

BY-LAW NUMBER 2 OF 2

COLLINGWOOD GENERAL & MARINE HOSPITAL FOUNDATION

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ARTICLE 1 – **ENDOWMENT FUNDS**

1.1 **Definition**

In this section of the by-law "Act" means the *Income Tax Act* (Canada) as amended from time to time.

1.2 **Purpose of Endowment Funds**

Subject to the applicable provisions of the Act and what is set forth in this by-law, Endowment Funds are to be held as permanent funds with only the Income from the said Funds being available for distribution by the Foundation to the Hospital.

1.3 **Use of Income from Endowment Funds**

Capital donated to Endowment Funds shall be held a minimum of ten (10) years and the income shall be used for the purpose of purchasing equipment for the Hospital or for other capital projects designated by the donor or the Board of Directors of the Corporation in accordance with Canada Revenue Agency's disbursement requirements.

1.4 **Disbursement of the Income**

The disbursement of the Income from Endowment Funds shall be controlled by the Board of Directors of the Corporation in accordance with its disbursement guidelines as adopted from time to time.

1.5 **Designation of Donations**

Donors shall be encouraged to designate gifts to Endowment Funds and shall be encouraged to direct in the documentation relating to such a donation that the gift be held for at least ten (10) years in order that it may be excluded from the amount required to be expended by the Corporation under the terms of its obligations as a registered charity pursuant to the Act to meet a disbursement quota. All bequests and gifts of proceeds in insurance policies as well as all other donations and payments which are determined by the Board of Directors to be of the nature of "planned gifts" shall, unless the donor thereof has expressed directions to the contrary, be automatically added to the Capital.

1.6 **Designation by Corporation of Monies to be added to Endowment Funds**

The Board of Directors may from time to time designate all or any part of any money it has received in any year remaining available to it after the Corporation has met the disbursement quota pursuant to the Act in that year as monies to be added to the Capital.

1.7 **Investments**

Endowment Funds shall be invested by the Investment Review Committee only in those investments authorized for Trustees pursuant to the *Trustee Act* (Ontario).

1.8 **Termination of the Fund**

Endowment Funds are intended to be held in perpetuity but in the event of unforeseen circumstances, any one or more Endowment Funds may be terminated and disposed of with the approval of at least two-thirds of the Board of Directors of the Foundation present at a meeting duly called for the purpose of considering such termination and disposal.

ENACTED as By-Law No. 2 this 29th day of February, 2008.

WITNESS the seal of the Corporation.



Chairperson (Charles C. Tatham)

Secretary (Jory Pritchard-Kerr)

CONFIRMED by the members in accordance with Section 298(3) of the Act, this 30th day of May 2008.



Chairperson (Charles C. Tatham)

Secretary (Jory Pritchard-Kerr)