



NORTHUMBERLAND HILLS
HOSPITAL

CORPORATE BY-LAW

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**NORTHUMBERLAND HILLS HOSPITAL
CORPORATE BY-LAW**

BE IT ENACTED as a by-law of the Corporation as follows:

ARTICLE 1. INTERPRETATION

1.01 Definitions

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

- (a) “**Advisors**” means members of the community who are invited from time to time to participate in Board committees to provide relevant information and knowledge to support the work of the Board committee;
- (b) “**Articles**” means any instrument that incorporates the Corporation or modifies its incorporating document or instrument;
- (c) “**Associates**” in relation to an individual means the individual’s parents, siblings, spouse or common law partner, and includes any organization, agency, company, or individual (such as a business partner) with a formal relationship to the individual;
- (d) “**Auxiliary**” means the Northumberland Hills Hospital Auxiliary;
- (e) “**Board**” means the board of directors of the Corporation;
- (f) “**By-law**” means this Corporate By-law, which deals with the administration of the affairs of the Corporation;
- (g) “**By-laws**” means this By-law, the Professional Staff By-law and any other by-laws of the Corporation from time to time in effect;
- (h) “**Catchment Area**” means the area comprising the following lower-tier municipalities of the County of Northumberland: Municipality of Alnwick/Haldimand; Town of Cobourg; Township of Cramahe; Township of Hamilton and the Municipality of Port Hope;
- (i) “**Chair**” means the chair of the Board;
- (j) “**Chief Executive Officer**” means, in addition to ‘administrator’ as defined in the *Public Hospitals Act*, the chief executive officer of the Corporation;
- (k) “**Chief Nursing Executive**” means the senior nursing employee responsible to the Chief Executive Officer for the nursing functions at the Hospital, including those of the Registered Nurses in the Extended Class who are employees of the Hospital;
- (l) “**Chief of Staff**” means the individual appointed by the Board pursuant to the Professional Staff By-law;
- (m) “**Community Members**” means the members of the community whom the Board has appointed to participate in Board committees.

- (n) “**Conflict of Interest**” includes, without limitation, the following four areas that may give rise to a conflict of interest for Directors and Board committees members, namely:
 - (i) Financial interest – where the Director or Board committee member stands to gain by that decision, either in the form of money, gifts, favours, gratuities or other special considerations;
 - (ii) Undue influence – where the Director or Board committee member influences decisions that selectively and disproportionately benefit particular individuals, groups of individuals or entities, at the expense of the community at large;
 - (iii) Adverse Interest – where the Director or Board committee member is a party to a claim, application or proceeding against the Corporation; and
 - (iv) Personal Relationship – where the Director or Board committee member has personal interests that are inconsistent with those of the Corporation, creating conflicting loyalties;
- (o) “**Corporation**” means the Northumberland Hills Hospital;
- (p) “**Corporations Act**” means the *Corporations Act* (Ontario) and, where the context requires, includes the regulations made under it and any statute that may be substituted for it, as amended from time to time;
- (q) “**day**” means a calendar day;
- (r) “**Dentist**” means a member in good standing of the Royal College of Dental Surgeons of Ontario;
- (s) “**Director**” means a member of the Board;
- (t) “**Disruptive Behaviour**” occurs when the use of inappropriate words, actions or inactions by a Professional Staff member interferes with their ability to function well with others to the extent that the behaviour interferes with, or is likely to interfere with, quality health care delivery and/or Patient or workplace safety and/or staff recruitment/retention and the cost of providing health care to Patients;
- (u) “**Excellent Care for All Act**” means the *Excellent Care for All Act, 2010* (Ontario) and, where the context requires, includes the regulations made under it and any statute that may be substituted for it, as amended from time to time;
- (v) “**Ex-Officio**” means membership “by virtue of the office”, and includes all rights, responsibilities and power to vote except where otherwise specified;
- (w) “**Foundation**” means the Northumberland Hills Hospital Foundation;
- (x) “**Hospital**” means the public hospital operated by the Corporation;
- (y) “**Medical Staff Association**” means the association described in the Professional Staff By-law;
- (z) “**Members**” means the members of the Corporation named in section 2.01;

- (aa) “**Midwife**” means a member in good standing of the College of Midwives of Ontario;
- (bb) “**MOH**” means the Ministry of Health;
- (cc) “**Officer**” the individuals who hold the offices set out in section 6.01;
- (dd) “**Patient**” means any in-patient or out-patient of the Hospital;
- (ee) “**Patient Safety Indicators**” means the indicators of the quality of health care identified by the MOH as part of its Patient safety agenda that hospitals are required to disclose publicly through their public websites or by other means as the MOH may direct;
- (ff) “**Physician**” means a member in good standing of the College of Physicians and Surgeons of Ontario;
- (gg) “**Privileges**” means those rights or entitlements conferred upon a Physician, Dentist, Midwife or Registered Nurse in the Extended Class at the time of appointment or re-appointment;
- (hh) “**Professional Staff**” means those Physicians, Dentists, Midwives and Registered Nurses in the Extended Class who are appointed by the Board and who are granted specific Privileges to practice medicine, dentistry, midwifery or extended class nursing, respectively, in the Hospital;
- (ii) “**Professional Staff By-law**” means those By-laws of the Corporation from time to time in effect that deal with the Professional Staff;
- (jj) “**Public Hospitals Act**” means the *Public Hospitals Act* (Ontario) and, where the context requires, includes the regulations made under it and any statute that may be substituted for it, as amended from time to time;
- (kk) “**Registered Nurse in the Extended Class**” means a member in good standing of the College of Nurses of Ontario who is a registered nurse and who holds an extended certificate of registration under the *Nursing Act, 1991*(Ontario);
- (ll) “**Rules**” means the rules adopted by the Board in accordance with section 1.03(h);
- (mm) “**Secretary**” means the secretary of the Board;
- (nn) “**Vice Chair(s)**” means the vice-chair(s) of the Board; and
- (oo) “**Ward**” means a geographic area defined as follows:
 - (i) **Ward 1** – Municipality of Port Hope;
 - (ii) **Ward 2** – Town of Cobourg; and
 - (iii) **Ward 3** – all parts of the Catchment Area that do not fall in Ward 1 or Ward 2.

1.02 Repeal of Previous By-laws

All previous by-laws relating to the administration of the affairs of the Corporation are repealed and replaced with this By-law.

1.03 Interpretation

The By-laws shall be interpreted in accordance with the following, unless the context otherwise specifies or requires:

- (a) Words importing the singular number include the plural and vice versa; words importing one gender include all genders; and words importing persons include individuals and entities.
- (b) The headings used in the By-laws are inserted for convenience of reference and do not affect the interpretation of the By-laws.
- (c) Any references in a By-law 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 to it as amended or re-enacted from time to time or as a reference to any successor to it.

1.04 Meeting Procedures

- (a) Any Director or Board committee member, as the context requires, and as is permitted by the Corporation's By-laws or policies, may participate in a meeting of the Board or of a Board committee by means of telephone conference or electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously and a person participating in a meeting by these means is deemed, for the purposes of the *Corporations Act* and this By-law, to be present at the meeting and is bound by all confidentiality and privacy policies as if present at the meeting. Participating by telephone conference, electronic or other communication facilities is the exception and every reasonable effort must be made to attend and participate in meetings in person.
- (b) Subject to section 1.04(a), business arising at any meeting of the Members, the Board or any Board committee established pursuant to this By-law shall be decided by a majority of votes unless otherwise required by statute or by the rules of procedure selected by the Corporation for the meetings.
- (c) Voting shall take place as follows:
 - (i) Except as provided in this By-law, each Member, each Director and each Board committee member shall be entitled to one vote at any meeting of the Members, Board or committee, respectively.
 - (ii) In accordance with the *Public Hospitals Act*, no Member shall be entitled to vote by proxy at a Members' meeting; all Members must attend Members' meetings in person in order to be eligible to vote.¹

¹ Once the *Ontario Not-for-profit Corporations Act* is proclaimed in force, you may wish to allow for telephone meetings for Members: Unless the by-laws provide otherwise, any person entitled to attend a members meeting may participate by telephonic or other electronic means that permit members to adequately communicate with each other if the corporation makes such means available (s.53(4)). If directors or members call a members meeting and if by-laws permit, director or member as case may be may determine meeting is to be held entirely by telephonic or electronic means (s.53(5)).

- (iii) Votes shall be taken in the usual way, by show of hands, among all Members, Directors and Board committee members present and entitled to vote and, subject to section 1.04(c)(iv); in the event of a tie the motion is lost.
- (iv) The chair of any meeting shall have an initial vote and, in case of an equality of votes, either upon a show of hands or upon a poll, the chair of a meeting shall be entitled to an additional or casting vote.²
- (v) After a show of hands has been taken on any question, the chair of the meeting may require, or any person entitled to vote on the question may demand, a poll on the vote. A poll so required or demanded shall be taken in such manner as the chair of the meeting shall direct. A demand for a poll may be withdrawn at any time before taking the poll. The result of the poll shall be the decision of the Members, the Board or the Board committee, as the case may be.³
- (vi) At any meeting, unless a poll is required or demanded, a declaration by the chair of the meeting that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact.
- (d) Minutes shall be kept for all meetings of the Members, the Board and any Board committee.
- (e) The declaration of the Secretary or chair of the meeting that notice has been given pursuant to this By-law shall be sufficient and conclusive evidence of giving of notice.
- (f) 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 Member, Director, Officer, Board committee member, or the auditor of the Corporation, 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.⁴
- (g) Any questions of procedure at or for any meetings of Members, of the Board, of any Board committee or of the Professional Staff that have not been provided for in this By-law, the Professional Staff By-law, or by the *Corporations Act* or *Public Hospitals Act* shall be determined by the chair of the meeting in accordance with rules of procedure adopted by Board resolution from time to time, or failing adoption, adopted by the chair of the meeting.
- (h) The Board may, from time to time, make such Rules as it may deem necessary or desirable in connection with the management of the affairs of the Board and the

² Consider if Chair should have a casting vote at Board meetings. I typically only see casting votes at Members' meetings.

³ Once the *Ontario Not-for-profit Corporations Act* is proclaimed in force, you may wish to provide for voting by Members by mail or telephone or electronic means.

⁴ Note stricter provisions. Omission must be accidental. Error must not affect substance.

conduct of the Directors and Officers; provided, however, that any Rule shall be consistent with the provisions of this By-law.

- (i) Except as provided in the *Corporations Act*, a resolution signed by all of the Members, Directors or Board committee members entitled to vote on that resolution at a meeting of the Members, Board or Board committee, as applicable, is as valid as if it had been passed at a meeting.⁵
- (j) In computing the date when notice must be given under any provision of this By-law requiring a specified number of days' or hours' notice of any meeting or other event, the date of giving the notice shall be excluded and the date of the meeting or other event shall be included. In calculating any meeting notice period, Saturdays, Sundays, and statutory holidays shall be excluded.

ARTICLE 2. MEMBERS OF THE CORPORATION

2.01 Members

The Members shall be, Ex-Officio, the elected Directors of the Corporation. Membership is not transferrable and ceases upon the Member ceasing to be an elected Director.

2.02 Fees

No fees shall be payable by the Members.

ARTICLE 3. MEMBERS' MEETINGS

3.01 Calling Meetings

The Board or Chair shall have the power to call, at any time, an annual or general Members' meeting, which shall be held at the registered office of the Corporation or at any place in Ontario as the Board may determine.

3.02 Notice of Meetings

- (a) Notice of Member's meetings, which may be by e-mail, shall be given by sending it to each Member, addressed to the Members at their most recent addresses as shown on the Corporation's records not less than ten days and not more than 50 days before the meeting.
- (b) The notice of a general meeting shall state the nature of the special business to be conducted at the meeting in sufficient detail to permit a Member to form a reasoned judgment on the business and state the text of any special resolution to be submitted to the meeting.
- (c) A Member or any other person entitled to notice of a Members' meeting may waive notice of any Members' meeting. Attendance of any Member at a Members' meeting shall constitute a waiver of notice of the meeting, except where the Member attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called. Members'

⁵ Once the *Ontario Not-for-profit Corporations Act* is proclaimed in force, you will need to set out exception: meetings where a director or auditor statement is given in connection with director or auditor removal or resignation (s.59(5)).

meetings held without notice shall be deemed to be duly called and held if all of the Members waive notice of the meeting and consent to the transaction of the business as may have come before it, subject to a quorum being present at the meeting.

3.03 Annual Meeting

- (a) The annual meeting shall be held between April 1 and June 30 in each year on a day fixed by the Board.
- (b) The business transacted at the annual meeting shall include:
 - (i) reading the:
 - (A) minutes of the previous meeting;
 - (B) report of the Board including the audited financial statement;
 - (C) report of the auditor;
 - (ii) election of Directors; and
 - (iii) appointment of an auditor to hold office until the next annual meeting.

3.04 Adjourned Meeting

- (a) If within one-half hour after the time appointed for a Members' meeting, a quorum is not present, the meeting shall stand adjourned until a day to be determined by the Board.
- (b) Not less than 48 hours' notice of a rescheduled meeting following an adjournment shall be given in the manner as the Board may determine.

3.05 Chair

The chair of a Members' meeting shall be:

- (a) the Chair;
- (b) one of the Vice-Chairs if the Chair is absent or with the approval of the Chair;
- (c) another Director elected by the Members present if the Chair and Vice-Chair(s) are both absent.

3.06 Quorum

A quorum for any Members' meeting shall be a majority of the Members.

ARTICLE 4. BOARD

4.01 Board Composition

The affairs of the Corporation shall be governed, and the management of the Corporation supervised, by a Board consisting of 19 Directors of whom seven shall be Ex-Officio Directors and the rest shall be elected Directors.

4.02 Elected Directors

- (a) The Members shall elect 12 Directors. Each Ward shall have at least three but no more than five Directors elected.

- (b) The elected Directors shall be elected for a three-year term; provided that each Director shall hold office until the earlier of the date on which their office is vacated or until the end of the meeting at which their successor is elected or appointed. At least four Director's terms shall expire annually.

4.03 Ex-Officio Non-Voting Directors

- (a) The Ex-Officio Directors are:
 - (i) the Chief of Staff;
 - (ii) president of the Medical Staff Association;
 - (iii) the vice president of the Medical Staff Association;
 - (iv) the president of the Auxiliary or designate member from the Auxiliary board subject to the Board's approval;
 - (v) the chair of the Foundation or designate member from the Foundation board subject to the Board's approval;
 - (vi) the Chief Executive Officer; and
 - (vii) the Chief Nursing Executive.
- (b) The Ex-Officio Directors:
 - (i) are non-voting members of the Board and the Board committees; and
 - (ii) shall not count towards quorum.

4.04 Term of Office Restrictions

No person may serve as an elected Director for more than nine consecutive years; provided, however, that following a break in the continuous service of at least one year, the same person may be re-elected. 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.

4.05 Vacancy

- (a) 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.
- (b) So long as there is a quorum of Directors in office, any vacancy occurring in the Board may be filled by a qualified person appointed for the remainder of the term by the Directors then in office. Service on the Board to fill an unexpired mid-year vacancy shall not be considered as part of the maximum years of service for the purpose of section 4.04.
- (c) In the absence of a quorum of the Board, or if the vacancy has arisen from a failure of the Members to elect the number of Directors required to be elected at any annual meeting, the Board shall forthwith call a Members' meeting to fill the vacancy. A Director so elected shall hold office for the unexpired portion of the vacated term.
- (d) At the next annual meeting, in addition to the election of Directors to fill the vacancies caused by the expiry of Directors' service, the Members shall elect an

additional Director to fill the unexpired vacancy created as referred to in section 4.02(a).

4.06 Termination of Office

- (a) In accordance with the *Corporations Act*, the Members may remove any elected Director before the expiry of the Director's term of office, and may elect any qualified individual as a Director to fill the vacancy for the remainder of the vacated term.
- (b) A Director may at any time, by notice to the Corporation, resign their office. The resignation shall be effective at the time the notice is received by the Secretary or at the time specified in the notice, whichever is later.
- (c) The office of an elected Director becomes vacant if they become a person referred to in section 4.12.
- (d) The office of an elected Director becomes vacant if they cease to reside in the Catchment Area. However, an elected Director who changes residence such that they move to a different Ward but remain within the Catchment Area, shall be deemed, for the purposes of this By-law, to be a resident of the Ward for which they were elected until the next annual meeting.

4.07 Responsibilities of the Board

The Board shall govern and oversee the management of the 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.

4.08 Public Relations

The Chair is the spokesperson for the Corporation but may give authority to one or more Directors, Officers, or employees to make statements to the news media or public about matters brought before the Board.⁶

4.09 Conflict of Interest⁷

- (a) These Conflict of Interest provisions apply to every individual who is a Director or a Board committee member, and they apply at Board and Board committee meetings.
- (b) Subject to section 4.09(c), every Director or Board committee member who, either on their own behalf or while acting for, by, with, or through another, has any interest, direct or indirect, potential or actual in any proposed matter, contract or transaction with the Corporation shall declare their interest and the nature and extent of the interest at a Board meeting or Board committee meeting at which the proposed matter, contract or transaction is the subject of consideration and shall not be present at, or take part in, the deliberations or vote on any question with respect

⁶ Enable the Chair to do this without requiring a further Board resolution.

⁷ Once the Ontario Not-for-profit Corporations Act is proclaimed in force, you will need to amend this section to reflect the new provisions found in section 41 (Conflict of Interest).

to the proposed matter, contract or transaction, and shall not in any way attempt to influence the voting on any question with respect to the Conflict of Interest. The interests of any Associate of the Director or Board committee member shall be deemed for the purposes of this By-law to be an interest of a Director.

- (c) (i) A Director or Board committee member may have interests with stakeholders/partners of the Corporation that may appear to be a Conflict of Interest. The Board recognizes that where perceived conflicts relate to non-profit stakeholders/partners that share common goals with the Corporation, the benefits of having such Directors or Board committee members on the Board or its committees might outweigh the potential difficulties relating to the perceived Conflict of Interest.
- (ii) The benefits include:
 - (A) reflection of the operational reality of the inter-relationship that the Corporation has with key stakeholders/partners that is critical to the Corporation achieving its mission and vision; and
 - (B) increased capacity of the Board because it leads to fuller and more informed deliberation on issues that have cross-organizational implications.
- (iii) For reasons reviewed above, notwithstanding provision to the contrary contained in section 4.09(b), where a Director or Board committee member has an actual or perceived Conflict of Interest relating to a not-for-profit stakeholder/partner, the Director or Board committee member shall be entitled to be present at and take part in the deliberations with respect to the proposed matter, contract or transaction but shall not be entitled to vote.
- (d) In the case of a proposed matter, contract or transaction, the Director or Board committee member shall determine the interest at the Board or Board committee meeting during which the question of entering into the matter, contract or transaction is first considered. If the Director or Board committee member is not present at the meeting, or an interest has been acquired after the meeting, the Director or Board committee member shall make a declaration and otherwise comply with section 4.09(b) or (c), as the case may be, at the first meeting of the Board or Board committee attended by the Director or Board committee member after acquiring such interest.
- (e) A Director or Board committee member who has declared an interest in a proposed matter, contract or transaction and who has otherwise complied with section 4.09(a) or (b) shall not be accountable to the Corporation or its creditors for any profit resulting from the matter, contract or transaction. The matter, contract or transaction will not be voidable by reason only of the Director or Board committee member belonging to the Board or Board committee or of the fiduciary duty of the Director or Board committee member.
- (f) The Secretary shall record every disclosure of interest under sections 4.09(a) or (b) in the minutes of the meeting of the Board or Board committee.

- (g) The failure of a Director or Board committee member to comply with section 4.09(a) or (b) does not itself invalidate any matter, contract or transaction or the proceedings in respect of any proposed matter, contract or transaction mentioned in section 4.09(a) or (b), but the matter, contract or transaction, or the proceedings in respect of any proposed matter, contract or transaction are voidable at the instance of the Corporation.
- (h) Where the number of Directors or Board committee members who, by reason of the provisions of this section, are prohibited from participating in a meeting is such that at that meeting the remaining Directors or Board committee members are not of sufficient number to constitute a quorum, then, notwithstanding any other provision in this By-law, the remaining number of Directors or Board committee members shall be deemed to constitute a quorum, provided such number is not less than three.
- (i) Where in the circumstances mentioned in section 4.09(h), the remaining Directors or Board committee members who are not prohibited from participating in the meeting number less than three, the Chief Executive Officer may apply to a judge on an *ex parte* basis for an order authorizing the Board or Board committee to give consideration to, discuss and vote on the matter out of which the interest arises.
- (j) For the purposes of section 4.09(b), a general notice to the Board by a Director or Board committee member declaring that the person is a director or officer of or has a material interest in a body corporate, business firm, or organization and is to be regarded as interested in any contract made therewith, is a sufficient declaration of interest in relation to any contract so made.

4.10 Confidentiality

Every Director, Officer, Board committee member, Professional Staff member and employee of the Corporation shall respect the confidentiality of matters brought before the Board or before any Board committee or any matter dealt with in the course of the employee's employment or the Professional Staff member's activities in the Hospital.

4.11 Nominations for Election of Directors

- (a) No later than 90 days before the annual meeting, the Secretary shall inform the Board of the number of vacancies on the Board that are required to be filled by election at the annual meeting, and each such vacancy shall be identified according to the Ward of the Director who is retiring.
- (b)
 - (i) Nominations for election as Director shall be made by the Board Nominating Committee 30 days before the annual meeting, and the Board Nominating Committee, in making nominations, shall take into account the Ward of the proposed nominee and the number of vacancies within each Ward and shall give due consideration to each candidate's qualifications based on the guidelines for the selection of Directors approved by the Board from time to time.
 - (ii) The Board Nominating Committee shall, in carrying out its responsibilities pursuant to section 4.11, recommend the length of term and skills

requirement for each nominee in a manner that will perpetuate Board succession and renewal goals.

- (c) Members shall be entitled to vote for any nominee who is nominated by the Board Nominating Committee.

4.12 Qualifications

- (a) No individual shall be qualified to serve as a Director if the individual:
 - (i) is less than 18 years of age;
 - (ii) has been found under the *Substitute Decisions Act, 1992* (Ontario) or under the *Mental Health Act* (Ontario) to be incapable of managing property, or has been found to be incapable by any court in Canada or elsewhere; or
 - (iii) has the status of a bankrupt.
- (b) Other than the Ex-Officio Directors, no individual shall be qualified to serve as a Director if the individual:
 - (i) at the time of nomination or appointment, did not have a principal residence in the Catchment Area for a continuous period of at least three months and is not currently a resident of, or regularly works in, the Ward to be represented; and
 - (ii) is a member of the Professional Staff or an employee of the Corporation.
- (c) No spouse, child, parent or sibling of any individual identified in 4.12(b)(ii) shall be eligible for election or appointment to the Board unless, at the time of nomination or appointment, the Board has passed a special resolution permitting the individual to be nominated or appointed.

4.13 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 5. BOARD MEETINGS

5.01 Board Meetings

The Board shall meet at such times and in such places as may be determined by the Board, the Chair, a Vice-Chair, or the Chief Executive Officer. Special Board meetings may be called by the Chair, the Vice-Chair, or the Chief Executive Officer, and shall be called by the Secretary upon receipt of the written request of three **[elected]8** Directors.

Notice of all meetings, which may be by e-mail, shall be given by the Secretary at least 24 hours in advance, except for any meeting held immediately following an annual meeting for which no notice is required.

8 Please confirm.

5.02 Regular Meetings

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

5.03 Telephone Meetings

If all the Directors present at or participating in the meeting consent, a Board meeting or a Board committee meeting 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 a Director or a Board committee member participating in the meeting by those means is deemed to be present at the meeting.⁹

5.04 Persons Entitled to be Present

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

5.05 Quorum

A majority of the elected Directors shall constitute a quorum.

ARTICLE 6. OFFICERS

6.01 Officers

- (a) The Board shall appoint the following Officers at the first Board meeting immediately following the annual meeting, or at such other times when a vacancy occurs:
 - (i) the Chair;
 - (ii) one or more Vice-Chairs;
 - (iii) subject to section 6.01(b), the Secretary; and
 - (iv) such other Officers as the Board may determine.
- (b) A person may hold more than one office. The Chief Executive Officer shall be the Secretary.
- (c) Ex-Officio Directors shall be ineligible for appointment as Chair or Vice-Chair.
- (d) Unless otherwise approved by Board resolution, no Director may serve as Chair or Vice-Chair for more than two consecutive years in one office; provided, however,

⁹ Once the *Ontario Not-for-profit Corporations Act* is proclaimed in force, you will need to adapt this language to requirements of section 34(6): Unless by-laws otherwise provide, if all directors of the Corporation consent, a board or committee meeting may take place by telephonic or electronic means that permits all participants to communicate adequately with each other. Wording change. This may give greater flexibility for the forms of electronic meetings but note that all directors must consent not just those participating in the meeting.

that following a break in the continuous service of at least one year the same person may be re-appointed to any office.

- (e) The Officers shall be responsible for the duties set forth in this By-law, their Board-approved position descriptions¹⁰ and such other duties as may be required by statute or as may be determined by the Board from time to time. The Officers are not necessarily required to perform their duties personally and they may delegate to others the performance of any or all of their duties.
- (f) Any Officer shall cease to hold office upon Board resolution.

6.02 Duties of the 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 such other duties as the Board may specify. The Chair shall be an Ex-Officio member of all Board Committees.

6.03 Duties of the Vice-Chair(s)

The Vice-Chair(s) shall have all the powers and perform all the duties of the Chair in the absence of the Chair and perform any other duties assigned by the Chair or the Board.

6.04 Duties of the Secretary

The Secretary shall carry out the duties of the secretary of the Corporation generally and shall attend or cause a recording secretary to attend all meetings of the Members, Board, and Board 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, the Board and the Board Committees, and shall perform such other duties as may be prescribed by the By-laws or the Board.

6.05 Duties of Other Officers

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

ARTICLE 7. PROTECTION OF DIRECTORS AND OFFICERS

7.01 Directors' Liability

No Director or Officer shall be liable for any act, receipt, neglect or default of any other Director, Officer or employee or for any loss, damage or expense happening to the Corporation through any deficiency of title to any property acquired by the Corporation or for any deficiency of any security upon which any moneys of the Corporation shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, including any person with whom any moneys, securities or effects shall be deposited, or for any loss, conversion, misappropriation of, or any damage resulting from,

¹⁰ I recommend that the detailed duties of the Officers be removed from the By-law and developed as a stand-alone position description that the Board may amend from time to time without resorting to a formal By-law amendment process.

any dealings with any moneys, securities or other assets belonging to the Corporation, or for any other loss, damage or misfortune which may happen in the execution of the duties of the Director's or Officer's respective office, unless the occurrence is as a result of the Director's or Officer's own wilful neglect or default.

7.02 Indemnities to Directors and Others¹¹

- (a) Every Director or Officer and their heirs, executors, administrators and estates and effects, respectively, shall from time to time and at all times, be indemnified and saved harmless out of the funds of the Corporation from and against:
 - (i) all costs, charges and expenses whatsoever which the Director or Officer sustains or incurs in or about any action, suit or proceeding, which is brought, commenced or prosecuted against them, for or in respect of any act, deed, matter or thing whatsoever, made, done or permitted by them, in or about the execution of the duties of their office; and
 - (ii) all other costs, charges and expenses, which they sustain or incur in or about or in relation to the affairs of the Corporation,except the costs, charges or expenses as are occasioned by their own wilful neglect or default.
- (b) The indemnity provided for in section 7.02(a):
 - (i) shall not apply to any liability that a Director or Officer may sustain or incur as the result of any act or omission as a Professional Staff member; and
 - (ii) shall apply only if the Director or Officer acted honestly and in good faith with a view to the best interests of the Corporation, and in the case of a criminal or administrative action or proceeding that is enforceable by a monetary penalty, had reasonable grounds for believing that their conduct was lawful.

ARTICLE 8. BOARD COMMITTEES

8.01 Board Committees

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

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

¹¹ Once the *Ontario Not-for-profit Corporations Act* is proclaimed in force, you may wish to build in language re indemnification of former Trustees and Officers (as per section 46).

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

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

8.03 Board Committee Members, Chair

Unless otherwise provided by by-law or Board resolution, the Board shall appoint the chair, the vice-chair (if any), and the members of each Board committee. Each chair and vice-chair of a Board committee shall be a Director. The Board may appoint additional members who are not Directors, including Community Members and Advisors to some committees of the Board. Community Members may be appointed for a term not to exceed five years and are entitled to vote at meetings. Advisors may be appointed for a term not to exceed two years and are not entitled to vote at meetings. The numbers of non-Directors shall not exceed the number of Directors on a Board committee. Unless otherwise provided, the Chair and Chief Executive Officer shall be an Ex-Officio member of all Board committees. The members and the chair and vice-chair of each Board committee shall hold their office at the will of the Board.

8.04 Committee Procedure

Procedures at and quorum for Board committee meetings shall be determined by the chair of each committee, unless established by Board resolution or by Board-approved general committee regulations.

ARTICLE 9. FINANCIAL/RECORDS

9.01 Books and Records

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

9.02 Authorized Signing Officers

- (a) Any two of the Chair, Vice-Chair(s), Chief Executive Officer, Chief Financial Officer, or such person or persons who may be authorized from time to time by Board resolution, are hereby authorized for and in the name of the Corporation to sign and execute deeds, documents, leases, contracts, agreements, offers for purchase of realty, purchase orders for equipment and undertakings on behalf of the Corporation.
- (b) The Chief Executive Officer or Chief Financial Officer or such additional persons as may be authorized by Board policy may sign contracts, agreements, orders and capital equipment purchases for the operation of the Hospital specifically included in the Board-approved budget or otherwise approved by the Board, and falling within the parameters of costs or liability amounts established by Board resolution.
- (c) In addition, the Board may, from time to time, direct the manner in which and the person or persons by whom any particular document or class of documents may or shall be signed. Any signing officer may affix the seal of the Corporation to any

document, and may certify a copy of any resolution, by-law or other document of the Corporation to be a true copy.

9.03 Financial Year

The financial year end of the Corporation shall be March 31 in each year.

9.04 Banking Arrangements

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

9.05 Borrowing Power¹²

Subject to the Articles, the Board may, from time to time, on behalf of the Corporation, without authorization of the Members:

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

9.06 Seal

The seal of the Corporation shall be in the form impressed on this By-law.

9.07 Investments

Subject to the Articles, the Board may make or receive any investments that the Board in its discretion considers advisable.

9.08 Auditor

- (a) The Members shall, at each annual meeting, appoint an auditor to audit the accounts of the Corporation and to report to the Members at the next annual meeting.
- (b) The auditor shall not be a Director, Officer or employee of the Corporation, or a partner or employee of any such person, and shall be duly licensed under the *Public Accounting Act, 2004* (Ontario).
- (c) The auditor shall hold office until the next annual meeting; provided that the Board may fill any casual vacancy in the office of auditor.
- (d) The Board shall fix the remuneration of the auditor.

¹² Once the *Not-for-profit Corporations Act* is proclaimed in force, you will need to amend this section to reflect the new provisions found in section 85 (Borrowing powers).

ARTICLE 10. MATTERS REQUIRED BY THE *PUBLIC HOSPITALS ACT* AND *EXCELLENT CARE FOR ALL ACT*

10.01 Professional Staff

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

10.02 Required Committees and Programs

The Board shall ensure that the Corporation establishes such committees and undertakes such programs as are required under the *Public Hospitals Act* and *Excellent Care for All Act*, including a medical advisory committee, a quality committee and a fiscal advisory committee.

10.03 Fiscal Advisory Committee

The 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*.

10.04 Chief Nursing Executive

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

10.05 Nurses and other Staff and Professionals on Committees

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

10.06 Retention of Written Statements

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

10.07 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 with respect to:
- (i) a safe and healthy work environment, including the prevention of Disruptive Behaviour;
 - (ii) the safe use of substances, equipment and medical devices;
 - (iii) safe and healthy work practices;
 - (iv) the prevention of accidents to persons on the premises; and

- (v) the elimination of undue risks and the minimizing of hazards inherent in the Corporation environment, including the risks to staff.
- (b) The person designated by the Chief Executive Officer to be in charge of occupational health and safety in the Corporation shall be responsible to the Chief Executive Officer for the implementation of the occupational health and safety program. The Chief Executive Officer shall report to the Board as necessary on matters in respect of the occupational health and safety program.

10.08 Health Surveillance Program

- (a) Pursuant to the regulations under the *Public Hospitals Act*, there shall be a health surveillance program for the Hospital, which shall:
 - (i) be in respect of all persons carrying on activities in the Hospital; and
 - (ii) include a communicable disease surveillance program, which shall monitor and respond to the Patient Safety Indicators.
- (b) The person designated by the Chief Executive Officer to be in charge of health surveillance in the Hospital shall be responsible to the Chief Executive Officer for the implementation of the health surveillance program. The Chief Executive Officer shall report to the Board as necessary on matters in respect of the health surveillance program.

10.09 Organ Donation

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

- (a) procedures to identify potential donors; and
- (b) procedures to make potential donors and their families aware of the options of organ and tissue donations,

and shall ensure that these procedures are implemented in the Hospital.

ARTICLE 11. AMENDMENT OF BY-LAWS¹³

11.01 Amendment

Subject to applicable legislation, this By-law may be repealed or amended by by-law enacted by a Board resolution and sanctioned by at least a majority of the Members voting at a meeting duly called for the purpose of considering the by-law.

11.02 Effect of Amendment

Subject to the *Corporations Act* and to section 11.03, a by-law or an amendment to a by-law passed by the Board has full force and effect from the time the motion was passed or from such future time as may be specified in the motion.

¹³ Once the *Ontario Not-for-profit Corporations Act* is proclaimed in force, you will need to amend this section to reflect the new provisions found in section 17 (By-laws).

11.03 Member Approval

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 general Members' meeting called for that purpose. The notice of the annual or general meeting shall refer to the by-law or amendment to be presented. The Members may confirm the by-law as presented or reject or amend it and, if rejected, it thereupon ceases to have effect and, if amended, it takes effect as amended. 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 this section, no act done or right acquired under any by-law is prejudicially affected by any rejection, amendment, or refusal to approve.