeting.
- (b) A resolution signed by all of the Board committee members entitled to vote on that resolution at a Board committee meeting is as valid as if it had been passed at a Board committee meeting.

4.9 Adjournment of the Meeting

If within one-half hour after the time appointed for a Board meeting a quorum is not present, the meeting shall stand adjourned until a day within two weeks to be determined by the chair of the meeting.

Article 5

Conflict of Interest Disclosure

5.1 Disclosure of Conflict

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 in writing as required by the Act and comply with all other requirements in respect of a Conflict of Interest as set out in the Corporation's Conflict of Interest policy.

Protection and Indemnification of Directors, Officers, and Others

5.2 Indemnities to Directors and Others

- (a) The Corporation shall indemnify a Director or officer of the Corporation, a former Director or officer of the Corporation, or an individual who acts or acted at the Corporation's request as a director or officer, or in a similar capacity, of another entity, against all costs, charges, and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative, or other action or proceeding in which the individual is involved because of that association with the Corporation or other entity.
- (b) The Corporation may advance money to an individual referred to in section 5.2(a) for the costs, charges, and expenses of an action or proceeding referred to in that section, but the individual shall repay the money if the individual does not fulfil the conditions set out in section 5.2(c).
- (c) The Corporation shall not indemnify an individual under section 5.2(a) unless:
 - (i) the individual acted honestly and in good faith with a view to the best interests of the Corporation or other entity, as the case may be; and
 - (ii) if the matter is a criminal or administrative proceeding that is enforced by a monetary penalty, the individual had reasonable grounds for believing that their conduct was lawful.
- (d) The indemnity provided for in section 5.2(a) shall not apply to any liability that a Director or officer, or former Director or officer, of the Corporation, or individual, may sustain or incur as the result of any act or omission as a Professional Staff member.

5.3 Pre-Indemnity Considerations

Before giving approval to the indemnities provided in section 5.2, the Board shall in accordance with the Charities Accounting Act consider:

- (a) the 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 6

Committees

6.1 Committees

- (a) The Board may, from time to time, establish:
 - (i) standing committees, being those committees whose duties are normally continuous; and
 - (ii) special committees, being those committees appointed for specific duties whose mandate shall expire with the completion of the tasks assigned.
- (b) The standing committees of the Board are:
 - (i) the Executive Committee;
 - (ii) the Finance, Resources and Audit Committee;
 - (iii) the Quality, Governance and Planning Committee;
 - (iv) the Nominating Committee; and
 - (v) such other committees as the Board deems necessary or desirable.

6.2 Functions, Duties, Responsibilities, and Powers of Board Committees

The Board shall provide for the functions, duties, responsibilities, and powers 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.

6.3 Board Committee Members, Chair

- (a) Unless otherwise provided by by-law or by Board resolution:
 - (i) the Board shall appoint the chair, vice chair (if any), and members of each Board committee;
 - (ii) each chair and vice chair of a Board committee shall be a Director;
 - (iii) the Board committees may include members who are not Directors (other than the Executive Committee or a committee referred to in section 6.5, if any);

- (iv) the number of non-Director members on a committee shall not exceed two (2); and
 - (v) the Chair and President and Chief Executive Officer shall be an *ex-officio* member of all Board committees.
- (b) The Board may remove any chair, vice chair, or Board committee member from any Board committee at any time.

6.4 Procedures at Committee Meetings

Procedures at and quorum for Board committee meetings shall be determined by the Board, this By-law, Board resolution, or in Board-approved terms of reference or general committee policy.

6.5 Delegation to a Committee

The Board may delegate to any committee comprised entirely of Directors any of the Board's powers, other than the following powers:

- (a) to submit to the Members any question or matter requiring the Members' approval;
- (b) to fill a vacancy among the Directors or in the position of auditor;
- (c) to appoint additional Directors;
- (d) to issue debt obligations, except as authorized by the Board;
- (e) to approve any annual financial statements; or
- (f) to adopt, amend, or repeal by-laws.

Article 7

Officers

7.1 General

- (a) Subject to the Act, the Articles, and this By-law, the Board may designate the offices of the Corporation, appoint officers, specify their duties, and delegate to them powers to manage the activities and affairs of the Corporation, except powers to do anything referred to in section 6.5.
- (b) The following shall be the officers of the Corporation:
 - (i) Chair;
 - (ii) Vice-Chair;

- (iii) Treasurer; and
 - (iv) Secretary.
- (c) The Board shall appoint the officers at its first meeting following the annual Members' meeting at which the Directors are elected or at other times when a vacancy occurs. A Director may be appointed to any office of the Corporation. The President and Chief Executive Officer shall be the Secretary. The same individual may hold two or more offices (except one individual may not hold the offices of Chair and Vice Chair). The Board shall appoint the Chair, Vice Chair and Treasurer from among the elected Directors.

7.2 Terms of Office

- (a) Unless otherwise provided in this By-law, the officers shall hold office for a one-year renewable term from the date of their appointment or until their successors are appointed in their stead. The Board may remove any officer at any time.
- (b) The Chair, Vice-Chair and Treasurer shall be appointed annually and shall be eligible for re-appointment, provided that:
- (i) no Director shall serve as the Chair, Vice-Chair or Treasurer for more than two consecutive years in one office, provided however that following a break in the continuous service of at least one year, the same person may be re-elected or re-appointed to any office; and
 - (ii) notwithstanding section 7.2(b)(i), where a Director has served as Chair for two consecutive years, the Board may, by resolution passed by at least two-thirds of the votes cast at a Board meeting, provide that such Director is eligible for re-appointment for a maximum of two additional one-year terms as Chair.

7.3 Duties of Chair

The Chair shall, when present, preside at all Board and Members' meetings and shall represent the Corporation and the Board as may be required or appropriate and shall have those other powers and duties as the Board may specify. The Chair shall report to each Annual Meeting of Members of the Corporation concerning the management and operations of the Corporation. Unless otherwise provided by by-law or by Board resolution, the Chair shall be an *ex-officio* member of all Board committees.

7.4 Duties of Vice Chairs

A Vice Chair shall, in the absence, disability, or unwillingness of the Chair, perform the duties and exercise the powers of the Chair and shall perform those other duties as the Board may specify.

7.5 Duties of the Treasurer

The Treasurer shall:

- (a) be the custodian of the books of account and accounting records of the Corporation required to be kept by the provisions of the Act or otherwise by law;
- (b) submit financial reports to meetings of the Board indicating the financial position of the Corporation on a timely basis;
- (c) submit an annual audited financial report to the Board and the Corporation of the financial operations of the Corporation; and
- (d) perform such other duties as may from time to time be determined by the Board.

7.6 Duties of Secretary

The Secretary shall:

- (a) attend meetings of the Board and Board Committees as required;
- (b) keep minutes of all Board and Board Committee meetings and circulate the minutes to all members of the Board or Committee;
- (c) attend to correspondence of the Board;
- (d) prepare all reports required under any Act or Regulation of the Province of Ontario;
- (e) be the custodian of all minute books, documents and registers of the Corporation required to be kept by the provisions of the Act and all minutes, documents and records of the Board;
- (f) keep copies of all testamentary documents and trust instruments by which benefits are given to the use of the Corporation;
- (g) give such notice as required by these By-Laws or by law of all meetings of the Corporation, the Board and its Committees; and
- (h) perform such other duties as may from time to time be determined by the Board.

7.7 Other Officers

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

Article 8

Organization and Financial

8.1 Execution of Documents

- (a) The Chair and the President and Chief Executive Officer or any two of the Directors or persons authorized by resolution of the Board shall sign deeds, transfers, assignments, contracts, agreements, mortgages, conveyances, obligations, certificates, or any other instruments or documents requiring the signature of the Corporation, and all instruments or documents so signed shall be binding upon the Corporation without any further authorization or formality.
- (b) Additionally, the Board may from time to time direct the manner in which and the individual or individuals by whom any particular instrument or document, or class of instruments or documents, may or shall be signed.
- (c) Any signing officer may certify a copy of any instrument, resolution, by-law, or other document of the Corporation to be a true copy.

8.2 Banking Arrangements

The Corporation shall transact the banking business of the Corporation or any part of it with those banks, trust companies, or other financial institutions as the Board may determine from time to time.

8.3 Financial Year

Unless otherwise determined by the Board and subject to the *Public Hospitals Act*, the financial year end of the Corporation shall be March 31 in each year.

8.4 Appointment of Auditor

- (a) Annual Appointment
 - (i) 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) Removal of Auditor
 - (i) 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 8.4(c).

- (ii) 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.
- (c) Vacancy in the Office of Auditor
 - (i) Subject to the Articles, the Board shall immediately fill any vacancy in the office of auditor.
- (d) Remuneration of Auditor
 - (i) The Board shall fix the remuneration of the auditor.
- (e) Rights and Duties
 - (i) The auditor shall have the rights and privileges as set out in the Act and shall perform the audit function as prescribed therein.

8.5 Borrowing Power

Subject to the Articles, the Board may, without authorization of the Members:

- (a) borrow money on the credit of the Corporation;
- (b) issue, reissue, sell, or pledge debt obligations of the Corporation;
- (c) give a guarantee on behalf of the Corporation to secure performance of an obligation of any person; and
- (d) mortgage, pledge, or otherwise create a security interest in all or any property of the Corporation, owned or subsequently acquired, to secure any obligation of the Corporation.

8.6 Investments

The Corporation may invest its funds as the Board thinks fit, subject to the Articles or any limitations accompanying a gift.

8.7 Records

The Board shall see that all necessary records of the Corporation required by the by-laws of the Corporation or by any applicable laws are regularly and properly kept.

Article 9

Confidentiality

9.1 Confidentiality

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

- (a) brought before the Board or any Board committee; or
- (b) dealt with in the course of the employee's employment, or agent's or Professional Staff member's activities in connection with the Corporation.

9.2 Board Spokesperson

Unless the Board withholds such authority, the Chair, the Vice-Chair in the absence of the Chair, and the President and Chief Executive Officer have the authority to make statements to the news media, or public, on any matters concerning the Corporation. No other persons shall have the authority to comment to the news media or public on any matters concerning the Corporation unless authorized by the Chair of the Board or by the President and Chief Executive Officer.

Article 10

Matters Required by the *Public Hospitals Act* and other Applicable Legislation

10.1 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.

10.2 Required Committees and Programs

The Board shall ensure that the Corporation establishes the committees and undertakes the programs that are required pursuant to applicable legislation, including the *Public Hospitals Act* and the *Excellent Care for All Act, 2010*, including a medical advisory committee, a fiscal advisory committee, and a quality committee.

10.3 Fiscal Advisory Committee

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

10.4 Chief Nurse Executive

The President and Chief Executive Officer shall ensure that there are appropriate procedures in place for the appointment of the Chief Nurse Executive.

10.5 Nurses and other Staff and Professionals on Committees

The President and Chief Executive Officer shall, from time to time, approve a process for:

- (a) the participation of the Chief Nurse Executive, nurse managers, staff nurses, staff, and other professionals of the Corporation in decision making related to administrative, financial, operational, and planning matters; and
- (b) the election or appointment of the Chief Nurse Executive, nurse managers, staff nurses, and other staff and professionals of the Corporation to those administrative committees approved by the President and Chief Executive Officer to have a nurse or other staff or professional representation.

10.6 Retention of Written Statements

The President and Chief Executive Officer shall cause to be retained in accordance with the Corporation's policies, all written statements made in respect of the destruction of medical records, notes, charts, and other material relating to patient care and photographs thereof.

10.7 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, which shall include procedures for:
 - (i) a safe and healthy work environment;
 - (ii) the safe use of substances, equipment, and medical devices;
 - (iii) safe and healthy work practices;
 - (iv) the prevention of accidents to individuals on the premises; and
 - (v) the elimination of undue risks and the minimizing of hazards inherent in the Corporation environment.
- (b) The President and Chief Executive Officer shall designate an individual to be in charge of occupational health and safety in the Corporation, who shall be responsible to the President and Chief Executive Officer or their delegate for the implementation of the occupational health and safety program.

- (c) The President and Chief Executive Officer shall report to the Board as necessary on the occupational health and safety program.

10.8 Health Surveillance Program

- (a) Pursuant to the regulations under the *Public Hospitals Act*, there shall be a health surveillance program for the Corporation, which shall be in respect of all individuals carrying on activities in the Corporation and include a communicable disease surveillance program.
- (b) The President and Chief Executive Officer shall designate an individual to be in charge of health surveillance in the Corporation, who shall be responsible to the President and Chief Executive Officer or their delegate for the implementation of the health surveillance program.
- (c) The President and Chief Executive Officer shall report to the Board as necessary on the health surveillance program.

10.9 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 procedures to identify potential donors and make potential donors and their families aware of the options of organ and tissue donations, and shall ensure that these procedures are implemented in the Corporation.

Article 11

Rules of Order and Policies

11.1 Rules of Order

Any questions of procedure at or for any meetings of the Members, the Board, the Professional Staff, or any Board committee, which have not been provided for in this By-law or by applicable legislation, the Policies, or the Professional Staff rules and regulations, shall be determined by the chair of the meeting in accordance with the rules of order adopted by the Board, or failing such adoption, adopted by the chair of the meeting.

11.2 Policies

The Board may, from time to time, adopt, amend, or repeal Policies as it may deem necessary or desirable in connection with the management of the activities and affairs of the Board and the conduct of the Directors, officers, and Board committee members; provided, however, that any Policy shall be consistent with the provisions of this By-law.

Article 12

Notices

12.1 Notice

- (a) Whenever under the provisions of the by-laws of the Corporation notice is required to be given, unless otherwise provided, the notice may be given in writing and delivered or sent by prepaid mail or personal delivery, or by electronic means, if there is a record that the notice has been sent, addressed to the Director, officer, Board committee member, Member, or auditor, at the address, as the case may be, as the same is shown in the records of the Corporation.
- (b) Any notice sent by the following means shall conclusively be deemed to be received as provided below:
 - (i) if by electronic means, on the next business day after transmission;
 - (ii) if delivered, at the time of delivery; and
 - (iii) if by prepaid mail, subject to section 12.1(c), on the fifth business day following its mailing.
- (c) Notwithstanding the foregoing provisions with respect to mailing, if it may reasonably be 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 business day following its mailing, then the mailing of the notice shall not be an effective means of sending it but rather any notice must then be sent by an alternative method that may reasonably be anticipated will cause the notice to be received reasonably expeditiously by the addressee.
- (d) The Secretary may change or cause to be changed the recorded address of any Director, officer, Board committee member, Member, or auditor in accordance with any information believed by them to be reliable.

12.2 Computation of Time

In computing the date when notice must be given under any provision of the by-laws requiring a specified number of days' notice of any meeting or other event, the date of giving the notice shall be excluded and the notice period shall terminate at midnight of the last day of the notice period, except if the last day is a holiday, the period shall terminate at midnight of the next day that is not a holiday.

12.3 Omissions and Errors

The accidental omission to give any notice to any Member, Director, officer, Board committee member, or the auditor of the Corporation, or the non-receipt of any notice by any such person, or

any error in any notice not affecting the substance of it, shall not invalidate any action taken at any meeting held pursuant to the notice or otherwise founded on it.

12.4 Waiver of Notice

Any Member, Director, officer, Board committee member, or the auditor of the Corporation, may, in writing, waive any notice required to be given to them under any provision of the *Public Hospitals Act*, the Act, or the Articles or by-laws of the Corporation, either before or after the meeting to which it refers, and the 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 the notice. Attendance and participation at a meeting constitutes waiver of notice, unless the attendance is for the express purpose of objecting to the transaction of any business on the grounds the meeting was not lawfully called.

Article 13

By-laws

13.1 By-laws and Amendments

- (a) Subject to the Act, the Board may make, amend, or repeal any by-law that regulates the activities or affairs of the Corporation.
- (b) The Board shall submit the by-law, amendment, or repeal to the Members at the next Members' meeting, and the Members may confirm, reject, or amend the by-law, amendment, or repeal by ordinary resolution.
- (c) Subject to section 13.1(f), the by-law, amendment, or repeal is effective:
 - (i) from the date of the Board resolution; or
 - (ii) 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, such by-law amendments or repeals are only effective when confirmed by the Members.

- (d) If the by-law, amendment, or repeal is confirmed or confirmed as amended by the Members, it remains effective in the form in which it was confirmed.
- (e) The by-law, amendment, or repeal ceases to have effect if the Board does not submit it to the Members as required under section 13.1(b) or if the Members reject it.
- (f) If a by-law, amendment, or repeal ceases to have effect, a subsequent Board resolution that has substantially the same purpose or effect is not effective until it is confirmed or confirmed as amended by the Members.

- (g) In any case of rejection, amendment, or refusal to approve the by-law or part of the by-law in effect in accordance with this section, no act done or right acquired under any by-law is prejudicially affected by any rejection, amendment, or refusal to approve.

13.2 Amendments to Professional Staff By-law

Prior to submitting all or any part of the Professional Staff By-law to the process established in section 13.1, the procedures set out in the Professional Staff By-law shall be followed.

^{i i} 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.