

PROVINCIAL HEALTH SERVICES AUTHORITY
CONSOLIDATED CONSTITUTION

(October 26, 2010)

1. The name of the Society is PROVINCIAL HEALTH SERVICES AUTHORITY (the "Authority").
2. The purposes of the Authority are to:
 - (a) Plan, manage, and as appropriate, operate the integrated delivery of Province-wide health care services and health protection services, in a manner consistent with Provincial health policy, including without limitation, any administrative and related services and activities in support of and complementary to such health care services or health protection services;
 - (b) Establish and maintain one or more branches which shall have such powers not exceeding the powers of the Authority, as the Authority may from time to time confirm;
 - (c) Integrate, through creation of branch operations of the Authority or otherwise, various non-profit organizations whose mandate involves the provision of Province-wide health care and health protection services and programs, including without limitation, the following undertakings and facilities within the Province:
 - (i) British Columbia Cancer Agency
 - (ii) British Columbia Centre for Disease Control and Prevention Society
 - (iii) British Columbia Mental Health Society
 - (iv) British Columbia Transplant Society
 - (v) Children's & Women's Health Centre of British Columbiaand such other facilities and undertakings serving Provincial health needs as may be identified by the Authority or the Minister of Health Services of the Province of British Columbia within and throughout the Province of British Columbia.
 - (d) Develop and provide community, public and general health policy advice to the Minister of Health Services of the Province of British Columbia;
 - (e) Set priorities, prepare and submit budgets to the Minister of Health Services and allocate Provincial resources for the delivery of health services on a Province-wide basis;
 - (f) Establish or acquire, through branch operations or otherwise, non-profit hospital facilities or programs within the Province of British Columbia, by purchase, gift, transfer, lease or otherwise, and to maintain and operate on a non-profit basis hospitals for the reception, treatment, and caring of persons suffering from physical or mental illness, disorder or disability which requires that the patients receive hospital care;

- (g) Establish or acquire, through branch operations or otherwise, non-profit health or community facilities or programs within the Province of British Columbia, by purchase, gift, transfer, lease or otherwise, and to maintain and operate on a non-profit basis health care or community facilities for out-patient reception, treatment, and caring of persons suffering from physical or mental illness, disorder or disability;
 - (h) Provide specialty health support services for persons requiring same in the course of prevention, detection and control of communicable disease;
 - (i) Give aid in coordinating and correlating the efforts of individuals, corporations, societies, associations or partnerships to reduce the mortality from cancer or other disease;
 - (j) Carry on any educational activities, teaching and research related to the diagnosis and care of the sick or disabled and the prevention of disease, as well as the promotion of general health of the people of British Columbia;
 - (k) Plan, coordinate, manage and publicize the human organ donor activities in the Province;
 - (l) Acquire by gift, bequest, lease, exchange, transfer, purchase or otherwise, any lands, buildings or hereditaments whether freehold or leasehold or any other assets for the use of the Authority;
 - (m) Make grants to, lend money to or guarantee the contracts of or otherwise assist any corporation, society association, partnership or individual who is engaged in activities which may usefully be carried on in conjunction with the purposes of the Authority.
 - (n) Incidentally to the purposes set out in clauses 2(a) to (m),
 - (i) to acquire, construct, hold, supply, operate, manage and maintain housing accommodation and incidental facilities for persons in British Columbia according to their needs including, without limiting the generality of this paragraph:
 - A. families and individuals of low and moderate income;
 - B. the aged;
 - C. functionally handicapped persons; and
 - (ii) to operate and manage commercial facilities if those facilities are part of a housing facility operated by a Regional Health Board.
3. The Authority shall be carried on without purpose of gain for its members and any profits or other accretion to the Authority shall be used for promoting its purposes. This clause is unalterable.
4. Upon winding-up or dissolution of the Authority, after repayment to the Province of British Columbia of a sum determined by the Minister of Health Services to be proportionate to the amount of financial assistance granted by the Province of British

Columbia, the assets remaining after the payment of all costs, charges and expenses properly incurred in the winding-up, including the remuneration of a liquidator, and after the payment of any other debts of the Authority, shall be distributed to a charitable organization (or organizations) in Canada, registered under the provisions of the Income Tax Act, or to the Province of British Columbia, whichever shall be designated by the Board of Directors.

Any of such assets remaining which had originally been provided for a specific purpose shall, wherever possible, be distributed to a charitable organization, registered under the provisions of the Income Tax Act, carrying on work of a similar nature for such specific purpose. This clause is unalterable.

PROVINCIAL HEALTH SERVICES AUTHORITY
CONSOLIDATED BYLAWS

PART 1 - INTERPRETATION

- 1.1 In these bylaws, unless the context otherwise requires:
- (a) "Authority" means the Provincial Health Services Authority;
 - (b) "Board" means the Board of Directors of the Authority;
 - (c) "Branch" means the branch societies of the Authority described in Part 7;
 - (d) "Chair" means the Chair of the Board and the Authority;
 - (e) "Directors" means the Directors of the Authority for the time being;
 - (f) "Hospital" or "hospitals" mean facilities operated from time to time by the Authority or one or more of its Branches as hospitals under the *Hospital Act* and include without limitation the facilities known as British Columbia's Children's Hospital, British Columbia's Women's Hospital and Health Care Centre; Sunny Hill Health Care for Children; Riverview Hospital, and BC Cancer Agency and each cancer clinic within British Columbia;
 - (g) "Minister" means the Minister of Health Services or equivalent for the time being of British Columbia;
 - (h) "Regional Health Board" means a Regional Health Board designated under section 4 of the *Health Authorities Act*;
 - (i) "*Society Act*" means the *Society Act* of British Columbia from time to time in force and all amendments to it.
- 1.2 The definitions in the *Society Act* on the date these bylaws become effective apply to these bylaws.
- 1.3 The Authority is a reporting society.
- 1.4 Words importing the singular include the plural and vice versa; and words importing a male person include a female person and a corporation.

PART 2 - MEMBERSHIP

- 2.1 The first members of the Authority are the applicants for incorporation until such time as the Minister makes one or more of the following appointments:
- (a) one person appointed from the University of British Columbia;
 - (b) one person designated by the Minister to be the chair; and
 - (c) such other persons as may be appointed by the Minister.

- 2.2 Each member will be appointed for a term of 1, 2 or 3 years with no limit on the maximum number of terms they may be appointed.
- 2.3 All members are in good standing.
- 2.4 Every member shall uphold the constitution and comply with these bylaws.
- 2.5 Every member of the Authority is entitled to hold office and vote at all general meetings of the Authority.
- 2.6 No employee of the Authority or of any Branch is eligible for membership in the Authority.
- 2.7 No person under the age of 19 years is eligible for membership in the Authority.
- 2.8 A person ceases to be a member of the Authority:
 - (a) by delivering their resignation in writing to the Minister;
 - (b) upon the expiry of their term if it is not renewed by the Minister;
 - (c) when the Minister rescinds the appointment; or
 - (d) upon death.
- 2.9 Vacancies in membership in the Authority may only be filled by the Minister.
- 2.10 Members may not be expelled.

PART 3 - BOARD OF DIRECTORS

- 3.1 The Directors are the members of the Authority. A Director who ceases to be a member ceases to be a Director.
- 3.2 The Directors may exercise all the powers and do all the acts and things that the Authority may exercise and do, and which are not by these bylaws or by statute or otherwise lawfully directed or required to be exercised or done by the Authority in general meeting, but subject, nevertheless, to:
 - (a) all laws affecting the Authority;
 - (b) any directive issued by the Minister;
 - (c) these bylaws; and
 - (d) rules, not being inconsistent with these bylaws, which are made from time to time by the Board of Directors.
- 3.3 The Board has the power to make contracts and enter into agreements on behalf of the Authority.
- 3.4 The Directors shall be entitled to receive reasonable remuneration for their services, except that no remuneration shall be payable in respect of any services provided or funds utilized in relation to assisted housing operations carried on by the Society.

Directors shall be entitled to be paid reasonable expenses in connection with the performance of their duties.

- 3.5 The members may by special resolution remove a Director in his capacity as an officer (other than Chair), but not in his capacity as Director, and may elect a successor to complete the term of office.
- 3.6 In the event that a Director fails to attend three consecutive meetings of the Board, without reasonable cause, the Secretary will advise the Minister in writing.
- 3.7 Every Director, in exercising his powers and performing his duties shall:
- (a) act honestly and in good faith and in the best interest of the Authority; and
 - (b) exercise the care, diligence and skill of a reasonably prudent person.
- 3.8 A Director, who, in any way:
- (a) is directly or indirectly interested in an existing or proposed contract or transaction with the Authority; or
 - (b) who holds any office or possesses any property whereby, directly or indirectly, a duty or interest might be created to conflict with his duty or interest as a Director; or
 - (c) by virtue of a personal or family relationship may be seen to be in a position which may conflict with his duty or interest as a Director:
- shall declare the nature and extent of his interest in such contract or transaction or of the conflict with his duty and interest as a Director; and such declaration shall be made at the first opportunity therefor, or at the first meeting after the relevant facts come to the Director's attention.
- 3.9 A Director shall not vote in respect of the approval of any contract or transaction in which he is directly or indirectly interested, or in respect of any matter whereby a conflict of duty or interest may arise by virtue of the Director's holding of any office or possession of any property, or by virtue of a personal or family relationship and if he does vote, his vote shall not be counted but he may be counted in the quorum present at any meeting of the Directors at which a vote is taken in respect thereto.
- 3.10 Every Director referred to in subsections 3.8(a) and (b) hereof shall account to the Authority for any profit made as a consequence of the Board entering into or performing a proposed contract, transaction or arrangement, unless the Director:
- (a) discloses an interest as provided herein;
 - (b) after disclosure, the proposed contract, transaction or arrangement is approved by the Directors;
 - (c) abstains from voting on the approval of the proposed contract or transaction; and
 - (d) discloses an interest at the first meeting after the relevant facts come to the Director's knowledge and the Board either confirms the contract, transaction

or arrangement or waives the necessity of disclosure considering all the circumstances; or the Director makes full disclosure of the nature and extent of any interest in the contract, transaction, or arrangement and thereafter it is approved by a resolution of the Board.

- 3.11 Subject to the *Society Act*, in consideration for a person acting as a Director of the Authority, such Director, his heirs and personal representatives, are indemnified against all costs, charges and expenses, including any amount paid to settle an action or satisfy a judgment, actually and reasonably incurred by him, in a civil, criminal or administrative action or proceeding to which he is made a party by reason of being or having been a Director, including an action brought by the Authority if:
- (a) the Director acted honestly and in good faith with a view to the best interests of the Authority; and
 - (b) in the case of a criminal or administrative action or proceeding the Director had reasonable grounds for believing his conduct was lawful.

PART 4 - OFFICERS

- 4.1
- (a) Except for the Chief Executive Officer, each officer must be a member of the Authority;
 - (b) The officers are a Chair, a Vice-Chair, a Secretary, a Treasurer and the Chief Executive Officer appointed under Part 5. The Chair is appointed by the Minister, and the remaining officers are elected annually by the members at the annual general meeting in each year and shall hold office for a term of one year;
 - (c) If no successor is elected, the person previously elected or appointed continues to hold office;
 - (d) An election may be by acclamation, otherwise it shall be by ballot; and
 - (e) A vacancy occurring in the post of an elected officer (i.e., Vice-Chair, Secretary or Treasurer) shall be filled for the unexpired term by election by the Board.
- 4.2 The Chair shall preside at all meetings of the Authority and the Board and shall have the powers and duties generally pertaining to the office of Chair. The Chair shall be a member ex-officio of all committees.
- 4.3 The Chair shall supervise the other officers in the execution of their duties.
- 4.4 The Vice-Chair shall, in the absence of the Chair, possess all of the powers and perform all of the duties of the Chair.
- 4.5 The Secretary shall be responsible for keeping minutes of all meetings of the Authority, the Board, and all committees, maintaining the register of members, and for such other duties as the Board may determine from time to time.
- 4.6 The Treasurer shall be responsible for causing the Authority to keep such financial records, including books of account, as are necessary to comply with the *Society Act*

and with these bylaws and for such other duties as the Board may determine from time to time.

- 4.7 The offices of Secretary and Treasurer may be held by one person who shall be known as the Secretary-Treasurer, or the Board may appoint the Chief Executive Officer to be the Secretary, Treasurer or the Secretary-Treasurer, but such appointment shall not confer upon the Chief Executive Officer either membership or the right to vote.

PART 5 - CHIEF EXECUTIVE OFFICER

- 5.1 The Board shall select and engage a competent Chief Executive Officer who shall, on behalf of the Board, assume full operating responsibility for the management of the Authority and each of its Branches. The Chief Executive Officer shall have the necessary authority and shall be held responsible for the administration of the Authority in all its activities, departments and Branches, subject only to such policies as may be adopted and such orders as may be issued by the Board. The Chief Executive Officer may not be a member of the Authority.

PART 6 - COMMITTEES

- 6.1 The Board may create or disband such standing and special committees as may from time to time be required which may be in whole or in part composed of Directors as the Board thinks fit. The Board may delegate any, but not all, of its power to such committees and any such committee shall limit its activities to the purpose or purposes for which it is appointed, and shall have no powers except those specifically conferred by the Board. The Directors shall have the power at any time to remove or override any authority given to or acts to be done by any committee except acts done before such revocation or overriding and to terminate the committee or change the membership of the committees and to fill vacancies in them.

PART 7 - BRANCH OPERATIONS

- 7.1 A society formed under the *Society Act* may apply to the Board to become a Branch and the Board, at its discretion, may approve the proposed Branch.
- 7.2 The bylaws of each Branch shall be substantially the same as the bylaws of the Authority and shall be approved as to form by the Board. Each Branch shall comply with all regulations and policies of the Authority and each Branch shall be directly responsible to the Board of the Authority through the Chief Executive Officer.
- 7.3 The board of each Branch shall be the Board of the Authority. Each Branch may, at the invitation of the Board or the Chief Executive Officer, create advisory committees to advise the Board with respect to the specific operations of such Branch.
- 7.4 The fiscal year of each Branch shall be the same as the Authority and financial statements of each Branch shall be prepared and audited by the auditors of the Authority. Each Branch shall prepare financial statements in respect of its separate operations and the Authority and the Branch shall also instruct the auditors to prepare annual consolidated statements of the Authority and all Branch operations.

- 7.5 Each Branch shall hold its annual general meeting immediately after the annual general meeting of the Authority and meetings of the Board shall be meetings of the directors of the Branch, to the extent that business relating to the Branch is dealt with at such meetings.
- 7.6 No Branch shall have the power to bind the Authority to any contract or commitment.
- 7.7 The Board may withdraw its approval of designation from any Branch upon not less than 30 days notice.

PART 8 - MEDICAL STAFF

- 8.1 The Board shall promulgate medical staff bylaws, rules and regulations governing the organization, appointment, responsibilities and activities of the medical, dental and midwifery staff, including rules and regulations for the establishment and organization of any committee required by law and the Board may from time to time promulgate different medical staff bylaws for each of, or any combination of the hospitals and health centres within the Authority or the Branches. Members of the medical, dental and midwifery staff shall be bound by the constitution, these bylaws and the rules and regulations of the Authority and the Board.

PART 9 - MEETINGS

- 9.1 The annual general meeting shall be held once in every calendar year and not more than 15 months after the date of adjournment of the last preceding annual general meeting.
- 9.2 The agenda for the annual general meeting includes, but is not limited to:
 - (a) presentation of the audited financial statements and the auditor's report for the previous fiscal year; and
 - (b) the annual report of the Authority.
- 9.3 A general meeting of the Authority may be called by the Chair and such a meeting shall be convened by either the Chair or the Secretary within 21 days of the receipt of a written requisition stating the purpose of the general meeting and signed by 10% or more of the members of the Authority.
- 9.4 A simple majority of members shall constitute a quorum at any general meeting of the Authority or any meeting of the Board.
- 9.5 Meetings of the Board may be called by the Chair, upon reasonable notice to each Director by mail, delivery, facsimile or email. Emergency meetings of the Board may be convened provided a reasonable effort is made to notify every Director of such a meeting. At the discretion of the Chair, or in accordance with Board policy, any meeting of the Board of Directors, Committee or the Members of the Authority, or a Branch, may be held in the absence of the public.
- 9.6 Not less than 14 days' written notice of a general meeting of the Authority shall be given to each member by mail, delivery, facsimile or email but the members may waive or reduce the period of notice for a particular meeting by unanimous consent in writing.

- 9.6A Subject to any order that may be required under the *Society Act*, financial statements of the Authority may be provided to the members and the auditor, when required by the *Society Act*, by means of mail, delivery, facsimile or email.
- 9.7 The Chair, or in his absence the Vice-Chair, shall preside as Chair at every meeting of the Authority or the Board and if there is no Chair present within 30 minutes after the time appointed for holding the meeting, the members present shall, if they comprise a quorum, choose a person from among their number to be Chair at that meeting.
- 9.8 Voting shall be by show of hands. The Chair may vote but has no second or casting vote. Each issue shall be decided as an ordinary resolution unless a special resolution is required under the *Society Act*.
- 9.9 Any meeting of the Board, any committee, or the members may also be held by conference call or similar communication equipment or device so long as all the participants can hear and respond to one another. All such Directors, committee members, or members, as the case may be, shall be deemed to be present in person at the stated location of such meeting and shall be entitled to vote by a voice vote recorded by the Secretary of such meeting, except that members shall verify their votes within 24 hours in writing by facsimile or email.
- 9.10 Voting by proxy is not permitted.
- 9.11 In the event that a meeting of members or the Board cannot be held due to the lack of a quorum, such meeting shall be adjourned to a date determined by the members present at the meeting place, or by any two Directors. The date of the adjourned meeting shall allow sufficient time for reasonable notice of the new date, place, and time to be mailed, delivered, or sent by email or facsimile to the members or Directors not present. If quorum is not present 30 minutes after the scheduled start time of an adjourned meeting of the members, then three members shall be deemed to constitute quorum.
- 9.12 A resolution in writing signed by all members or Directors shall be valid and effectual as if it had been passed at a meeting of the members or Directors duly called and constituted. Consent resolutions may be validly passed by execution by members or Directors, delivered in counterparts and by facsimile.
- 9.13 Except where otherwise provided by the Authority or these bylaws, all matters of procedure at any meeting of the Authority or the Board shall be decided in accordance with Robert's Rules of Order Newly Revised.

PART 10 - FISCAL YEAR AND AUDIT OF ACCOUNTS

- 10.1 The fiscal year of the Authority shall be for the twelve-month period ending March 31st or such other period of twelve consecutive months as may from time to time be approved by the Minister.
- 10.2 At each annual general meeting the Authority shall appoint an auditor to hold office until he is reappointed or his successor is appointed at the next annual general meeting.

- 10.3 An auditor shall be informed forthwith in writing of appointment or removal.
- 10.4 The auditor may attend general meetings.
- 10.5 No member and no employee of the Authority or any Branch shall be auditor.

PART 11 - BORROWING

- 11.1 With the prior approval of the Minister, the Authority may borrow, raise or secure the payment of monies in such manner and amount as shall be sanctioned by a resolution of the Board. No debenture shall be issued without sanction of a special resolution.
- 11.2 The Board is hereby authorized, after it has received the written approval of the Minister, to engage in short-term borrowing on behalf of the Authority, pursuant to a resolution passed by the Board, in order to meet the current operating expenses of the Authority. The total outstanding indebtedness so created by the Board shall at no time exceed the amount that may be specified from time to time by the Minister.

PART 12 - INSPECTION OF BOOKS AND RECORDS

- 12.1 The books and records of the Authority are open to inspection by the members on reasonable notice to the Chief Executive Officer.

PART 13 - SEAL/EXECUTION

- 13.1 The Board may provide a common seal for the Authority and from time to time by Board resolution, may provide for the use and affixation of the common seal.
- 13.2 All documents and contracts of the Board may be executed on behalf of the Board by the Chief Executive Officer or senior executives of the Board who are authorized by the Chief Executive Officer, provided that, in those instances in which the written authority of the board to a document or contract is required by Board resolution or these Bylaws, the Chair or other officer of the Board shall also execute the document or otherwise signify in writing the express consent of the Board to the execution of the document or contract on behalf of the Board.

PART 14 - BYLAWS

- 14.1 On being admitted to membership, a member is entitled to and the Authority shall provide, without charge, a copy of the constitution and bylaws. Subject to the prior approval of the Minister, these bylaws may be amended or re-enacted by a special resolution of the Authority.