BYLAW NO. 601

A BYLAW OF THE TOWN OF DAVIDSON TO ENABLE SAID TOWN TO ENTER INTO AN AGREEMENT TO FORM THE DAVIDSON DISTRICT HEALTH FOUNDATION INC.

WHEREAS this council has declared its support for the formation of the Davidson District Health Foundation Inc.

AND WHEREAS this council has sought membership in that Foundation,

AND WHEREAS this council is desirous of entering into an agreement with other municipalities repecting the constitution of the foundation and its operations.

NOW THEREFORE THE COUNCIL OF THE TOWN OF DAVIDSON hereby enacts the following bylaw:

1. The town shall enter into a unanimous members agreement with all other members of the Foundation in the form of the agreement appended to this Bylaw; and

2. Mayor Feyhan Al-Katib shall be appointed the duly authorized officer for the purposes of executing the bylaw.

INTRODUCED AND READ a first time this 9th day of December, 1993

READ a second time this 9th of December, 1993

READ a third time, by unanimous consent of council, and passed this 9th day of December, 1993.

MUNICIPALITY OF TOWN OF DAVIDSON, SASK. INCORPORATED 1906

Feyhan Al-Katib
MAYOR

G. J. Thom
ADMINISTRATOR

Certified to be a true copy of Bylaw No. 601 of the Town of Davidson passed on December 9, 1993.

G. J. Thom
ADMINISTRATOR

MUNICIPALITY OF TOWN OF DAVIDSON, SASK. INCORPORATED 1906

THIS AGREEMENT made the 16th day of November, 1993.

BETWEEN:

THE RURAL MUNICIPALITY OF ARM RIVER NO. 252
(called "Arm River")

AND:

THE RURAL MUNICIPALITY OF WILLNER NO. 253
(called "Willner")

AND:

THE RURAL MUNICIPALITY OF WOOD CREEK NO. 281
(called "Wood Creek")

AND:

THE RURAL MUNICIPALITY OF McCRANEY NO. 282
(called "McCraney")

AND:

THE RURAL MUNICIPALITY OF ROSEDALE NO. 283
(called "Rosedale")

AND:

THE VILLAGE OF BLADWORTH
(called "Bladworth")

AND:

THE TOWN OF DAVIDSON
(called "Davidson")

AND:

THE VILLAGE OF GIRVIN
(called "Girvin")

AND:

THE VILLAGE OF KENASTON
(called "Kenaston")

AND:

DAVIDSON DISTRICT HEALTH FOUNDATION INC.
(called "Foundation")

RECITALS:

A. The Members have agreed to form the Foundation for the purpose of administering certain capital currently held by Arm River Housing Corporation and Davidson Union Hospital.

B. The Members have agreed to vote their membership interests and restrict the powers of the directors in the manner set out in this Agreement.

C. The issued voting memberships of the Foundation as of the Effective Date are as follows:

Member	Membership Interest	Votes
Arm River	Class "A" Subdivision 1	17,801
Willner	Class "A" Subdivision 2	21,709
Wood Creek	Class "A" Subdivision 3	762
McCraney	Class "A" Subdivision 4	21,077
Rosedale	Class "A" Subdivision 9	4,582
Bladworth	Class "A" Subdivision 5	1,734
Davidson	Class "A" Subdivision 6	25,176
Girvin	Class "A" Subdivision 7	1,091
Kenaston	Class "A" Subdivision 8	6,068

ARTICLE ONE
INTERPRETATION

1.01 Definitions

Where used in this Agreement the following terms shall have the following meanings:

(a) "Act" means **The Non-profit Corporations Act** of Saskatchewan as amended from time to time, and any statute substituted therefor;

(b) "this Agreement" means this Unanimous Member Agreement, together with any amendments made from time to time or substituted agreements;

(c) "Articles" means the articles of incorporation of the Foundation, as amended from time to time;

(d) "Board" means the board of directors of the Foundation;

(e) "Effective Date" means the ____ day of _____, 1993;

(f) "Bylaws" means the bylaws of the Foundation, as amended from time to time;

(g) "Member" means any person who is from time to time the holder of a Membership;

(h) "Membership" means a membership of the Foundation and includes both present and future memberships issued by the Foundation;

(i) "Parties" means collectively Arm River, Willner, Wood Creek, McCraney, Bladworth, Davidson, Girvin, Kenaston,

Rosedale, and the Foundation, and includes any person or corporate body who may, after the signing of this Agreement, execute a counterpart to this Agreement upon becoming a Member; and

(j) "Region" means the area within the geographic boundaries of the Members as such boundaries existed on October 1, 1993.

Words and expressions used but not defined in this Agreement and which are defined in the Act, have the meaning given by the Act.

1.02 Applicable Law

This Agreement is governed by the laws of the Province of Saskatchewan.

ARTICLE TWO
DECLARATION OF AGREEMENT

2.01 Effective Date

This Agreement shall operate in full force and effect from and after the Effective Date.

2.02 Unanimous Member Agreement

This Agreement is a unanimous member and voting trust agreement as contemplated by the Act. The Parties shall take all steps and do all such acts and things as are necessary to have this Agreement so constituted.

2.03 Membership Certificate Endorsement

Each certificate evidencing Membership shall have endorsed upon it a statement to the following effect:

> "The membership evidenced by this certificate is non-transferable and subject to restrictions on its voting rights and the provisions of a Unanimous Member Agreement dated the 16th day of November, 1993.

ARTICLE THREE
CORPORATE GOVERNANCE

3.01 Election of Directors

(a) The number of directors shall be fixed at five.

(b) The following Members are entitled to the following nominees on the Board:

i) Davidson is entitled to one nominee;

ii) Kenaston, Rosedale, and McCraney are jointly entitled to one nominee;

iii) Willner and Bladworth are jointly entitled to one nominee; and

iv) Arm River, Wood Creek and Girvin are jointly entitled to one nominee.

(c) The fifth member of the Board shall be the *ex-officio* director as referred to in the Articles of the Corporation.

(d) The Members agree to vote their Memberships to elect the nominees as set out above, as directors of the Foundation.

3.02 Removal of Directors

Each Member or group of Members, as the case may be, has the right to remove from time to time its nominee as a director of the Foundation, as it sees fit, upon giving notice to the Secretary-Treasurer of the Foundation requesting the same. The Members agree to vote their Memberships to remove such person as a director of the Foundation, provided the Member or Members so removing the director have concurrently supplied the name of its or their new nominee to the Secretary of the

Foundation. The replacement nominee shall hold office for the remainder of the unexpired term.

3.03 Vacancies on the Board of Directors

If there is a vacancy on the Board, such vacancy must be filled by election at a duly constituted meeting of Members or pursuant to a resolution in lieu thereof. At the time of such election, the provisions of section 3.01 shall be complied with, so as to ensure continued representation within the spirit and intent of the section. Such meeting shall be held, or such resolution circulated for signature, as soon as it is reasonably possible. The person so elected shall hold office for the remainder of the unexpired term.

3.04 Fundamental Changes

(a) Any of the following changes to a class or a subdivision of a class require the unanimous resolution of the Members:

i) adding, changing, or removing the rights, privileges, restrictions or conditions attached to such class or subdivision; or

ii) creating a new class or subdivision of membership interests.

(b) No further Memberships may be issued by the Board without a unanimous resolution of the Members approving the same and without such new Member being made a party to this Agreement.

3.05 Changes in Membership

Upon the addition of a new Member, termination of a membership interest, or the withdrawal of a Member from the Foundation, the Members shall vote their shares so as to take all steps necessary to amend the Articles and Bylaws and this Unanimous Member Agreement so as to ensure continued pro rata representation on the Board, and pro rata distribution of voting rights, as contemplated by this Agreement and the Articles.

3.06 Term of Office

Directors of the Foundation shall be elected to a term of office of one year, and may be nominated for further re-election for a total of no more than four consecutive terms. After having served four consecutive terms, no director is eligible for further re-election without standing down for one full term before such re-election.

3.07 Qualifications of Directors

In addition to the qualifications required by the Act, each nominee to the Board must be entitled to vote in municipal elections within the geographic area governed by the member or members putting such a name forward as a nominee.

3.08 Meetings of the Board

Meetings of the Board shall be held at least once every three months. Minutes of the meetings shall be provided to each director and each Member within 21 days of the meeting.

3.09 Changes to Bylaws

Any new bylaw, or amendment or repeal of a bylaw, must be confirmed by a special resolution of the Members.

ARTICLE FOUR
BUSINESS OF THE CORPORATION

4.01 Expenditures Requiring Consent

Notwithstanding any provisions contained in the Articles of the Corporation, if a proposed capital expenditure to be made or funded by the Foundation will result in an on-going operating cost to a third party, then the Foundation or the

proposed recipient of the funds must obtain the approval of that third party before the capital expenditure is made or the funds transferred to the proposed recipient.

4.02 Consent to Transfer of Funds to Foundation

The parties consent to the transfer to the Foundation of the capital reserve fund currently held by the Davidson Union Hospital, to be administered by the Foundation in accordance with the terms of its Articles and this Unanimous Member Agreement.

ARTICLE FIVE
GENERAL

5.01 Termination

(a) This Agreement has an indefinite term, subject to earlier termination in the event of:

i) the liquidation, dissolution, winding up or other termination of the corporate existence of the Foundation; or

ii) an agreement in writing of all of the Members.

(b) This Agreement ceases to be binding on a Member when it ceases to be a Member.

5.02 Conflict with Articles and Bylaws

If this Agreement conflicts with the Articles or Bylaws, the provisions of this Agreement shall govern. Each Member shall vote or cause to be voted the Membership owned by such Member as necessary so as to cause the Articles or Bylaws, or both, as the case may be, to be amended to resolve any such conflict in favour of the provisions of this Agreement.

5.03 Qualification as Registered Charity

Each Member shall vote or cause to be voted the Membership owned by such Member as necessary so as to cause the Articles or Bylaws, or both, as the case may be, to be amended as necessary to ensure the registration and continued registration of the Foundation as a public foundation or charitable organization within the meaning of the *Income Tax Act* (Canada).

5.04 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall constitute one instrument.

5.05 Binding upon Heirs and Successors

This Agreement shall enure to the benefit of and be binding upon the Parties hereto and their respective legal and personal representatives, and permitted assigns.

5.06 Time of the Essence

Time shall be in every respect of the essence in this Agreement.

5.07 Other Actions

The Parties shall do all acts and things and execute all documents which may be reasonably necessary or advantageous to enforce this Agreement according to its tenor and intent.

IN WITNESS WHEREOF the following parties have executed this agreement on the day and in the year first written above.

THE RURAL MUNICIPALITY OF ARM RIVER NO. 252

Per: _____

THE RURAL MUNICIPALITY OF WILLNER NO. 253

Per: _____

(signatures cont'd on next page)

THE RURAL MUNICIPALITY OF WOOD CREEK NO. 281

Per: _____

THE RURAL MUNICIPALITY OF McCRANEY NO. 282

Per: _____

THE RURAL MUNICIPALITY OF ROSEDALE NO. 283

Per: _____

THE RURAL VILLAGE OF BLADWORTH

Per: _____

THE TOWN OF DAVIDSON

Per: _____

THE VILLAGE OF GIRVIN

Per: _____

THE VILLAGE OF KENASTON

Per: _____

DAVIDSON DISTRICT HEALTH FOUNDATION INC.

Per: _____