

COMMON BOARD AGREEMENT

Between

GROVES MEMORIAL COMMUNITY HOSPITAL

- and -

NORTH WELLINGTON HEALTH CARE CORPORATION

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WELLINGTON HEALTH CARE ALLIANCE

COMMON BOARD AGREEMENT

THIS AGREEMENT made as of the 12th day of May, 2026.

BETWEEN:

GROVES MEMORIAL COMMUNITY HOSPITAL
(hereinafter called "**GMCH**")

- and -

NORTH WELLINGTON HEALTH CARE CORPORATION,
(hereinafter called "**NWHC**")

WHEREAS GMCH and NWHC are each a public hospital under the *Public Hospitals Act* and independent corporations under the Ontario *Not-for-Profit Corporations Act*, each governed by a board of directors;

AND WHEREAS GMCH and NWHC have a long, exemplary history of working together in an alliance to meet health care needs in rural Wellington County, pursuant to an Alliance Agreement;

AND WHEREAS GMCH and NWHC desire to continue to advance the integration of the Hospitals by establishing a "Common Board" upon the terms and conditions set out herein;

AND WHEREAS upon the establishment of the Common Board in accordance with the terms and conditions set out herein, the Alliance Agreement shall be terminated as of the effective date of the Common Board;

IN CONSIDERATION of the mutual covenants herein contained, the parties hereto hereby covenant and agree as follows:

ARTICLE 1 DEFINITIONS

1.1 Definitions

The terms defined in this Agreement shall have the meanings set forth below:

- (a) "**Agreement**" means this Common Board Agreement made as of the date first written above;
- (b) "**Common Board**" means the Board of Directors of GMCH and NWHC serving as a common board in accordance with this Agreement;
- (c) "**Directors**" means the directors of GMCH and NWHC in accordance with their respective by-laws;
- (d) "**Effective Date**" means July 14, 2026;

- (e) **“Hospital”** means each of GMCH and NWHC, and **“Hospitals”** means GMCH and NWHC jointly;
- (f) **“Indemnified Hospital”** has the meaning ascribed thereto in section 9.1(b);
- (g) **“Indemnifying Hospital”** has the meaning ascribed thereto in section 9.1(b);
- (h) **“Members”** means the members of GMCH and NWHC in accordance with their respective by-laws;
- (i) **“ONCA”** means the Ontario *Not-for-Profit Corporations Act, 2010*, as amended from time to time, and the regulations thereunder; and
- (j) **“Public Hospitals Act”** means the *Public Hospitals Act* (Ontario), as amended from time to time, and the regulations thereunder.

ARTICLE 2 WELLINGTON HEALTH CARE ALLIANCE

2.1 Common Brand

- (a) GMCH and NWHC agree to continue to operate as Wellington Health Care Alliance (with associated logo), subject to the Common Brand Use Policy.
- (b) Each of the Hospitals shall continue to operate under the business name of Wellington Health Care Alliance, provided that GMCH and NWHC shall at all times also continue to maintain their respective independent corporate name and identity.
- (c) Any third party use of GMCH and NWHC name or logo shall require the prior approval of the Common Board, and shall be subject to the third party entering into an agreement with the Hospitals regarding terms of use.

ARTICLE 3 COMMON BOARD OF WELLINGTON HEALTH CARE ALLIANCE

3.1 Purpose and Authority of the Common Board

- (a) The purpose of the Common Board is to govern and oversee GMCH and NWHC, two separate legal operating corporations, as a coordinated system of health services.
- (b) The Common Board shall govern in accordance with this Agreement and the Articles and By-Laws of each of the Hospitals.
- (c) Nothing herein contained or arising therefrom shall be construed to confer on either Hospital any authority or power to act for, or to undertake any obligation or responsibility on behalf of, the other Hospital, except as otherwise provided in this Agreement.

3.2 Statutory Compliance

Notwithstanding the Common Board, GMCH and NWHC shall maintain appropriate decision making for each corporation in accordance with the Ontario *Not-for-Profit Corporations Act*, the *Public Hospitals Act* and their respective funding and accountability agreements with governmental authorities. Nothing herein contained or arising therefrom shall fetter the fiduciary duties of the Directors to each Hospital they serve.

3.3 Establishment of the Common Board

- (a) The Hospitals agree to constitute and form a Common Board, where the Boards of each Hospital shall consist of the same Directors.
- (b) The Common Board shall consist of not less than eighteen (18) Directors and not more than twenty-two (22) Directors as follows:
 - (i) a minimum of twelve (12) and a maximum of sixteen (16) Directors elected by the Members of each of the Hospitals in accordance with their respective Corporate By-Laws;
 - (ii) the following six (6) *ex-officio* non-voting Directors:
 - (A) the President and Chief Executive Officer;
 - (B) the Chief Nursing Executive;
 - (C) the Chief of Staff of GMCH;
 - (D) the Chief of Staff of NWHC;
 - (E) the President of the Professional Staff of GMCH; and
 - (F) the President of the Professional Staff of NWHC.

3.4 Common Board Meetings and Decision Making

- (a) The Common Board shall meet at such times and places as may be determined by the Common Board from time to time.
- (b) Special meetings of the Common Board shall be called by the Secretary of the Common Board on the request of any of the Chair or any two Directors.
- (c) Quorum for meetings of the Common Board shall be a fifty percent (50%) plus one of the Directors entitled to vote.
- (d) Each elected Director shall have one (1) vote on each question raised at any meeting of the Common Board, and all questions shall be determined by a majority of the votes cast. In the case of an equality of votes, the vote shall be deemed to have been lost.

3.5 Officers of the Common Board

- (a) The Common Board shall elect or appoint the following common officers for GMCH and NWHC from amongst its elected Directors:
 - (i) Chair of the Board;
 - (ii) Vice-Chair of the Board;
 - (iii) Treasurer; and
 - (iv) Secretary.
- (b) The Chief Executive Officer shall be Secretary of the Common Board, *ex-officio*.

3.6 Committees of the Common Board

- (a) The Hospitals agree that the Common Board may establish committees from time to time. The Common Board shall determine the duties of such committees. The committees of the Common Board may be as follows:
 - (i) standing committees, being those committees whose duties are normally continuous; and
 - (ii) special committees, being those committees appointed for specific duties and whose mandate shall expire with the completion of the tasks assigned.
- (b) The Common Board shall approve terms of reference for all Common Board committees.

ARTICLE 4 GOVERNING DOCUMENTS

4.1 Articles, By-Laws, and Governance Policies to Conform

Each Hospital agrees to align its Articles, By-Laws, and governance policies to give effect to the terms of the governance model described in this Agreement.

4.2 Condition Precedent

The Hospitals agree that alignment of Articles and By-Laws shall be a condition precedent to this Agreement.

ARTICLE 5 CONFLICT OF INTEREST

5.1 Conflict of Interest

- (a) The Hospitals agree and acknowledge that the Common Board will make its decisions honestly and in good faith and in the best interests of the Hospitals.
- (b) The Hospitals acknowledge that there may be limited circumstances in which the Common Board members are faced with circumstances where the Hospitals are

adverse in interest and where decisions could have a significantly different impact on a particular Hospital. In the event that the Common Board determines that such conflict of interest between the Hospitals exists, the Hospitals shall convene the independent advisory committees to serve for the discreet purpose of decision making on the matter as more particularly set out in Schedule A.

ARTICLE 6 TERM AND TERMINATION

6.1 Term and Termination

- (a) The term of this Agreement shall commence as of the Effective Date and continue until such time as the Common Board resolves to terminate the Agreement, or the Agreement is otherwise terminated by law.
- (b) In the event that at least the majority of the elected Directors provide notice to the Common Board in writing that, in their opinion, after due consideration, the Hospitals should terminate the Common Board Agreement, the Hospitals shall convene the independent advisory committees to serve for the discreet purpose of decision making on the matter as more particularly set out in Schedule A.

ARTICLE 7 REPRESENTATIONS, WARRANTIES AND COVENANTS

7.1 Representations, Warranties and Covenants

- (a) Each Hospital hereby represents, warrants and covenants as follows and hereby acknowledges and confirms that the other Hospital is relying on such representations, warranties and covenants in the entering into of this Agreement:
 - (i) It is a corporation duly incorporated and in good standing under the laws of the Province of Ontario.
 - (ii) It is a public hospital under the *Public Hospitals Act* (Ontario).
 - (iii) It has full power, authority and legal right by common law and by statute law to enter into and be bound by this Agreement, and covenants and agrees to perform and observe all the terms and conditions of this Agreement. The execution and delivery of this Agreement and all of the terms and conditions provided for therein have been duly authorized by all necessary corporate action.
 - (iv) Neither the execution and delivery of this Agreement by it nor the observance and performance of the terms and conditions of this Agreement on the part of it to be observed and performed constitute a violation of applicable law or a violation or a breach of its constating documents or by-laws, or any provision of any contract or other instrument to which it is a party or by which it is bound, or any order, writ, injunction, decree, statute, rule, by-law or regulation applicable to it, or constitute a default (or would with the passage of time or the giving of notice, or both, constitute a default) under any contract, agreement or instrument to which it is a party or by which it is bound.

- (v) To perform and observe all the terms and conditions of this Agreement and to execute and deliver, or cause to be executed and delivered, such instruments as may from time to time be required in order to carry out the purposes of the Hospitals.
- (vi) This Agreement is legal, valid and binding and enforceable in accordance with its terms.

ARTICLE 8 COMMUNICATIONS

8.1 Joint Communications

- (a) The Hospitals shall agree on a joint internal and external communications plan in relation to this Agreement and the Common Board.
- (b) Each Hospital will only communicate about matters determined by the Common Board in accordance with the joint communications plan approved by the Common Board or as otherwise directed by the Common Board, except for disclosure to governmental authorities, as may be required.

ARTICLE 9 INDEMNITY

9.1 Indemnity

- (a) Each Hospital shall be solely and exclusively responsible for any liabilities arising from their acts or omissions in the conduct of their business and services.
- (b) Each Hospital (the “**Indemnifying Hospital**”) shall indemnify and hold harmless the other Hospital, their directors, officers, employees and agents (the “**Indemnified Hospital**”) from any and all claims, demands, actions, suits, losses, costs, charges, expenses, damages and liabilities whatsoever which the Indemnified Hospital may pay, sustain, suffer or incur by reason of or in connection with:
 - (i) any failure of the Indemnifying Hospital to comply with or breach of the terms of this Agreement; and
 - (ii) the business or activities of the Indemnifying Hospital in circumstances where the Indemnified Hospital is joined as a party to the dispute because of the Indemnified Hospital's participation in this Agreement and the Common Board.
- (c) In the event that either Hospital is made subject of any claims, demands or actions that could trigger the indemnity obligations under section 9.1, the Hospitals shall convene the independent advisory committees to serve for the discreet purpose of decision making on the matter as more particularly set out in Schedule A.

ARTICLE 10 GENERAL CONTRACT PROVISIONS

10.1 Gender and Number

The use of the singular number shall include the plural and vice versa. The use of gender shall include the masculine, feminine and neuter genders as the context requires.

10.2 Table of Contents and Headings

The division of this Agreement into articles and sections and the article and section headings and the Table of Contents preceding are for convenience of reference only and shall not affect the interpretation or construction of this Agreement.

10.3 Applicable Law

This Agreement shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein. The courts of the Province of Ontario shall have jurisdiction to entertain any action arising under this Agreement or any other agreement, document or instrument contemplated herein and the parties hereby accept and irrevocably submit to the jurisdiction of the said courts and acknowledge their competence and agree to be bound by any judgment thereof.

10.4 Entire Agreement

This Agreement constitutes the entire agreement between the parties relating to the Common Board and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, among the parties with respect thereto. In the event of a conflict between this Agreement and a Hospital's governing documents, the governing documents prevail.

10.5 Severable

If any provision of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby, and such invalid, illegal or unenforceable provision shall be severable from the remainder of this Agreement.

10.6 Amendments

No amendment or modification of this Agreement shall be binding unless in writing and signed by the parties and authorized by the Common Board, and where amendments are within the scope of Member authority under the Ontario *Not-for-Profit Corporations Act*, approval of the Members of the Hospitals.

10.7 Waiver

No waiver by a party to this Agreement of any breach of any of the provisions of this Agreement by any other party to this Agreement shall take effect or be binding upon the party unless in writing and signed by such party. Unless otherwise provided therein, such waiver shall not limit or affect the rights of the party with respect to any other breach.

10.8 No Assignment Without Consent

Neither party may assign this Agreement without the advance written consent of the other party.

10.9 Counterparts

This Agreement may be executed in counterparts, each of which shall constitute an original and all of which taken together shall constitute one and the same instrument.

[Signature page to follow]

**GROVES MEMORIAL COMMUNITY
HOSPITAL**

Per: *original signed*

Title Tom Barlow, Board Chair

Per:

original signed

Title Angela Stanley, President
and CEO/Board Secretary

I/We have the authority to bind the
corporation

**NORTH WELLINGTON HEALTH CARE
CORPORATION**

Per:

original signed

Title Michael O'Dwyer, Board Chair

Per:

original signed

Title Angela Stanley, President and
CEO/Board Secretary

I/We have the authority to bind the
corporation

SCHEDULE A
CONFLICT MANAGEMENT PROTOCOL

- (a) An independent advisory committee for each Hospital shall be convened as needed in accordance with the Agreement.
- (b) The independent advisory committee of each Hospital shall consist of three (3) previous Directors of each Hospital. The independent advisory committees shall be appointed by the Common Board as temporary, ad-hoc committees and shall dissolve once they have addressed the specific purposes for which they were convened.
- (c) The independent advisory committees shall be convened in the event that:
 - (i) the Common Board determines that a conflict of interest between the Hospitals exists;
 - (ii) at least five (5) Directors provide notice to the Common Board in writing that, in their opinion, after due consideration, the Hospitals should terminate the Common Board Agreement; or
 - (iii) either Hospital is made subject of any claims, demands or actions that could trigger the indemnity obligations under section 9.1 of the Agreement.
- (d) The authority of the independent advisory committee shall be limited exclusively to the specific purposes for which it was convened. The independent advisory committee shall make recommendations for action to the Common Board and the Common Board shall be bound by such recommendations.
- (e) The independent advisory committee may engage in consultations and investigations as it deems necessary to determine its recommendations.
- (f) The independent advisory committee, when considering termination of the Common Board, shall specifically consider:
 - (i) whether the purposes of the Common Board, as stated in the Agreement, are being achieved;
 - (ii) whether the goals of the Common Board, as set from time to time by the Common Board, are being achieved;
 - (iii) whether the Common Board has had an adverse negative impact on health care services provided to either of the Hospital's local communities, taking into account the nature, scope and level of health care services provided by similar hospitals to similar communities; and
 - (iv) ultimately, is it in the best interests of the communities served by the Hospitals that this Common Board Agreement be terminated.