

PEMBROKE REGIONAL HOSPITAL INC.
CORPORATE BY-LAW

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ARTICLE 1 INTRODUCTION

1.1 Background

Pembroke Regional Hospital Inc. is a Catholic healthcare organization committed to delivering a wide range of quality health services.

Pembroke Regional Hospital Inc. is sponsored by the Catholic Health Corporation of Ontario, operating as Catholic Health Sponsors of Ontario. Sponsorship refers to the way in which the Catholic identity of health institutions is granted by the Catholic Church and how to ensure its operations conform to the founders' Mission and values.

1.2 Definitions

- (a) “**Act**” means the *Not-for-Profit Corporations Act, 2010*, S.O. 2010, c. 15, and any statute or regulations that may be substituted, as amended from time to time;
- (b) “**Board**” means the Board of Directors of the Corporation;
- (c) “**CEO**” means the person appointed pursuant to the By-law to be Chief Executive Officer of the Corporation. The CEO is also the administrator as defined in the *Public Hospitals Act* and the officer in charge as defined in the *Mental Health Act*;
- (d) “**CHCO**” means the Catholic Health Corporation of Ontario, which carries on business as Catholic Health Sponsors of Ontario (“**CHSO**”);
- (e) “**Chair**” means the Chair of the Board;
- (f) “**Chief Nursing Executive**” as defined in Ontario Regulation 965 (Hospital Management Regulation) enacted pursuant to the *Public Hospitals Act*, as amended from time to time, means the senior nurse employed by the hospital who reports directly to the administrator and is responsible for nursing services provided in the Corporation;
- (g) “**Chief of Staff / Chair of the MAC**” means the chief of the Professional Staff of the Corporation;
- (h) “**Client**” means an in-patient or an out-patient of the Corporation as defined in the *Public Hospitals Act*;
- (i) “**Corporation**” means the body corporate known as Pembroke Regional Hospital Inc.;
- (j) “**Dental Staff**” as defined in Ontario Regulation 965 (Hospital Management Regulation) enacted pursuant to the *Public Hospitals Act*, means:

- (i) oral and maxillofacial surgeons to whom the Board has granted the privilege of diagnosing, prescribing for, or treating clients in the Corporation; and
- (ii) dentists to whom the Board has granted the privilege of attending to clients in the hospital in co-operation with a member of the medical staff;
- (k) “**Designated Amount**” means the amount set from time to time by CHCO whereby the Corporation requires the approval of the Members in respect to any purchase, sale, lease, encumbrance or disposition of any kind;
- (l) “**Director**” means a member of the Board;
- (m) “**Ex Officio**” means membership by virtue of the office and includes all rights, responsibilities and power to vote unless otherwise specified;
- (n) “**Extended Class Nursing Staff**” means those nurses who are members of the College of Nurses of Ontario as a registered nurse and hold an extended certificate of registration under the *Nursing Act, 1991* who are employed by the hospital or to whom the Board has granted privileges;
- (o) “**Extraordinary Resolution**” means a resolution that is submitted to a Special Meeting duly called for the purpose of considering the resolution and passed at the meeting, with or without amendment, by at least eighty per cent (80%) of the votes cast, or consented to by each Member of the Corporation entitled to vote at a meeting of the Members or by the Member’s attorney;
- (p) “**Government Regulations**” means the regulations made under the Act as amended, restated or in effect from time to time.”
- (q) “**Health Ethics Guide**” means the *Health Ethics Guide* of the Catholic Health Alliance of Canada as approved from time to time by the Canadian Conference of Catholic Bishops;
- (r) “**In Camera**” means a meeting that is held in private and that is not open to the public, with all discussions to be kept in strictest confidence;
- (s) “**MAC**” means the Medical Advisory Committee of the Corporation;
- (t) “**Medical Staff**” as defined in Ontario Regulation 965 (Hospital Management Regulation) enacted pursuant to the *Public Hospitals Act*, means those physicians to whom the Board has granted privileges of diagnosing, prescribing for, or treating clients in the Corporation;
- (u) “**Member**” means a person who is or has become a Member of the Corporation in accordance with Article 2.1;

- (v) “**Midwife**” means a midwife in good standing with the College of Midwives of Ontario;
- (w) “**Midwifery Staff**” means the midwives who have been appointed to the midwifery staff by the Board;
- (x) “**Nurse**” as defined in Ontario Regulation 965 (Hospital Management Regulation) enacted pursuant to the *Public Hospitals Act*, means a member of the College of Nurses of Ontario who is a registered nurse;
- (y) “**Officer**” means an officer of the Corporation;
- (z) “**Ordinary Resolution**” means a resolution submitted to a meeting of the Members and passed at the meeting, with or without amendment, by at least a majority of the votes cast, or consented to in writing by each Member entitled to vote at a meeting of Members or by the Member’s attorney;
- (aa) “**Professional Staff**” means a member of the medical staff, midwifery staff, dental staff, or extended class nursing staff;
- (bb) “**Professional Staff Rules**” mean the rules as set out in the Corporation’s Professional Staff By-law, once effective, in respect of professional staff;
- (cc) “**Special Resolution**” means a resolution submitted to a Special Meeting duly called for the purpose of considering the resolution and passed at the meeting, with or without amendment, by at least two-thirds (2/3rds) of the votes cast, or consented to in writing by each Member of the Corporation entitled to vote at a meeting of the Members or by the Member’s attorney;

1.3 Interpretation

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

- (a) all terms contained in this By-law of the Corporation and which are defined in the *Not-for-Profit Corporations Act, 2010*, the *Public Hospitals Act*, the *Mental Health Act* or the *Excellent Care for All Act*, shall have the meanings given to such terms in those Acts, except as provided otherwise;
- (b) the use of the singular number shall include the plural and vice versa, the use of any gender shall include the masculine and feminine;
- (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;

- (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 MEMBERS AND CONDITIONS OF MEMBERSHIP

2.1 Members of the Corporation

- (a) The Members of the Corporation shall be those persons from time to time serving as directors of CHCO. The Members shall be entitled to notice of all meetings of Members and to attend, speak and vote at such meetings.
- (b) If a person ceases to be a director of CHCO or of the Corporation, his or her membership in the Corporation shall terminate. The secretary of CHCO shall notify the Corporation's Secretary of any change in its directors.

2.2 Dues

There shall be no dues or fees payable by Members.

2.3 Transfer of Membership

Membership in the Corporation is not transferable.

2.4 Termination of Membership

A Membership is terminated immediately if:

- (a) the Member resigns by notice in writing to the Secretary of the Corporation, which resignation shall take effect on the date of receipt of such notice by the Secretary;
- (b) the Member dies;
- (c) the Member ceases to be a Director of CHCO; or
- (d) the Corporation is liquidated or dissolved under the Act.

**ARTICLE 3
RESPONSIBILITIES, RIGHTS, AND AUTHORITY
OF THE MEMBERS OF THE CORPORATION**

3.1 Authority and Responsibility of the Board

The Members recognize that the Board has the authority and responsibility to govern and manage the operation of the Corporation in accordance with this By-law and pursuant to the *Public Hospitals Act* and all other relevant legislation, save and except for the powers expressed and reserved in Article 3.2. The Board shall ensure that the Health Ethics Guide is enacted in the Corporation and is applicable to its Directors, Officers and Professional Staff.

3.2 Reserved Powers of the Members

The following matters shall each require either the enactment of a by-law or the passage of a resolution of the Board of the Corporation which, to become effective, shall require the approval by the Members in accordance with the Act:

- (a) establishing the philosophy, mission, vision and values of the Corporation or making any change in the philosophy, mission, vision or values or the nature or purpose of the Corporation;
- (b) amending the Letters Patent or By-laws of the Corporation;
- (c) purchasing, leasing or otherwise acquiring, alienating, selling, exchanging or otherwise disposing of or encumbering or pledging as security real or personal property of the Corporation or any right or interest therein having a value in excess of the Designated Amount;
- (d) entering into contracts, leases, borrowing agreements or other agreements, including lines of credit, in excess of the Designated Amount;
- (e) incurring on behalf of the Corporation any material debt or obligation, including a line of credit or issuing bonds or debentures with a face value greater than the Designated Amount. This requirement applies to:
 - (i) any series of obligations that would, in the aggregate, exceed the Designated Amount; and
 - (ii) any debt obligation that if incurred would cause the aggregate debt of the Corporation to exceed the Designated Amount;
- (f) electing or appointing or terminating Directors;
- (g) appointing an auditor;

- (h) electing, appointing or dismissing the President, CEO, Chair or Vice-Chair of the Corporation, or Interim President, CEO or Chair;
- (i) any proposed integration, merger or joint venture between the Corporation and any other entity;
- (j) committing to any construction project in excess of the Designated Amount; and
- (k) establishing a subsidiary corporation or related organization.

ARTICLE 4 MEETINGS OF THE MEMBERS

4.1 Annual and Special Meetings of Members

The Board shall call an annual meeting of the Members not later than 15 months after the last annual meeting. The Board may also call a special meeting of the Members at any time. The Members of the Corporation who hold at least 10% of votes that may be cast at a meeting, may requisition the Directors to call a meeting for the purposes stated in the requisition. Any such meeting shall be held at the registered office of the Corporation or such other place in Ontario and on such day as the notice of meeting specifies. A meeting of the Members taking place virtually is deemed to have been held at the location of the Corporation's registered office.

4.2 Reports, Statements and Business to be Received at Annual Meetings

At every annual meeting of the Members, in addition to any other business that may be transacted, the following shall be presented to the Members:

- (a) reports of the Chair and the CEO of the Corporation;
- (b) financial statements of the Corporation; and
- (c) report of the Corporation's auditor.

In addition, the following shall occur:

- (i) Directors shall be elected; and
- (ii) Corporation's auditor shall be appointed.

ARTICLE 5
NOTICE OF MEETINGS AND WAIVER OF NOTICE

5.1 Notice

- (a) Notice of all meetings of Members shall be given to each Member and to each Director and to the Corporation's auditor. Any person entitled to such notice may waive such notice in writing either before, at, or after the meeting to which the notice relates. Any person attending and participating in any meeting shall be deemed to have waived notice thereof if notice shall not have been provided to such person, unless the person attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting was not lawfully called.
- (b) For the purpose of Article 5.1(a) above, notice shall be given by mail, courier, personal delivery, telephone, electronic or other communication facility to each person entitled to notice, during a period of at least ten (10) and not more than fifty (50) days before the day on which the meeting is to be held.
- (c) Notice of a special meeting shall state the nature of the business to be considered in sufficient detail to permit a Member to form a reasoned judgment on the business, and shall state the text of any Special Resolution to be submitted to the meeting.

5.2 Electronic Participation and Meetings by Electronic Means

- (a) Any person entitled to attend a meeting of the Members may participate in the meeting by telephonic or electronic means that permits all participants to communicate adequately with each other during the meeting if the Corporation makes such means available. A person so participating in a meeting is deemed to be present at the meeting.
- (b) The Board or Members may determine that a meeting of the Members shall be held entirely by means of such telephone, electronic or other communication facilities that permit all participants to communicate adequately with each other during the meeting and a Member participating in a meeting by such means is deemed to be present at the meeting.

5.3 Resolution in Lieu of a Meeting

Subject to the provisions of the Act, a resolution in writing signed by all Members entitled to vote on that resolution at a meeting of Members is as valid as if it had been passed at a meeting of Members.

5.4 Error or Omission in Notice

No error or omission in giving notice of any annual or general meeting or any adjourned meeting, whether annual or general, of the Members shall invalidate such meeting or

make void any proceedings taken thereat and any Member may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken thereat.

5.5 Adjournment

Any meeting of the Members may be adjourned to any time and from time to time and such business may be transacted at such adjourned meeting as might have been transacted at the original meeting from which such adjournment took place. No notice shall be required of any such adjournment other than by announcement of all of the following at the time of an adjournment: 1. the time of the continued meeting; 2. if applicable, the place of the continued meeting; and 3. if applicable, instructions for attending and participating in the continued meeting by the telephonic or electronic means that will be made available for the meeting, including, if applicable, instructions for voting by such means at the meeting. Such adjournment may be made notwithstanding that no quorum is present.

5.6 Chair

The chair of CHCO shall if present, be chair of all meetings of Members. In the absence of the chair of CHCO, another Member elected by the Members shall act as chair.

ARTICLE 6 VOTING

6.1 Voting of Members

Each Member shall have one vote on each motion arising at any special or general meeting of the Members. Votes shall be cast by the Member and not by proxy.

6.2 Show of Hands and Casting Vote

At all meetings of Members every question shall be decided by Ordinary Resolution of the Members present, unless otherwise required by law or this By-law. Every question shall be decided in the first instance by a show of hands, unless a poll is demanded by any Member. Upon a show of hands, every Member shall have one vote, and unless a poll is demanded, a declaration by the Chair of the meeting that a resolution has been carried or not carried, and an entry to that effect in the minutes of the Corporation, shall be admissible in evidence as *prima facie* proof of the fact, without proof of the number or proportion of the votes accorded in favour of or against such resolution. The demand for a poll may be withdrawn, but if a poll is demanded and not withdrawn the question shall be decided by a majority of votes given by the Members, and such poll shall be taken in such manner as the Chair of the meeting shall direct, and the result of such poll shall be deemed the decision of the Members upon the matter in question. In case of an equality of votes at any meeting of Members, whether upon a show of hands or at a poll, the motion is defeated.

6.3 Electronic, Mail or Telephone Voting

The Members may vote by mail, telephone or electronic means if such means are made available.

ARTICLE 7 QUORUM OF MEMBERS

7.1 Quorum of Members

A quorum for the transaction of business at any meeting of Members shall consist of fifty percent (50%) plus one (1) of the Members entitled to vote at the meeting.

ARTICLE 8 BOARD OF DIRECTORS OF THE CORPORATION

8.1 Directors

Until changed by Special Resolution of the Members, the Board shall be comprised of the following:

- (a) a minimum of twelve (12) and a maximum of sixteen (16) elected by the Members, including one (1) individual nominated from each of the following:
 - (i) CHCO;
 - (ii) the Pembroke Regional Hospital Foundation; and
 - (iii) the Pembroke Regional Hospital Auxiliary;
- (b) the following four (4) non-voting Ex Officio Directors:
 - (i) CEO;
 - (ii) Chief Nursing Executive;
 - (iii) Chief of Staff; and
 - (iv) President of the Professional Staff Association.

8.2 Procedures

- (a) Subject to this section and all other provisions of this By-law, nominations for election as Director at the annual meeting of the Corporation may be made only in accordance with Board policy. In the event that insufficient nominees for the position of Director are acceptable to the Members, only the persons acceptable

shall be elected or appointed and the Members may elect such other persons as Directors, as the case may be in substitution for the persons found not to be acceptable, as the Members in their discretion deem appropriate.

- (b) Except for Ex Officio Directors, Directors shall be elected initially for up to a three (3) year term and eligible for re-appointment up to a maximum of nine (9) consecutive years of service. Directors shall retire, in rotation, in such a manner that the terms of office of one third of the elected Directors shall expire each year. The Board may request the Members to elect the immediately outgoing Chair to serve an additional one (1) year on the Board. The term of a Director may be extended in extraordinary circumstances, as defined by and approved by the Members on the advice of the Corporation's Board of Directors. The Director may also be eligible for re-election for another term or terms (to a maximum of nine consecutive years) if at least one year has elapsed since the termination of their last term. In determining a Director's length of service as a Director, service prior to the effective date of this By-law shall be included.
- (c) No person shall be qualified for election or appointment as a Director if that person is less than eighteen (18) years of age, has the status of a bankrupt or does not have their principal residence in Canada. No person shall be qualified for election or appointment as a Director if that person has been found under the *Substitute Decisions Act, 1992* or under the *Mental Health Act* to be incapable of managing property, if that person has been found to be incapable by any court in Canada or elsewhere, or if that person is an "ineligible individual under the *Income Tax Act* (Canada) or any regulations made under it.
- (d) Each Director must consent in writing to hold office as a Director within ten (10) days after his or her election or appointment, provided that where a Director consents in writing more than ten (10) days after election or appointment, it shall not invalidate his or her election or appointment as a Director.
- (e) Except as provided for within this By-law, no member of the Professional Staff, other than those members appointed pursuant to the *Public Hospitals Act*, and no employee other than the CEO and Chief Nursing Executive shall be eligible for election as a Director. Except as provided for within this By-law, no member or spouse of a member of the Medical Staff or Dental Staff or Extended Class Nursing Staff or Midwifery Staff, and no employee or spouse of an employee of the Corporation shall be eligible for election or appointment to the Board.
- (f) Directors shall be elected on the basis of their skills, interest, personal integrity and their ability to identify with and formally commit themselves to respect and further the philosophy, mission and values of the Corporation. The Board will maintain a skills matrix to guide recruitment of Directors.
- (g) The Directors shall serve as such without remuneration and no Director shall directly or indirectly receive any profit from his or her position as such, provided

that a Director may be reimbursed reasonable expenses incurred by the Director in the performance of his/her duties.

- (h) A Director's term of office shall end:
 - (i) on the day of the annual meeting of the Board in the year in which his/her term expires, unless reappointed; or
 - (ii) when the appointment is revoked in the interim; or
 - (iii) for Ex Officio Directors on the day he/she ceases to hold the office by virtue of which he/she became a Director.
- (i) Any vacancy amongst the Directors shall be filled only by a vote of the Members. A Director appointed shall hold office for the unexpired portion of the term so vacated. The office of Director shall be automatically vacated if:
 - (i) the Director becomes disqualified from being a Director pursuant to relevant legislation, including without limitation because the Director has the status of a bankrupt or no longer has his/her principal residence in Canada; or
 - (ii) the Director becomes disqualified from being a Director pursuant to a circumstance described in section 8.2(e) occurring after the time of the Director's original appointment; or
 - (iii) the Director resigns by notice in writing to the Chair of the Board; or
 - (iv) the Director dies.
- (j) A member of the Board who wishes to resign from the Board prior to expiry of her/his term of office shall give written notice to the Chair of her/his intention to resign from the Board and such resignation shall be effective from the date specified therein, or if no such date is so specified, from the date of receipt of such resignation by the Chair.
- (k) The Members may, by Ordinary Resolution at a general meeting of Members of which notice specifying the intention to pass such a resolution has been given, remove any Director (except persons who are Directors by virtue of their office) before the expiration of such Director's term of office, and may, by majority of the votes cast at that meeting, elect any qualified person in the stead of such Director for the remainder of his/her term.
- (l) The Board may recommend to the Members the removal of a Director from the Board for just cause. Just cause shall include, but not be limited to the following:

- (i) failure to attend annually at least 75% of the regularly scheduled meetings of the Board and Committees to which the Director is appointed, unless the absence is approved by the Board;
- (ii) acting upon or voting on an item of business to which the Director should have declared a conflict of interest and knowingly chose not to do so;
- (iii) being convicted of a criminal offence of moral turpitude;
- (iv) involvement in activities which can be interpreted as perverse or corrupt;
- (v) conduct inconsistent with the philosophy of the Corporation;
- (vi) failure to abide by the policies of the Board as set out from time to time.

8.3 Attendance

Board members and committee members are expected to attend, in person or by telephone, electronic or other communication facilities, all Board meetings and all meetings of committees to which they are assigned, but the Board recognizes that Directors may be unable to attend some meetings. Where a Director or committee member fails to attend a minimum of 75% of the regularly scheduled meetings, the Chair shall discuss the reasons for the absences with the member and may ask the individual to resign.

ARTICLE 9 CONFLICT OF INTEREST

9.1 Conflict of Interest

- (a) A Director or officer who:
 - (i) is a party to a material contract or transaction or proposed material contract or transaction with the Corporation; or
 - (ii) is a director or officer of, or has a material interest in, any person who is a party to a material contract or transaction or proposed material contract or transaction with the Corporation,shall disclose to the Corporation or request to have entered in the minutes of Board meetings the nature and extent of their interest.
- (b) The disclosure required by section 9.1(a) must be made, in the case of a Director:
 - (i) at the meeting at which a proposed contract or transaction is first considered;

- (ii) if the Director was not then interested in a proposed contract or transaction, at the first meeting after the Director becomes so interested;
 - (iii) if the Director becomes interested after a contract is made or transaction is entered into, at the first meeting after the Director becomes so interested; or
 - (iv) if an individual who is interested in a contract or transaction later becomes a Director, at the first meeting after the individual becomes a Director.
- (c) The disclosure required by section 9.1(a) must be made, in the case of an officer who is not a Director:
 - (i) forthwith after the officer becomes aware that the contract or transaction or proposed contract or transaction is to be considered or has been considered at a Board meeting;
 - (ii) if the officer becomes interested after a contract is made or transaction is entered into, forthwith after the officer becomes so interested; or
 - (iii) if an individual who is interested in a contract or transaction later becomes an officer, forthwith after the individual becomes an officer.
- (d) If the contract or transaction or proposed contract or transaction in respect of which a disclosure is required to be made for the purposes of section 9.1(a) is one that, in the ordinary course of the Corporation's business, would not require approval of the Board or Members, then the Director or officer shall disclose to the Corporation, or request to have entered in the minutes of Board meetings, the nature and extent of their interest forthwith after the Director or officer becomes aware of the contract or transaction or proposed contract or transaction.
- (e) Except as permitted by the Act, a Director referred to in section 9.1(a) shall not attend any part of a Board meeting during which the contract or transaction is discussed, and shall not vote on any resolution to approve the contract or transaction.
- (f) If no quorum exists for the purposes of voting on a resolution to approve a contract or transaction only because one or more Director(s) are not permitted to be present at the meeting by virtue of section 9.1(e), the remaining Directors are deemed to constitute a quorum for the purpose of voting on the resolution.
- (g) For the purposes of section 9.1, a general notice to the Board by a Director or officer disclosing that the individual is a director or officer of, or has a material interest in, a person, or that there has been a material change in the Director's or officer's interest in the person, and is to be regarded as interested in any contract or transaction entered into with that person, is sufficient disclosure of interest in relation to any such contract or transaction.

- (h) A contract or transaction for which disclosure is required under section 9.1(a) is not void or voidable, and the Director or officer is not accountable to the Corporation or the Members for any profit or gain realized from the contract or transaction, because of the Director's or officer's interest in the contract or transaction or because the Director was present or was counted to determine whether a quorum existed at the Board or Board committee meeting that considered the contract or transaction, if:
 - (i) disclosure of the interest was made in accordance with this section;
 - (ii) the Board approved the contract or transaction; and
 - (iii) the contract or transaction was reasonable and fair to the Corporation when it was approved.
- (i) The provisions of this Article are in addition to any Board-approved conflict of interest policy.

ARTICLE 10 MEETINGS OF THE BOARD

10.1 Regular and Special Meetings

- (a) 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 CEO. Special meetings of the Board may be called by the Chair, a Vice-Chair or by the CEO and shall be called by the Secretary upon receipt of the written request of four (4) Directors.
- (b) The Board shall meet at least six (6) times a year, at such place and times as may be determined by the Chair. The place does not need to be specified if the meeting is to be held virtually. A copy of any resolution of the Board fixing the place and time of regular meetings of the Board shall be given to each Director forthwith after being passed and no other notice shall be required for any such regular meeting.
- (c) Notice of regular meetings shall be given one (1) week in advance of the date of such a meeting, however meeting notice may be shortened to seventy-two (72) hours, provided that for each such case each Director approves in advance of the meeting, by consultation by telephone or electronic mail or other means, of such minimum notice. Notice of a special meeting of the Board shall specify the purpose of the meeting, may be given by telephone or electronically, and shall be given at least twenty-four (24) hours in advance of the meeting.
- (d) If a meeting of directors is adjourned, notice is not required for a subsequent meeting that will continue the adjourned meeting if all three of the following items have been communicated during the adjourned meeting: 1. The time of the

continued meeting, 2. The place of the continued meeting (if applicable), and 3. Instructions for attending and participating electronically in the continued meeting.

10.2 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) Attendance at meetings of the Board by other than those individuals specified in this By-law shall be subject to Board policies as enacted from time to time.
- (d) The Board shall have the discretion at any time to declare the meeting or any portion of any meeting to be In Camera, in accordance with Board policy.
- (e) Minutes shall be kept for all meetings of the Board.
- (f) The Chair shall have a vote.
- (g) Business arising at any meeting of the Board shall be decided by a majority of Directors entitled to vote, provided that:
 - (i) except as provided by Article 10.2(g)(ii) below, votes shall be taken in the usual way by a show of hands;
 - (ii) votes shall be taken by written ballot if so demanded by any voting Director present;
 - (iii) if there is an equality of votes, the Chair shall rule that the motion has been defeated; and
 - (iv) 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.

10.3 Quorum

50% plus one (1) of the Directors elected pursuant to Articles 8.1(a) and 8.1(c) shall constitute a quorum for the transaction of business.

10.4 Rules

The Board may 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.

10.5 Electronic Participation

Notwithstanding any other provision of this By-law, any Director, Officer, Member, Professional Staff member or employee, who is permitted by the By-law or rules and policies of the Corporation to attend and/or participate in a meeting, may attend and/or participate in a meeting of the Board or of a committee of the Board, by means of telephone, electronic or other communication facilities that permit all participants to communicate adequately with each other during the meeting. A person participating in such a meeting by such means is deemed, for the purposes of relevant legislation and said By-law, to be present at the meeting. Such person may, if entitled to vote, indicate his/her vote by any means that reasonably conveys the person's intention to the other meeting participants. Any such consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the Board and of committees of the Board held while a director holds office.

10.6 Consent and Dissent of Director

- (a) A Director who is present at a Board or Board committee meeting is deemed to have consented to any resolution passed or action taken at the meeting, unless:
 - (i) the Director's dissent is entered in the meeting minutes;
 - (ii) the Director requests that their dissent be entered in the meeting minutes;
 - (iii) the Director gives their dissent to the secretary of the meeting before the meeting is terminated; or
 - (iv) the Director submits their written dissent to the Corporation immediately after the meeting is terminated.
- (b) A Director who votes for or consents to a resolution is not entitled to dissent under this section.
- (c) A Director who was not present at a meeting at which a resolution was passed or action taken is deemed to have consented to the resolution or action unless within seven days after becoming aware of the resolution, the Director:
 - (i) causes their written dissent to be placed with the meeting minutes; or
 - (ii) submits their written dissent to the Corporation.

10.7 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 the Professional Staff Rules, shall be determined by the Chair in accordance with the rules of procedure adopted by resolution of the Board.

10.8 Representation of CHCO at Board and committee meetings

- (a) The president of CHCO, or at the option of the president of CHCO a person selected by the board of CHCO, shall be entitled to attend each meeting of the Board, including any In Camera sessions, and have all rights of a Director, with the exception of vote.
- (b) The president of CHCO, or at the option of the president of CHCO a person selected by the board of CHCO, shall be entitled to attend each meeting of committees of the Board, including any In Camera sessions, and have all rights of a committee member, with the exception of vote.
- (c) Upon request, the president of CHCO shall be sent notice of each meeting of the Board and of the committees of the Board and all materials from time to time sent to the Directors at the same time as the same are sent to the Directors.

ARTICLE 11 RESPONSIBILITIES OF DIRECTORS

11.1 Responsibilities of Directors

Subject to the reserved powers of the Members as set out in Article 3.2, the Board shall govern and oversee the management of the affairs of the Corporation and may exercise all such other powers and do all such other acts and things as the Corporation is, by its letters patent, articles or otherwise, authorized to exercise and do.

ARTICLE 12 OFFICERS

12.1 Officers

- (a) The Officers of the Corporation shall be comprised of:
 - (i) the Chair;
 - (ii) the First Vice-Chair;

- (iii) the Second Vice-Chair;
 - (iv) the Secretary; and
 - (v) any such other Officers as the Board may determine.
- (b) The term of office of the Chair and Vice-Chairs shall be one (1) year. A person may not be nominated and appointed for more than three (3) consecutive terms in one office, except by Special Resolution of the Members. However, following a break in continuous service of at least one (1) year, the same person may be re-elected to that office.
- (c) An Officer may be required to resign by a vote of three-quarters (3/4) of Members at a special meeting called for that purpose.

ARTICLE 13 CHAIR

13.1 Chair

The Chair shall:

- (a) preside at all meetings of the Board;
- (b) report to each annual meeting of the Members concerning the operations of the Corporation and at such other times as deemed fit or as requested by the Members;
- (c) represent the Corporation at public or official functions;
- (d) perform such other duties as may from time to time be determined by the Directors.

ARTICLE 14 VICE-CHAIR

14.1 Vice-Chair

The Vice-Chair shall discharge and perform all duties of the Chair in the absence or disability of the Chair, together with such other duties as may from time to time be assigned to the Vice-Chair. Where two (2) or more Vice-Chairs are appointed, they shall be designated First Vice-Chair, Second Vice-Chair, and so on. The Chair of the Board, or failing the Chair of the Board, the Board, shall designate which of the Vice Chairs shall perform the Chair of the Board's duties in the Chair of the Board's absence.

**ARTICLE 15
SECRETARY**

15.1 Secretary

The Secretary shall keep proper minutes of all such meetings, keep a record of the names and addresses of all Directors, and perform such other duties as the Board may direct.

**ARTICLE 16
CHIEF EXECUTIVE OFFICER**

16.1 Chief Executive Officer

The CEO shall be appointed by the Board, subject to the approval of the Members and shall be accountable to the Board. The CEO shall be a Ex Officio Director and the President of the Corporation, if there is such an office. The CEO shall be the administrator of the Corporation for the purposes of the *Public Hospitals Act*. Subject to the authority of the Board, the CEO shall be responsible for the administration, organization and management of the affairs of the Corporation.

**ARTICLE 17
COMMITTEES OF THE BOARD**

17.1 Committees of the Board

- (a) The Board may establish committees from time to time. The Board shall determine the duties of such committees. The committees of the Board shall be:
 - (i) Standing Committees, being those committees whose duties are normally continuous; and
 - (ii) Special Committees, being those committees appointed for specific duties whose mandate shall expire with the completion of the tasks assigned.
- (b) The functions, duties, responsibilities and mandate of committees shall be provided in the resolution of the Board or in terms of reference adopted by the Board.
- (c) Unless otherwise provided by the By-law or by Board resolution, the Board shall appoint the members and Chair of the committee. Each Chair of a committee shall be a Director. The Board may appoint committee members who are not Directors to all committees of the Board, except the Executive Committee and Resource and Audit Committee if any, and those persons shall not be entitled to

vote unless the Board otherwise provides. No decision of a committee shall be binding until approved or ratified by the Board.

- (d) The Board shall ensure that the Corporation establishes such committees and undertakes such programs as are required pursuant to all relevant legislation. Procedures at, and quorum for committee meetings, shall be determined by the Chair of each committee, unless established by the Board by resolution or by way of general committee regulations from time to time.
- (e) Unless otherwise provided in the Board resolution or committee terms of reference, the Chair and the CEO shall each be an Ex Officio member of all committees of the Board.
- (f) The Board may, but shall not be required to, establish an Executive Committee consisting of not fewer than three (3) voting Directors and may delegate to the Executive Committee certain powers of the Board in accordance with the Act and subject to such restrictions as may be imposed by the Board by resolution. If there is an Executive Committee, the Executive Committee shall meet only when decisions are required and all attempts to achieve a quorum of the full Board prior to the date a decision is required have been unsuccessful. The Executive Committee shall fix its quorum at not less than a majority of its members. Any Executive Committee member may be removed by a majority vote of the Board.
- (g) The Board may, but shall not be required to, establish an audit committee which shall be named the Resource and Audit Committee, comprising of one or more directors provided that the majority of the Resource and Audit Committee must not be officers or employees of the corporation or of any of its affiliates.

ARTICLE 18 CONFIDENTIALITY AND PUBLIC RELATIONS

18.1 Confidentiality and Public Relations

Every Director, Officer, member of the Professional Staff, member of a committee of the Board, employee and agent of the Corporation shall respect the confidentiality of matters brought before the Board, or before any committee or subcommittee of the Corporation. The Chair of the Board is responsible for Board communications and may delegate authority to one or more Directors, Officers or employees of the Corporation to make statements to the news media or public about matters that the Chair determines appropriate for disclosure to the media.

ARTICLE 19 BANKS AND SIGNING OFFICERS

19.1 Signing Officers

Subject to Article 3.2, deeds, transfers, assignments, contracts, obligations, certificates and other instruments may be signed on behalf of the Corporation by any two (2) persons holding the office of Chair, the First Vice-Chair, CEO or the Chief Financial Officer. The CEO may appoint additional signing officers. In addition, the Board may from time to time direct the manner in which, and the person or persons by whom, any particular instrument or class of instruments may or shall be signed. Any signing officer may affix the corporate seal thereto.

19.2 Banking and Borrowing

The Board shall designate the bank or banks in which the monies of the Corporation shall be deposited, in which any stocks, bonds or other securities of the Corporation shall be placed for safekeeping.

The signing officers of the Corporation as set out in Article 19.1 are hereby authorized without authorization of the Members, for and in the name of the Corporation, subject to Article 3.2, to:

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

ARTICLE 20 REPRESENTATIVES

20.1 Representatives

The Members may, by Ordinary Resolution, appoint such representatives of the Corporation with such powers and to perform such acts or duties on behalf of the Members as it may see fit, so far as may be consistent with this By-law, and to the extent authorized or permitted by law.

ARTICLE 21 GENERAL

21.1 Registered Office

The registered office of the Corporation shall be as determined from time to time by the Board of the Corporation subject to relevant legislation.

21.2 Corporate Seal

The seal, an impression whereof is stamped in the margin hereof, shall be the corporate seal of the Corporation.

21.3 Financial Year

Unless otherwise ordered by the Board, the fiscal year shall be from April 1 to March 31 of the year following.

21.4 Auditor

- (a) Subject to the Act, and the Government Regulations, the Members of the Corporation at each Annual Meeting shall appoint an auditor, considering the recommendation of the Board of the Corporation. The auditor shall hold office until the next annual meeting of the Corporation, and shall audit the financial statements for report to the Members. The auditor shall not be a member of the Board, employee of the Corporation, or a partner or employee of any such person, and shall be duly licensed under the *Public Accounting Act*.
- (b) The auditor shall from time to time report to the Board of Directors of the Corporation through the Resource and Audit Committee and shall make any recommendations as are appropriate.
- (c) The auditor shall prepare financial analyses and other reports as required by the Board or CEO of the Corporation, and/or by the Members.
- (d) The person or firm appointed as auditor for the Corporation shall be “independent” of the Corporation, its affiliates and its Directors and Officers as is established by all relevant legislation for the Corporation, but shall be a member in good standing of an institute or association of accountants incorporated by or under an act of the legislature of a province of Canada, meet any qualifications under an enactment of a province for performing any duty that the person is required to perform under the relevant sections of the relevant legislation.
- (e) The auditor shall have all the rights and privileges as set out in relevant legislation and shall perform the function as prescribed therein.

21.5 Contracts

The Board, subject to Article 3.2 of this By-law, may authorize the CEO, or any other Officer, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation. Such authority may be general or confined to a specific instance. Unless so authorized by the Board, no Officer or employee shall have the power or authority to bind the Corporation by any contract or engagement, or to pledge its credit, or render it liable financially for any purpose or to any amount as specified in Article 3.2.

21.6 Bonding – Fidelity Insurance

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. These requirements may be met by an alternative form of government fidelity insurance such as, but not limited to, a blanket position bond, a commercial blanket bond, or a comprehensive dishonesty, disappearance and destruction policy, at the discretion of the Board of the Corporation. The Corporation shall pay the expenses of any such fidelity bond or policy.

21.7 Investments

The Board may invest only in securities authorized by the *Trustee Act* of the Province of Ontario:

- (a) all endowment monies bequeathed in trust to the Corporation for its use;
- (b) all monies bequeathed in trust to the Corporation for its use;
- (c) notwithstanding the provisions of Article 21.7, the Board may, at its discretion, retain investments not authorized by the *Trustee Act* which are given or bequeathed to the Corporation in specie (in-kind); and
- (d) all other funds.

21.8 Indemnification

Subject to Applicable Law, but without limiting the right of the Corporation to indemnify any individual to the fullest extent permitted by law, every present and former Member, Director, officer or committee member of the Corporation, including his or her heirs, executors, administrators, estates, effects and other legal personal representatives, respectively, shall from time to time and at all times, be indemnified and saved harmless by the Corporation, from and against:

- (a) All costs, charges and expenses whatsoever including without limitation any amount paid to settle an action or satisfy a judgement that such Member, Director, officer or Committee member sustains or incurs in or about any action, suit or proceeding that is brought, commenced or prosecuted against her or him, for or in

respect of any act, deed, matter or thing whatsoever made, done or permitted to be done by her or him, in or about the execution in good faith of the duties of her or his office; and

- (b) All other costs, charges and expenses that she or he sustains or incurs in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by his, heir or its own willful neglect or default

The indemnity provided for in the preceding paragraph shall not apply to any liability which a Member, Director or Officer of the Corporation may sustain or incur as the result of any act or omission as a member of the Professional Staff or as a medical staff member of the Corporation.

21.9 Advance of Costs

The Corporation may advance money to a Director, Officer, Member or other individual for the costs, charges and expenses of a proceeding referred to in Article 21.8. The individual shall repay the money if the individual does not fulfil the conditions of Article 21.8.

21.10 Insurance

Subject to the requirements of the *Charities Accounting Act*, the Corporation shall purchase and maintain insurance for the benefit of an individual referred to in Article 21.8 against any liability incurred by the individual:

- (a) in the individual's capacity as a Director, Member, Officer, or committee member of the Corporation; or
- (b) in the individual's capacity as a director or an officer, or in a similar capacity, of another entity, if the individual acts or acted in that capacity at the Corporation's request.

21.11 Corporate Records

- a) All registers and other records required to be prepared and maintained by the Corporation may be in any form, provided that the records are capable of being reproduced in an accurate and intelligible form within a reasonable time.
- b) The Corporation shall permit any Director to inspect corporate records remotely and free of charge. The Corporation shall permit any Member, their attorney, or legal representative to examine corporate records remotely, however, the Corporation may charge such person a reasonable fee. Subject to the CEO's approval and a reasonable fee, the Corporation may permit an applicant for a register of members to examine the register by remote means.

- c) Fees shall not be charged for remote inspection of (i) the consents to act as a director by a Director, Member or creditor of the Corporation; or (ii) the financial statements by a Member.
- d) The information in the registers is admissible in evidence as proof of all facts stated in the record before and after dissolution of the corporation.

ARTICLE 22 AMENDMENT OF BY-LAW

22.1 Amendment

- (a) Subject to the provisions of the Act, the Board may amend this By-law, but no portion of any such amendment shall be effective until confirmed, with or without amendment, by the Members at a meeting duly called for such purpose.
- (b) Written notice of the intention to amend provisions of this By-law shall be sent by the Secretary to each Director not less than ten (10) days before the Board meeting at which such amendment will be considered.
- (c) Where the notice of intention required by Section (b) is not provided, any proposed amendment 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.
- (d) Any amendment to the By-law passed by the Board shall be presented for confirmation at the next annual meeting or at a special meeting of the Members of the Corporation called for that purpose. The notice of such meeting shall provide the details of the amendment to be presented.

The Members may at the meeting referenced in Section (d) confirm, reject or amend any amendment passed by the Board. If such amendment is rejected it shall not become effective and, if amended, it shall, take effect as amended.

[Signature page follows]

CERTIFIED to be the Corporate By-law of the Corporation effective as of December 19, 2024, as enacted by the Board by resolution dated November 27, 2024 and confirmed by the Members by resolution dated December 19, 2024.



Chair of the Board



Chief Executive Officer