



**STEVENSON MEMORIAL HOSPITAL FOUNDATION  
(an Ontario Corporation)**

**MEMBERSHIP EXCERPTS FROM:  
GENERAL OPERATING BY-LAW NO. 5**

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**PART I DEFINITIONS, FUNDAMENTAL TERMS AND INTERPRETATION**

**1. DEFINITIONS**

**1.01** In this General Operating By-law and in all other By-laws and Resolutions of the Corporation, unless the context otherwise requires, the following definitions shall apply, with the defined words and phrases being capitalized in this general operating By-law for ease of reference:

- (s) "Member" means a Member of the Corporation;
- (t) "Members" or "Membership" means the collective Membership of the Corporation;
- (u) "Membership Statement" means the Statement described in Sections 3.01 and 3.02 that all Members, Directors and Officers are required to sign and adhere to.

**2. FUNDAMENTAL TERMS AND INTERPRETATIONS**

**2.01 Objects** - .....If any of the provisions contained in this General Operating By-law are inconsistent with those contained in the Letters Patent, the provisions contained in the Letters Patent, as the case may be, shall prevail.

## **PART II MEMBERSHIP**

### **3. DEFINITION OF AND ADMISSION TO MEMBERSHIP**

**3.01 Definition of Membership** - Membership in the Corporation shall consist of those Persons recorded as Members of the Corporation as of the date of approval of this General Operating By-law by the Members of the Corporation. Thereafter, Membership in the Corporation shall only consist of those Persons who:

- (a) are twenty-one (21) years of age or older;
- (b) are committed to furthering the Objects of the Corporation as contained in the Letters Patent;
- (c) have subscribed in writing by a Membership Statement to the Constitution, consisting of the Letters Patent, the General Operating By-law herein, all By-laws by the Corporation from time to time, and all Policy Statements;
- (d) whose application for admission as a Member has been approved by a two-thirds (2/3rds) Resolution of the Board
- (e) are not in arrears of any Membership Fees.

**3.02 Admission to Membership** – A Membership Statement shall be signed and submitted to the Board. If the Board is satisfied that the application for Membership satisfies all of the definitions of Membership as set out in Section 3.01, then in its sole discretion by a two-thirds (2/3rds) majority Resolution of the Board, such Person shall thereafter become a Member of the Corporation.

**3.03 Term of Membership** – All Membership will be effective from the date of Board approval subject to payment of the applicable Membership Fee and will continue until the last day of the then current fiscal year.

#### **3.04 Membership Fees**

There shall be Membership fees or dues as may be determined by the Board of Directors from time to time. Payment of Membership Fees shall be deemed to have been paid upon the delivery, prepaid post-marked mailing, or the sending of a facsimile transfer of cash, cheque, money order, certified cheque, credit card payment, or electronic transfer of monies if then in effect, for the full amount of the applicable Membership Fees addressed to the head office of the Corporation within ten (10) days of the Resolution of the Board of Directors approving the application.

### **4. DUTIES AND RIGHTS OF MEMBERSHIP**

**4.01 Duties and Rights of Membership** - Membership in the Corporation shall carry the following duties and rights:

- (a) the duty to further the Objects of the Corporation;
- (b) the duty to respect and submit to the procedures of the Corporation as expressed in its Constitution;
- (c) the right to receive notice of, attend, speak and participate at all Meetings of Members; and
- (d) the right to a single vote either in person or by proxy at all Meetings of Members.

4.02 Membership in the Corporation is non-transferable.

## 5. **RESIGNATION AND TERMINATION OF MEMBERSHIP**

5.01 **Resignation of Membership** - Members may resign at any time from Membership in the Corporation by delivering a written notification of their resignation to the Chairperson or Secretary of the Corporation, which resignation shall become effective immediately upon acceptance by the Board.

5.02 **Termination of Membership** - Membership in the Corporation shall automatically terminate upon occurrence of any of the following:

- (a) a Member resigns in writing;
- (b) a Member is in arrears of his or her Membership Fees;
- (c) a Member fails to maintain all of the requirements contained in the definition of Membership set out in Section 3.01 as determined in the sole discretion of the Board by a majority Resolution;
- (d) at a Meeting of Members of the Corporation called for that purpose, a Resolution is passed by a two-thirds (66%) vote that such Member be removed as a Member of the Corporation with or without cause, provided that such Member is first offered an opportunity to be heard; or
- (e) on the death of the Member.

## 6. **MEMBERSHIP MEETINGS**

6.01 **Annual Meeting** - There shall be an annual Meeting of Members of the Corporation at such time and place as determined by the Board of Directors, provided that the annual Meeting of Members shall be held within three months from the end of the immediately preceding fiscal period.

6.02 **Business of Annual Meeting** - The annual Meeting of Members shall be held to transact such business as is required by the Act and as determined by the Board from time to time, but at a minimum shall be held to do the following:

- (a) to receive the annual report and/or other report(s) from the Board;
- (b) to receive a report from the Auditor on the financial statements for the Corporation in accordance with the Act;
- (c) to elect Directors as required;
- (d) to appoint an Auditor for the current Fiscal Year and to fix or authorize the Board to fix remuneration for the Auditor;
- (e) to approve past actions of the Directors and Officers; and
- (f) to transact any other business properly brought before the meeting.

6.03 **Special Meetings** - The Board may at any time call a special Meeting of Members for the transaction of any business, the general nature of which is specified in the notice calling the meeting. A special Meeting of Members may also be called by the written request of at least one-tenth (1/10) of the total number of Members entitled to vote. Notice of such special Meeting of Members shall be sent by the Chairperson within thirty (30) days of the receipt of such written request.

- 6.04 Notice of Meetings** - Notice of any annual or special Meeting of Members shall be provided to Members by any of the following means:
- (a) by mail sent to each Member to the address shown on the books of the Corporation not less than ten (10) days before the Meeting of Members is to take place;
  - (b) by electronic notice, including facsimile transfer or e-mail, sent to each Member not less than seven (7) days before the Meeting of Members is to take place;
  - (c) by personal service to each Member not less than four (4) days before the Meeting of Members is to take place; or
  - (d) in the event of an emergency, as determined by the Chairperson, by notice to each Member not less than twenty-four (24) hours before the Meeting of Members is to take place. Such Notice shall include the date, time, place and purpose of the Meeting of Members and shall contain sufficient information to permit the Members to make a reasonable judgment on the decision to be taken. Notice of each Meeting of Members must remind Members that they have the right to vote by proxy.
- 6.07 Quorum** - A quorum for any annual or special Meeting of Members shall be constituted by the presence in person of the lesser of a majority of the Members of the Corporation or 12 Members of the Corporation, provided that in either case at least 6 of the Members present, either in person or represented by proxy, at the Meeting of Members are Directors of the Foundation. No business shall be transacted in any Membership Meeting unless the requisite quorum is present at the commencement of business. If a quorum is not present at the time appointed for a Meeting of Members within such reasonable time thereafter as the Members present may determine, the Members present and entitled to vote may adjourn the meeting to a fixed time and place subject to the notice requirement in Section 6.04 and may not transact any other business, otherwise the Membership Meeting shall be at an end. Only those Members present in person, by telephone or electronically shall be counted in determining whether or not a quorum is present.
- 6.09 Voting Rights of Members** - All Members shall be entitled to one (1) vote on each question put to the Members at any Meeting of Members. Unless otherwise required by the provisions of the Act or this General Operating By-law, all questions proposed for consideration at a Meeting of Members shall be determined by a Resolution of the votes cast of the Members in person, represented by proxy, or participating by telephone conference call or other electronic means. In the case of equality of votes, the motion shall be defeated and dissenting votes shall be recorded.
- 6.10 Voting Procedure** - At all Meetings of Members, every question shall be decided by a show of hands, unless a secret ballot on the question is required by the Chairperson or requested by any Member. Whenever a vote by a show of hands has been taken upon a question, a declaration by the Chairperson that a Resolution has been carried or lost by a particular majority is determinative and an entry to that effect in the minutes of the Corporation is conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the motion, except in such cases where a secret ballot is conducted.
- 6.11 Secret Ballot** - If, at any meeting, a secret ballot is requested, it shall be taken in the manner as the Chairperson directs. The result of a secret ballot shall be deemed to be the Resolution of the meeting at which the secret ballot was requested. A request for a secret ballot may be withdrawn at any time prior to its taking. The quantitative results of a secret ballot shall be announced to the Members at the meeting.
- 6.12 Voting Rights and Proxies** - Votes at Meetings of Members may be given either personally or by proxy, provided that the proxy appointed is either the Secretary or the Chairperson, or

alternatively a Member, provided that such Member shall represent no more than two other Members at such meeting. At every meeting at which a Member is entitled to vote, every Member present or appointed by proxy to represent a Member shall have one (1) vote for each Member present or represented by proxy. A proxy shall be executed by the Member or the Member's attorney authorized in writing. A proxy may be in the following form, or some similar form:

*"The undersigned Member of **Stevenson Memorial Hospital Foundation**, hereby appoints the Secretary [or \_\_\_\_\_, a Member] as the proxy of the undersigned to attend and act at the Meeting of the Members of the said Corporation to be held on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ [year], and at any adjournment or adjournments thereof in the same manner, to the same extent, and with the same power as if the undersigned were present at the said meeting or such adjournment or adjournments thereof.  
DATED the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ [year]  
Signature of Member  
\_\_\_\_\_  
\_\_\_\_\_  
Name of Member -"*

The Board may from time to time make rules regarding the lodging of proxies at some place or places other than the place at which a meeting or adjourned Meeting of Members is to be held and to determine particulars of such proxies being cabled, telegraphed or sent by facsimile, e-mail or other electronic means, or in writing before the Meeting of Members or adjourned Meeting to the Corporation. The Chairperson may, subject to any rules made as aforesaid, in the Chairperson's discretion, accept telegraphic, cable, facsimile, e-mail or other electronic means, or written communication as to the authority of any Person claiming to vote on behalf of and to represent a Member notwithstanding that no proxy form as stated above conferring such authority has been lodged with the Corporation, and any votes given in accordance with such communication accepted by the Chairperson shall be valid and shall be counted.

### **PART III BOARD OF DIRECTORS**

#### **7. ESTABLISHMENT OF THE BOARD OF DIRECTORS**

**7.03 Qualifications for Three (3) Directors** – In addition to the qualification requirements set out in Section 7.02, three (3) of the twelve (12) Directors must also have received and maintained the approval by the board of directors of The Stevenson Memorial Hospital upon and during their term of office.

**7.04 Qualifications for Nine (9) Directors** – The remaining nine (9) Directors who do not fulfill the qualifications set out in Section 7.03 must not be directors, officers, or employees of The Stevenson Memorial Hospital.

## **8. COMPOSITION AND ELECTION OF BOARD OF DIRECTORS**

### **8.01 Composition of Board of Directors**

- (a) The Board of Directors shall consist of not less than fifty-one percent (51%) of Persons who are residents of Canada for purposes of the *Income Tax Act* (Canada) and not more than forty-nine percent (49%) of Members who are “related persons” for the purposes of the *Income Tax Act* (Canada).
- (b) All Directors must have fulfilled all of the qualifications set out in Section 7.02.
- (c) Three (3) of the twelve (12) Directors must also have fulfilled all of the qualifications set out in Section 7.03.
- (d) The remaining nine (9) Directors who do not fulfill the qualifications set out in Section 7.03 must fulfill all of the qualifications set out in Section 7.04.

**8.02 Nomination of Directors** - Nomination of qualified Persons to be elected as Directors and admitted as Members of the Corporation shall be made by the Board by Resolution.

**8.03 Election of Directors** - The Board of Directors shall be elected at the annual Meeting of Members by the Members from Persons who are Members or who become Members of the Corporation within ten (10) days of the date of their election.

## **12. AUTHORITY OF THE BOARD OF DIRECTORS**

**12.01 General Authority** - The Board shall govern, administer, manage and control the affairs, activities, business and property of the Corporation.

## **14. NO REMUNERATION OF DIRECTORS**

**14.01** The Members of the Board shall serve as such without remuneration and no Member of the Board shall directly or indirectly receive any profit from his or her position as such, nor shall any Member of the Board receive any direct or indirect remuneration from the Corporation, except where specifically permitted by law, provided that Directors may be reimbursed for reasonable expenses incurred by them in the performance of their duties.

## **28. TERMS OF ENGAGEMENT FOR EMPLOYEES AND VOLUNTEERS**

**28.01** ..... All Employees of the Corporation (which shall be deemed to include all full-time and part-time Employees, and all contract for service providers who are deemed to be Employees for purposes of the *Income Tax Act*, where applicable), and all Volunteers who perform services on behalf of the Corporation, shall be required to be committed to furthering the Objects of the Corporation, which commitment shall be reflected in any engagement agreement that may be utilized from time to time with such Employees or Volunteers.