

**GRAND RIVER HOSPITAL
CORPORATION**

**AMENDED AND RESTATED BY-LAW
NO. 1 (2019)**

June 25, 2019

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GRAND RIVER HOSPITAL CORPORATION
AMENDED AND RESTATED BY-LAW NO. 1 (2016)

PREAMBLE

WHEREAS the objects of the Corporation are:

1. To establish, equip, staff, maintain, operate and conduct, on one (1) or more sites, a public hospital, including, without limiting the generality of the foregoing, active treatment programs and services, chronic care, community health, emergency services, family planning services, mental health, out-patient services, rehabilitation and therapeutic services.
2. To operate and maintain laboratories, diagnostic imaging services, research facilities, therapeutic and rehabilitation facilities, pharmacies or dispensaries.
3. To participate in all phases of education pertaining to healthcare, including specifically the education of physicians, dentists, nursing staff and other healthcare personnel.
4. To provide such other healthcare services as are required by the community of Kitchener-Waterloo and their environs, including without limitation, the provision of long-term care facilities and in-home healthcare services, in accordance with all applicable legislation as may be amended from time to time.

AND WHEREAS the objects of the Corporation will be pursued in accordance with the following principles:

1. The Corporation will provide resources to address the dual needs of a general hospital and a specialized referral centre;
2. Services and programs will be provided only when the need is evident, the necessary resources are available and regional access has been considered; and
3. The financial health of the Corporation will be maintained.

AND WHEREAS the Board of Directors of the Grand River Hospital deems it expedient to enact a new By-law No. 1(2016) in substitution and replacement for By-Law No.1 (2013) of the Corporation heretofore enacted.

NOW THEREFORE be it enacted and it is hereby enacted that By-law No. 1 (2017) be cancelled and revoked and that the following Bylaw No. 1 (2019) be substituted in lieu thereof as a By-Law of the Corporation.

ARTICLE 1 - DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this By-Law, the following words and phrases shall have the following meanings, respectively:

- (a) “Act” means the Corporations Act (Ontario), and where the context requires, includes the Regulations made under it;
- (b) “Application” means the application for membership prescribed by the Board;
- (c) “Associates” means the parents, siblings, spouse or common law partner of a Director, and includes any organization, agency, company, or individual (such as a business partner) with a formal relationship to a Director;
- (d) “Board” means the Board of Directors of the Corporation;
- (e) “By-Law” means any By-Law of the Corporation from time to time in effect;
- (f) “Chief Executive Officer” means, in addition to ‘administrator’ as defined in section 1 of the *Public Hospitals Act*, the President and Chief Executive Officer of the Corporation;
- (g) “Chief Financial Officer” means the senior employee, responsible to the President for the treasury and controllership functions in the Hospital;
- (h) “Chief Nursing Executive” means the senior employee responsible to the Chief Executive Officer for the nursing facilities in the Hospital;
- (i) “Chief of a Department” means a member of the Professional Staff appointed by the Board of Directors to be responsible for the professional standards and quality of medical care rendered by the members of his/her department at the Health Centre Sites;
- (j) “Chief of Staff” means the member of the Medical Staff appointed by the Board of Directors to be responsible for the professional standards of the Professional Staff, and the quality of professional care rendered at the Health Centre Sites;
- (k) “College” means, as the case may be, the College of Physicians and Surgeons of Ontario, the Royal College of Dental Surgeons of Ontario, the College of Nurses of Ontario, and/or the College of Midwives of Ontario;
- (l) “Conflict of Interest” includes, without limitation, the following three areas that may give rise to a Conflict of Interest for the Directors of the Corporation, namely:
 - (i) Pecuniary or Financial Interest - a Director is said to have a pecuniary or financial interest in a decision when the Director (or his/her Associates)

stands to gain by that decision, either in the form of money, gifts, favours, gratuities, or other special considerations;

- (ii) Undue Influence - participation or influence in Board decisions that selectively and disproportionately benefit particular agencies, companies, organizations, professional groups, or patients from a particular demographic, geographic, political, socio-economic, or cultural group is a violation of the Director's entrusted responsibility to the community at large; or
- (iii) Adverse Interest - A Director is said to have an adverse interest to the Corporation when he/she is a party to a claim, application or proceeding against the Corporation;
- (m) "Corporation" means the Grand River Hospital with the Head Office located in 835 King Street West, Kitchener, Ontario, N2G 1G3;
- (n) "Director" means a member of the Board;
- (o) "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 Chief Executive Officer or Chief Nursing Officer;
 - (iii) Any spouse, dependent child, parent, brother or sister of an employee of the Corporation or member of the Professional Staff; and
 - (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;
- (p) "Ex-officio" means membership "by virtue of the office" and includes all rights, responsibilities, and power to vote unless otherwise specified;
- (q) "Head Office" means 835 King Street West, Kitchener, Ontario, N2G 1G3;
- (r) "Health Centre Site(s)" means any one or combination of the following respective health centre sites - Grand River Health Centre and/or Freeport Health Centre;
- (s)
- (t)

- (u) (v) “Member” means member of the Corporation;
- (w) “Patient” means, unless otherwise specified, any in-patient, out-patient or other patient of the Corporation;
- (x) “Person” means and includes any individual, corporation, partnership, firm, joint-venture, syndicate, association, trust, government, government agency, board, commission or authority, or any other form of entity or organization;
- (y) “Privileges” mean those rights or entitlements conferred upon a Physician, Dentist, Midwife or Nurse in the Extended Class at the time of appointment or re-appointment;
- (z) “Professional Staff” means a member of the Medical, Dental, Midwifery and Extended Class Nursing Staff to whom the Board grants the privilege of attending patients in the Hospital.
- (aa) “Professional Staff Officers” means the President, Vice President and Secretary-Treasurer of the Professional Staff;
- (bb) “Professional Staff Rules” means provisions approved by the Board concerning the practice and professional conduct of the members of the Professional Staff;
- (cc) “Public Hospitals Act” means the *Public Hospitals Act* (Ontario), and, where the context requires, includes the Regulations made under it;
- (dd) “Regional” means the health care institutions and agencies within the Waterloo Wellington Local Health Integration Network with whom the Hospital has developed collaborative relationships for the provision of patient care, education and research; and
- (ee) “Special Resolution” means a resolution passed by the Directors and confirmed with or without variation by at least two-thirds (2/3) of the votes cast at a general meeting of the Members of the Corporation duly called for the purpose, or at an annual meeting, or in lieu of such confirmation, by consent in writing of all Members entitled to vote at such meeting.

1.2 Interpretation

This By-Law shall be interpreted in accordance with the following unless the context otherwise specifies or requires:

- (a) all terms which are contained in this By-Law of the Corporation and which are defined in the *Act* or the *Public Hospitals Act* or the Regulations made thereunder,

shall have the meanings given to such terms in the *Act* or *Public Hospitals Act* or the Regulations thereunder;

- (b) the use of the singular number shall include the plural and vice versa, the use of any gender shall include the masculine, feminine and neuter genders;
- (c) the headings used in the By-Law are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions thereof or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions; and
- (d) any references herein to any law, by-law, rule, regulation, order or act of any government, governmental body or other regulatory body shall be construed as a reference thereto as amended or re-enacted from time to time or as a reference to any successor thereto.

ARTICLE 2 - MEMBERSHIP IN THE CORPORATION

2.1 Members

The Members of the Corporation shall consist of the Directors from time to time of the Corporation who shall be ex-officio Members for so long as they serve as Directors.

2.2 Fees

No fees shall be payable by the Members.

2.3 Voting

Each Member shall be entitled to one vote.

ARTICLE 3 - ANNUAL AND SPECIAL MEETINGS OF THE MEMBERS OF THE CORPORATION

3.1 Annual Meetings of the Members of the Corporation

The annual meeting of Members shall be held at the Head Office of the Corporation or at any place in the Regional Municipality of Waterloo as the Board determines between April 1st and July 31st in each year on a date fixed by the Board.

3.2 Calling of Meeting

The Board or Chair shall have power to call, at any time, an annual or general meeting of the Members of the Corporation. When calling an annual or general meeting of the Members, the Board or Chair may provide for attendance by Members by telephonic or electronic means (as may be defined in the Corporations Act), in addition to attendance by Members in person.

3.3 Special Meetings of the Members of the Corporation

- (a) The Board or the Chair may call a special meeting of the Corporation.
- (b)
 - (i) Not less than one-tenth (1/10) of the Members of the Corporation entitled to vote at a meeting proposed to be held may, in writing, requisition the Directors to call a special meeting of the Members for any purpose connected with the affairs of the Corporation which are properly within the purview of the Members' role in the Corporation and which are not inconsistent with the *Corporations Act* (Ontario).
 - (ii) The requisition shall be deposited at the Head Office of the Corporation and may consist of several documents in like forms signed by one or more requisitioners.
- (c) Notice of a special meeting shall be given in the same manner as provided in Section 3.2. If the Directors, acting in their sole discretion, determine that the requisition meets the qualifications set out in paragraph (b) above, the Directors shall call and hold such meeting within fourteen (14) days from the date of the deposit of the requisition.
- (d) The notice of a special meeting shall specify the purpose for which it has been called.

3.4 Notice

- (a) At least ten (10) days' prior written notice of a meeting of the Members shall be given to each Member and such notice shall specify the business to be transacted at such meeting.
- (b) The written notice of any annual or special meeting of Members of the Corporation required under paragraph (a) above can be given in writing and delivered or sent by prepaid mail, by facsimile transmission or by electronic mail addressed to the Members of the Corporation as the same appears on the books of the Corporation.

3.5 Omission of Notice

No unintentional or technical error or omission in giving notice of a meeting of Members of the Corporation may invalidate resolutions passed or proceedings taken at the meeting. Any Member may at any time waive notice of any such meeting and may ratify, approve and confirm any or all resolutions passed or proceedings taken at the meeting.

3.6 Voting

- (a) At all annual or special meetings, resolutions shall be determined by a majority of affirmative votes cast by Members present at the meeting, unless otherwise required by statute or the By-laws. If there is an equality of votes, the Chair shall declare the motion lost.
- (b) Pursuant to the *Public Hospitals Act*, no Member may vote by proxy.
- (c) At any meeting, unless a poll 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 of the fact.
- (d) A poll may be demanded either before or after any vote by a show of hands by any person entitled to vote at the meeting. If at any meeting a poll is demanded on the election of the Chair or on the question of adjournment, it shall be taken forthwith without adjournment. If at any meeting a poll is demanded on any other question or as to the election of Directors, the vote shall be taken by ballot in such manner as the Chair of the meeting directs. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. A demand for a poll may be withdrawn.
- (e) A written resolution signed by all of the Members entitled to vote on that resolution at a meeting of Members is as valid and effective as if passed at a meeting of Members duly called and constituted and held for that purpose.

3.7 Quorum

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

3.8 Chair of the Meeting

The Chair of a meeting of the Corporation shall be:

- (i) The Chair of the Corporation; or
- (ii) One of the Vice-Chairs of the Corporation, if the Chair is absent or is unable to act; or
- (iii) A Chair elected by the Members present if the Chair and Vice-Chair are absent or are unable to act. The Secretary shall preside at the election of the Chair, but if the Secretary is not present, the Directors, from those present, shall choose a Director to preside at the election; or
- (iv) If no Director is present or if all the Directors present decline to take the Chair, then the persons who are present and entitled to vote shall, choose one of their number to be the Chair.

The Chair of the meeting shall not be entitled to vote, unless the vote is taken by written ballot.

3.9 Business at Annual Meetings

At each annual meeting, in addition to the other business transacted, the following reports and statements shall be presented:

- (a) minutes of the previous annual meeting;
- (b) the report of the Chair, of the Board;
- (c) report of the Auditor including a presentation of the audited financial statements;
- (d) the report of the Chief Executive Officer;
- (e) the report of the Medical Advisory Committee;
- (f) election of Board members; and
- (g) appointment of the Auditors.

3.10 Adjourned Meeting

- (a) If, within one-half hour after the time appointed for a meeting of the Corporation, a quorum is not present, the meeting shall stand adjourned until a day within two weeks to be determined by the Board.
- (b) At least three days' notice of the adjourned meeting shall be given in accordance to the provisions of Section 3.3 above.

3.11 Financial Year End

The financial year of the Corporation shall end with the 31st day of March in each year.

ARTICLE 4 - BOARD OF DIRECTORS

4.1 Nominations to Board

- (a) Subject to this section and all other provisions of this By-law, nominations for elections as Director at the annual meeting of the Corporation may be made only by the Governance and Community Engagement Committee of the Board. For greater certainty, no nominations shall be accepted by the Members of the Corporation which are not submitted and approved by the Governance and Community Engagement Committee.
- (b) Members of the Corporation may nominate persons for consideration for election as a Director of the Corporation, to the Nominations Sub-Committee provided that each nomination by the Members:
 - (i) is in writing and signed by at least two Members in good standing;
 - (ii) is accompanied by a written declaration signed by the nominee that

he/she will serve as a Director in accordance with this By-Law if elected; and

- (iii) is submitted to and received by the Secretary at least thirty (30) days before the date of the Annual Meeting.
- (c) The City of Kitchener, City of Waterloo and the Region of Waterloo may nominate persons for consideration for election as Directors of the Corporation, to the Nominations Sub-Committee provided that each nomination is:
- (i) in writing;
 - (ii) accompanied by a written declaration signed by the nominee that he/she will serve as a Director in accordance with this By-law if elected ; and
 - (iii) submitted to and received by the Secretary at least thirty (30) days before the date of the Annual Meeting.

4.2 Board Composition

The affairs of the Corporation shall be governed by a Board consisting

of: (a) Elected Directors

A minimum of three (3) and a maximum of twelve (12) Directors shall be elected by the Members of the Corporation in accordance with the provisions of the Corporation's By-Law. Up to three (3) Elected Director positions may be filled by nominees suggested by the Councils of the City of Waterloo, City of Kitchener and the Region of Waterloo.

Directors shall be elected by the Members of the Corporation in accordance with the provisions of the Corporation's By-Law. One of those positions may be held vacant and as needed used to accommodate an out-going Board Chair who has completed their nine-year (9-year) term, granting them a one-year (1-year) term extension.

- (b) The terms of the elected Directors shall be staggered such that the term of at least four (4) elected Directors shall expire each year at the time of the annual general meeting of the Corporation, or until their successors are elected or appointed. The expiring terms shall be filled annually, for one (1), two (2) or three (3) year terms, by election by the Members of the Corporation in accordance with the provisions of the By-Law of the Corporation. An out-going Board Chair who has completed their nine-year (9-year) term, a one-year (1-year) term may be elected by the members for an additional one-year (1-year) term.
- (c) In addition to the elected Directors, there are four Ex-Officio Directors:
 - (i) Chief of Staff, without a vote;
 - (ii) President of the Professional Staff Association, without a vote;
 - (iii) Chief Executive Officer of the Hospital, without a

vote;

(iv) Chief Nursing Executive of the Hospital, without a

vote;

An Ex-Officio Director shall hold office until his/her successor is appointed in accordance with the By-laws of the Corporation.

(d) Special
Directors

Pursuant to section 12(5) of the *Public Hospitals Act*, the Board may at any time appoint life, term or honorary Directors.

4.3 Qualification of Directors

- (a) Every Director shall be eighteen (18) or more years of age. No undischarged bankrupt shall become a Director.
- (b) Save and except for the current Directors, no Excluded Person shall be eligible for election or appointment to the Board of Directors except where otherwise provided in this By-Law.

4.4 Term of Office Restrictions

- (a) Except as provided in section 4.2 (a) no person may be elected or appointed a Director for more than nine (9) consecutive years of service.
- (b) A former Director restricted by paragraph (a) above may be re-elected or re-appointed a Director following a break in the continuous service of at least one (1) year.
- (c) Save as otherwise provided in this By-Law, an officer's term of office shall continue until his or her successor is elected or appointed.
- (d) No Director may serve as Chair or Vice-Chairs of the Board, for longer than three (3) consecutive years, provided, however, that following a break in the continuous service of at least one (1) year the same person may be re-elected or re-appointed to any office.

4.5 Vacancy and Termination of Office

- (a) The office of a Director shall automatically be vacated
 - (i) if the Director becomes bankrupt or suspends payment of debts generally or compounds with creditors or makes an assignment in bankruptcy or is declared insolvent;
 - (ii) if the Director is found to be a mentally incompetent person or becomes of unsound mind;
 - (iii) if the Director, by notice in writing to the Corporation, resigns

office, which resignation shall be effective at the time it is received by the Secretary of the Corporation or at the time specified in the notice, whichever is later;

- (iv) if at a special meeting of the Members of the Corporation, a resolution is passed by a simple majority of the votes cast by the Members, removing a Director before the expiration of the Directors term of office; and
 - (v) if the Director dies.
- (b) The office of a Director may be vacated by a simple majority resolution of the Members of the Corporation:
- (i) if a Director is absent for three (3) consecutive meetings of the Board, or if a Director is absent for one quarter (1/4) or more of the meetings of the Board in any twelve (12) month period; or
 - (ii) if a Director fails to comply with the *Public Hospitals Act*, the Act, the Corporation's Letters Patent, By-Laws, Rules, Regulations, policies and procedures, including without limitation, the confidentiality and conflict of interest requirements.
- (c) If a vacancy occurs at any time among the Directors either by a resignation, by death or removal by the Members in accordance with paragraph (a) above, or by any other cause, such vacancy may be filled by a qualified person elected by the Board to serve until the next annual meeting.
- (d) At the next annual meeting in addition to the election of Directors to fill the vacancies caused by expiry of Directors' terms, the Members shall also elect an additional Director to fill the unexpired term created by any vacancy referred to in paragraph (a) above.

4.6 Conflict of Interest

- (a) Every Director who, either directly or through one of his/her Associates, has or thinks he/she may potentially have a Conflict of Interest with respect to a proposed or current contract, transaction, matter or decision of the Corporation shall disclose the nature and extent of the interest at a meeting of the Board.
- (b) The declaration of interest shall be disclosed at the meeting of the Board at which the contract, transaction, matter or decision is first raised.
- (c) If the Director (or his/her Associates) becomes interested in a contract, transaction, matter or decision after the Board meeting at which it is first raised, the Director shall make a declaration at the next Board meeting following the Director's perception or apprehension of a conflict.
- (d) In the case of an existing contract, transaction, matter or decision the declaration shall be made at the first meeting of the Board after the member becomes a Director or the interest comes into being.
- (e) After making such a declaration no interested Director shall vote or be present at

the vote or during the discussions, or otherwise attempt to influence the voting on a contract, transaction, matter or decision, nor shall the member be counted in any required quorum with respect to the vote.

- (f) If a Director has made a declaration of conflict of interest in compliance with this By-Law the Director is not accountable to the Corporation for any profit he/she may realize from the contract, transaction, matter or decision.
- (g) If the Director fails to make a declaration of his/her interest in a contract, transaction, matter or decision as required by this By-Law, this shall be considered grounds for termination of his/her position as a Director of the Corporation.
- (h) The failure of any member to comply with the Conflict of Interest By-Law of the Corporation does not, in or of itself, invalidate any contract, transaction, matter or decision undertaken by the Board of the Corporation.
- (i) If a Director believes that any other Director is in a Conflict of Interest position with respect to any contract, transaction, matter or decision, the Director shall have the concern recorded in the minutes. Thereafter, at the request of the Director who recorded the initial concern, the Board shall, after the Director alleged to have a conflict has absented himself from the room, vote on whether the Director alleged to have a Conflict of Interest is, in the opinion of the Board, in a Conflict of Interest. If the Board so finds the person in a Conflict of Interest, the Board member shall absent himself during any subsequent discussion or voting process relating to or pertaining to the conflict. The question of whether or not a Director has a Conflict of Interest shall be determined by a simple majority of the Board and shall be final.
- (j) If the Board finds that the person is not in conflict, the Board will then vote on the contract, transaction, matter or decision and the votes of each Director shall be recorded.
- (k) Every declaration of a Conflict of Interest and the general nature thereof shall be recorded in the minutes by the Board.
- (l) Where the number of Directors who, by reason of the provisions of this Section 4.6 are prohibited from participating in a meeting is such that at that meeting, the remaining members are not of sufficient number to constitute a quorum, then, notwithstanding any other provision in this By-Law, the remaining number of members shall be deemed to constitute a quorum, provided such number is not less than three.
- (m) Where in the circumstances mentioned in paragraph (l) above, the remaining number of members who are not prohibited from participating in the meeting is less than three, the Chief Executive Officer may apply to a judge on an ex parte basis for an order authorizing the Board to give consideration to, discuss and vote on the matter out of which the interest arises.
- (n) The judge may; on an application brought under paragraph (m) above by order, declare that Section 4.6 does not apply to the Board, as the case may be, in respect of the matter in relation to which the application is brought, and the Board thereupon may give consideration to, discuss and vote on the matter in the same manner as though none of the members had any interest therein, subject only to such conditions and directions as the judge may consider appropriate, and so order.

4.7 Public Statements and Confidentiality

- (a) Every Director, officer and employee of the Corporation shall respect the confidentiality of matters brought before the Board, keeping in mind that unauthorized statements could adversely affect the interests of the Corporation.
- (b) The Board shall 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.

4.8 Standards of Care

Every Director and officer of the Corporation in exercising his/her powers and discharging his/her duties shall:

- (a) act honestly and in good faith with a view to the best interests of the Corporation; and
- (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

4.9 Responsibilities of the Board

The Board shall govern and supervise the management of the affairs of the Corporation in accordance with the *Statement of Roles and Responsibilities of the Board* adopted from time to time by the Board and may exercise all such powers and do all such other acts and things as the Corporation is, by its charter or otherwise, authorized to exercise and do.

ARTICLE 5- OFFICERS OF THE BOARD AND OF THE CORPORATION

5.1 Officers

- (a) The Board shall appoint the following officers from the Elected Directors at the special meeting immediately following the annual meeting:
 - (i) a Chair;
 - (ii) a First Vice Chair;
 - (iii) a Second Vice Chair, and
 - (v) a Treasurer.
- (b) The Chief Executive Officer shall be the Secretary of the Corporation and Secretary of the Board.
- (c) Ex-Officio Directors are ineligible for election as Chair or Vice-Chairs.
- (d) The Officers of the Corporation shall be responsible for the duties set forth in the By-laws and they are not necessarily required to perform such duties personally, but they may delegate to others the performance of any or all such duties.

- (e) An Elected Director may be appointed to up to two Officer positions.
- (f) Any Officer of the Corporation shall cease to hold office upon resolution of the Board.

5.2 Duties of Chair

The Chair shall perform the duties described in the *Position Description for the Board Chair* as adopted from time to time by the Board and such other duties as may be required by statute or as may from time to time be determined by the Board.

5.3 Duties of Vice-Chairs

The Vice-Chairs shall perform the duties described in the *Position Description for the Board Vice-Chair* as adopted from time to time by the Board and such other duties as may be assigned by the Chair or the Board.

5.4 Duties of Treasurer

The Treasurer shall perform the duties described in the *Position Description for the Board Treasurer* as adopted from time to time by the Board and such other duties as may from time to time be determined by the Board.

5.5 Duties of Secretary

The Secretary shall carry out the duties of the secretary of the Corporation generally and shall 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-laws or the *Position Description for the Board Secretary* as adopted from time to time by the Board.

5.6 Chief Executive Officer

The Chief Executive Officer shall be a Director, 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. The Chief Executive Officer shall be entitled to attend all meetings of committees of the Board but shall not be entitled to vote thereat unless otherwise appointed as a member of the committee.

The Board shall approve a job description setting out the duties of the CEO.

The Board shall appoint the Chief Executive Officer in accordance with its approved selection process. The Board may at any time revoke or suspend the appointment of the Chief Executive Officer.

5.7 Protection of Directors and Officers

Except as otherwise provided in the *Act*, no Director or officer for the time being of the Corporation shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or employee or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by the Corporation or for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the monies of or belonging to the Corporation shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or fortuitous act of any person including any person with whom or which any monies, securities or effects shall be lodged or deposited or for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any monies, securities or other assets belonging to the Corporation or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of the Director's or officer's respective office or trust or in relation thereto unless the same shall happen by or through the Director's or officer's own willful neglect or default.

5.8 Indemnification of Officers and Directors

- (a) Subject to Section 4.8, and provided there has been no Wilful neglect, default or fraudulent or criminal act on the part of the Board Member or officer or otherwise he/she has not failed to have regard in his/her actions to the best interest of the Corporation, no Board Member or officer shall be liable for the acts, receipts, neglects or defaults of any other Board Member or officer or employee or for joining in any receipt or other act for conformity, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in or upon which any of the monies of the Corporation shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or fortuitous acts of any person with whom any of the monies, securities or effects of the Corporation shall be deposited, or for any loss occasioned by any error of judgment or oversight on his/her part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his/her office or in relation thereto; provided that nothing herein shall relieve any Board Member or officer from the duty to act in accordance with the *Act* and the regulations thereunder.
- (b) Subject to any limitations contained in the *Act* and this By-Law, the Corporation shall indemnify, out of the funds of the Corporation, a Board Member or officer, a former Board Member or officer who acts or acted on behalf of the Corporation, inclusive of his/her heirs, executors, administrators, legal representatives, and estate and effects, respectively, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him/her in respect of any civil, criminal or administrative action or proceeding to which he/she is made a party by reason of being or having been a Board Member or officer of the Corporation provided that:

- (i) he/she acted honestly and in good faith with a view to the best interests of the Corporation and there was no act of wilful neglect or default; and
 - (ii) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he/she had reasonable grounds for believing that his/her conduct was lawful.
- (c) The Corporation shall also indemnify any such person in such other circumstances as the *Act* or law permits or requires. Nothing in this By-Law shall limit the right of any person entitled to indemnity to claim indemnity apart from the provisions of this By-Law to the extent permitted by the *Act* or law.

5.9 Insurance

The Corporation shall purchase and maintain insurance for the benefit of any Director, officer or other person acting on behalf of the Corporation against any liability incurred in that person's capacity as a Director, officer or other person acting on behalf of the Corporation, except where the liability relates to that person's failure to act honestly and in good faith with a view to the best interests of the Corporation.

ARTICLE 6 - REGULAR AND SPECIAL MEETINGS OF THE BOARD

6.1 Regular Meetings

There shall be at least seven (7) regular meetings of the Board each year, at such time and place as the Board may from time to time by resolution determine and it shall not be necessary to give notice to a Director of meetings so determined.

6.2 Special Meetings

- (a) The Chair or Vice-Chairs of the Board may call special meetings of the Board.
- (b) The Secretary of the Board shall call a meeting of the Board if four (4) Directors so request in writing.
- (c) Notice of a special meeting of the Board shall specify the purpose of the meeting, shall be delivered, faxed, e-mailed or telephoned to each Director at least forty- eight (48) hours in advance of the meeting or shall be mailed to each Director at least five (5) days in advance of the meeting.

6.3 Procedures for Board Meetings

- (a) The declaration of the Secretary or Chair that notice has been given pursuant to the By-Law, shall be sufficient and conclusive evidence of the giving of such notice.
- (b) No error or omission in giving notice for a meeting of Directors shall invalidate such meeting or invalidate any proceedings at such meeting and any Director may at any

time waive notice of any such meeting and may ratify and approve any or all proceedings.

- (c) Guests may attend meetings of the Board only upon:
 - (i) invitation by the Chair of the meeting;
 - (ii) invitation by the Chief Executive Officer with the approval of the Chair of the meeting; or
 - (iii) resolution of the Board.
- (d) In accordance with the Board's policy on telephone meetings adopted from time to time by the Board, 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.
- (e) Minutes shall be kept for all meetings of the Board.
- (f) Business arising at any meeting of the Board shall be decided by a majority of votes, provided that:
 - (i) except as provided by clause (ii) below, votes shall be taken in the usual way by a show of hands, in which case,
 - (A) The Chair of the meeting shall not have a vote.
 - (B) If there is an equality of votes, the Chair shall vote in order to break the tie.
 - (ii) votes shall be taken by written ballot if so demanded by any voting member present, in which case,
 - (A) The Chair shall have a vote.
 - (B) If there is an equality of votes, the motion is lost.
 - (iii) a declaration by the Chair that a resolution, vote or motion has been carried or defeated and an entry to that effect in the minutes shall be admissible in evidence as prima facie proof of the, fact without proof of the number or proportion of the votes recorded in favour of or against such resolution, vote or motion.

6.4 Quorum

A quorum for any meeting of the Board shall be a majority of the Directors, provided that a majority of the Directors present are elected Directors. The Chair shall be included in the determination of a quorum.

6.5 Rules of Order

Any questions of procedure at or for any meetings of the Corporation, of the Board, of 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 Professional Staff By-Laws or the Professional Staff Rules and Regulations, shall be determined by the Chair in accordance with the rules of procedure adopted by resolution of the Board.

6.6 Rules

The Board may, from time to time, make such Rules as it may deem necessary or desirable for the better management, operation, and maintenance of the Corporation, provided however that any such rule shall conform with the provision of this By-Law.

ARTICLE 7 - COMMITTEES OF THE BOARD

7.1 Establishment of Committees

- (a) At the first meeting of the Board following the annual meeting of the Corporation, the Board shall establish the following standing committees:
 - (i) Executive Committee;
 - (ii) Governance and Community Engagement Committee;
 - (iii) Quality and Patient Safety Committee;
 - (iv) Resources Committee;and
 - (v) Audit Committee;
- (b) The Board may appoint such other committees (“special committees”) as it sees fit from time to time.
- (c) The composition and terms of reference for the standing and special committees shall be set out in a Board policy or, in the case of the Medical Advisory Committee, in the Professional Staff By-Laws.
- (d) Subject to the provisions of the By-Laws, the Board shall appoint the Chairs of the committees of the Board and appoint the members of the committees of the Board.

- (e) The Board may appoint additional members who are not Directors to any committee of the Board except the Executive Committee and those persons shall be entitled to vote, but the number of non-Directors shall not exceed the number of Directors on a committee of the Board.
- (f) Except for the Executive Committee, the Board shall encourage and promote the appointment of members who are not Directors to the standing and special committees of the Board. The Board shall ensure that committees reflect the community the Corporation serves.
- (g) The membership formula for committees is designed on the basis of minimums and it is intended that the actual size of each committee should be determined by the need to ensure a breadth of perspectives;
- (h) Subject to applicable law, the Board may, by resolution, dissolve any committee at any time.
- (i) Committee Chairs shall not vote unless the vote is by written ballot.
- (j) The Board Chair and Chief Executive Officer shall be ex-officio members of all committees.
- (k) Members of the Board shall chair all standing committees, unless the Board in its sole discretion believes it to be in the best interest of the Corporation for a non Director to chair a specific committee.
- (l) A majority of members of a committee shall constitute a quorum.

ARTICLE 8 - FINANCIAL

8.1 Bonding-Fidelity Insurance

- (a) Directors, officers and employees, as the Board may designate, shall secure from a guarantee company a bond of fidelity of an amount approved by the Board.
- (b) At the discretion of the Board, the requirements of paragraph (a) above may be met by an alternative form of employee fidelity insurance such as, but not limited to, a blanket position bond, a commercial blanket bond, or a comprehensive dishonesty, disappearance and destruction policy.
- (c) The Corporation shall pay the expense of any fidelity bond or policy secured under paragraphs (a) or (b) above

8.2 Signing Officers

- (a) Execution of Documents

Subject to section 8.2 (b), 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 a Vice-Chair together with any one of the Chief Executive Officer or a Director and all instruments or documents so signed shall be binding upon the Corporation without any further authorization or formality.

(b) Other Signing Officers

In addition to the provisions of section 8.2 (a), the Board shall establish a policy in respect of signing authority and 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 may affix the seal of the Corporation to any instrument or document and may certify a copy of any instrument, resolution, by-law or other document of the Corporation to be a true copy.

8.3 Borrowing Power and Banking Arrangements

- (a) Without limiting the borrowing powers of the Corporation as set forth in the Act, the Board may from time to time, on behalf of the Corporation, without authorization of the Members:
- i. borrow money on the credit of the Corporation;
 - ii. issue, sell or pledge securities (including bonds, debentures, notes or other similar obligations, secured or unsecured) of the Corporation; or
 - iii. 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.
- (b) The banking business of the Corporation or any part thereof shall be transacted with such banks, trust companies or other financial institutions (the “Bank”) as the Board may, by resolution, from time to time determine.
- (c) The signing officers designated by the Board are authorized for and on behalf of the Corporation:
- i. to draw, accept, sign and make all or any bills of exchange, promissory notes, cheques, and orders for payment of money;

- ii. to receive and deposit all Corporation monies in the Bank designated under paragraph (a) above and give receipts for same;
- iii. subject to the approval of the Board, to assign and transfer to the Bank all or any stocks, bonds, or other securities;
- iv. subject to the approval of the Board, to enter into hedging agreements for the purpose of hedging the interest rate, commodity or foreign currency risks associated with the Corporation's operations;
- v. to transact with the Bank any business which they may think fit;
- vi. to negotiate with, deposit with, endorse or transfer to the Bank, but for the credit of the Corporation only, all or any bills of exchange, promissory notes, cheques; or orders for the payment of money and other negotiable paper;
- vii. from time to time, to arrange, settle, balance, and certify all books and accounts between the Corporation and the Bank designated by the Board under paragraph (a) above;
- viii. to receive all paid cheques and vouchers; and
 - ix. to sign the Bank's form of settlement of balance and release.

8.4 Seal

The seal of the Corporation shall be in the form impressed hereon.

8.5 Investments

- (a) Subject to paragraphs (b) and (c) below, the Board shall not be limited to investments authorized by laws for trustees provided their investments are investments which are deemed reasonable and prudent under the circumstances.
- (b) With respect to monies or property held in trust by the Corporation, the Board may invest only in securities authorized by the *Trustee Act* (Ontario), unless the trust instrument indicates otherwise.
- (c) Notwithstanding the provisions of paragraphs (a) or (b) above, the Board may, in its discretion retain investments which are given to the Corporation in specie.

8.6 Endowment Benefits

- (a) No benefit given in trust to or for the use of the Corporation for endowment purposes shall be hypothecated, transferred or assigned to obtain credit or to receive funds except as allowed by Section 8.5(a) above
- (b) The Secretary shall keep copies of all testamentary documents and trust instruments by which benefits are given, bequeathed or devised to, or to the use of, the Corporation.
- (c) The Secretary shall give notice to the Office of the Public Guardian and Trustee, in accordance with the terms of the *Charities Accounting Act* (Ontario), of the benefits referred to in paragraph (b) above which come into the control or possession of the Corporation.
- (d) The Corporation shall apply any trust funds of the Corporation only to the designated purpose(s) for which such funds were intended. Under no circumstances shall the Corporation transfer any funds held in trust by the Corporation to any other individual or entity, unless such transfer complies with all applicable law, including without limitation, the *Charities Accounting Act* (Ontario) and the *Trustee Act* (Ontario).
- (e) The Secretary shall at least semi-annually provide an accounting to the Board with respect to all funds held in trust by the Corporation.

8.7 Auditor

- (a) The Corporation shall at its Annual Meeting appoint an auditor who shall not be a member of the Board or an officer or employee of the Corporation or a partner or employee of any such person, and who is duly licensed under the provisions of *The Public Accounting Act* (Ontario), to hold office until the next Annual Meeting of the Corporation.
- (b) The Auditor shall have all the rights and Privileges as set out in the *Act* and shall perform the audit function as prescribed therein.
- (c) In addition to making the report at the Annual Meeting of the Corporation, the Auditor shall from time to time report through the Audit Committee to the Board on the audit work with any necessary recommendations.

ARTICLE 9 - VOLUNTARY ASSOCIATIONS

9.1 Authorization

The Board may sponsor the formation of a voluntary association(s) as it deems advisable.

9.2 Purpose

Such associations shall be conducted with the advice of the Board for the general welfare and benefit of the Corporation and the patients treated in the Corporation.

9.3 Control

Each such association shall elect its own officers and formulate its own By-Laws, but at all times the By-Laws, objects and activities of each such association shall be subject to review and approval by the Board.

9.4 Auditor

- (a) Each unincorporated voluntary association shall have its financial affairs reviewed for the purposes of assuring reasonable internal control.
- (b) The auditor for the Corporation shall be the auditor for the voluntary association(s) under this section.

ARTICLE 10 - PROGRAMS

10.1 Occupational Health and Safety Program

- (a) There shall be an Occupational Health and Safety Program for the Hospital, with procedures to ensure a safe and healthy work environment and work practices in the Hospital, the safe use of substances, equipment and medical devices in the Hospital, the prevention of accidents to persons on the premises of the Hospital and the elimination of undue risks and the minimizing of hazards inherent in the Hospital environment.
- (b) The Chief Executive Officer shall appoint the person responsible for implementation of the Occupational Health and Safety Program and his or her reports shall be communicated through the Chief Executive Officer to the Board.

10.2 Health Surveillance Program

- (a) There shall be a Health Surveillance Program for the Hospital, which shall apply to all persons carrying on activities in the Hospital, and shall include a communicable disease surveillance program.
- (b) The Chief Executive Officer shall appoint the person responsible for implementation of the Health Surveillance Program and his or her reports shall be communicated through the Chief Executive Officer to the Board.

10.3 Organ Donation

The Board shall approve procedures to encourage the donation of organs and tissues including procedures to identify potential donors and to 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 Hospital.

ARTICLE 11- PARTICIPATION OF NURSES

11.1 Participation of Nurses

Nurses who are managers and staff Nurses shall be allowed to participate in decision making related to administrative, financial, operational and planning matters in the Hospital.

11.2 Participation of Nurses on Committees

The Board shall provide for the participation at the committee level of staff Nurses who are managers, including the election of staff Nurses of representatives to committees and the election or appointment to committees of Nurses who are managers.

ARTICLE 12 - AMENDMENTS TO BY-LAW

12.1 Amendments to By-Law

- (a) The Board may pass or amend the By-Law of the Corporation from time to time.
- (b)
 - (i) Where it is intended to pass or amend the By-Law at a meeting of the Board, written notice of such intention shall be sent by the Secretary to each Director at his/her address as shown on the records of the Corporation by ordinary mail not less than ten (10) days before the meeting.
 - (ii) Where the notice of intention required by clause (i) above is not provided, any proposed By-Law or amendments to the By-Law may nevertheless be moved at the meeting and discussion and voting thereon adjourned to the next meeting, for which no notice of intention need be given.
- (c) Subject to paragraph (d) below, a By-Law or an amendment to a By-Law passed by the Board has full force and effect:
 - (i) from the time the motion was passed, or
 - (ii) from such future time as may be specified in the motion.
- (d)
 - (i) 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 to a special general meeting of the Members of the Corporation called for that purpose. The notice of such annual meeting or special general meeting shall refer to the By-Law or amendment to be presented.

- (ii) The Members at the annual meeting or at a special general meeting may confirm the By-Law as presented or reject or amend them, and if rejected they thereupon cease to have effect and if amended, they take effect as amended.
- (e) 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 approval.