

DRAFT — January 23, 2007

THIS AGREEMENT made in duplicate
as of the _1st____day of _January____, 2007

BETWEEN
THE GOVERNING COUNCIL OF THE UNIVERSITY OF TORONTO
("THE UNIVERSITY")
OF THE FIRST PART

AND
ANY COMMUNITY TEACHING HOSPITAL OR SITE
("THE HOSPITAL")
OF THE SECOND PART

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PREAMBLE

The Hospital and the University share a joint mission of health and biomedical-related education and research. This Agreement provides a framework for that, and the parties agree to work cooperatively to respond to their evolving relationship. This relationship between the Hospital and University includes a willingness to identify joint academic missions and initiatives through mutual acknowledgments that recognize each other's contributions.

I INTRODUCTION

I.1 OBJECTIVE OF THE UNIVERSITY

The objective of the University is to enhance its teaching and research. In all its teaching and research programs the University is committed to collaborating with hospitals, community teaching sites and other public sector institutions, where appropriate, to achieve the highest academic standards, to provide the best possible facilities and libraries, and to recognize excellence in teaching.

In seeking to achieve the above objective, the University is committed to four principles:

- i) respect for intellectual integrity, freedom of inquiry and rational discussion;
- ii) the fair and equitable treatment of all who work and study in the University, including clinical teachers at hospitals and other community sites;
- iii) a collegial form of governance; and
- iv) fiscal responsibility and accountability.

The above objective and principles govern the University's relationship with institutions with which it affiliates.

I.2 OBJECTIVES OF THE HOSPITAL

The objectives of the Hospital include providing, promoting and advancing patient care in accordance with any and all legislative requirements by continuing to foster excellence in healthcare delivery, teaching and research. **[NTD: TO BE COMPLETED BY EACH HOSPITALOR SITE]**

I.3 BASIS FOR AFFILIATION

The University and the Hospital have a mutual interest in the enhancement of education of health professionals, research and evidence-based practice.

In order for the University to offer programs of education and professional training in health and health-related fields, it must have access to the facilities of healthcare institutions and organizations, so that it may offer clinical and practical experience to its students enrolled in these programs.

Because of its mission and facilities, the Hospital has resources and services necessary for the support of teaching and research and is willing to make them available to the University for teaching and research purposes as appropriate.

Because of its mission and facilities, the University has resources and services necessary for the support of teaching and research and is willing to make them available to the Hospital as appropriate.

Both the University and the Hospital recognize the role and the responsibility of the Hospital in the provision of health care.

Both the University and the Hospital recognize the importance of academic freedom and the need to safeguard the intellectual independence of all faculty members, including Hospital appointed or employed staff who have University appointments.

Notwithstanding the mutual respect of the University and the Hospital for academic freedom, All faculty (as hereinafter defined) remain subject to applicable ethical and clinical guidelines or standards, laws and regulations and to the Hospital's relevant policies or by-laws.

Therefore it is the purpose of this Agreement to provide a foundation upon which the University and the Hospital may collaborate and cooperate in their efforts to accomplish their objectives. Thus, the parties agree as follows:

I.4 DEFINITIONS AND INTERPRETATION

I.4.1 Definitions

In this Agreement,

- a. *All faculty* means all Hospital staff members who have appointments in a Faculty or Department at the University, including faculty in the categories defined in b) and d) to f) below.
- b. *All Health Professional faculty* means all faculty who are engaged in health professional or clinical practice; that is, all faculty in the categories defined in d) to f) below.
- c. *Chief* means the Chief, Head, Director or other clinical leader of a Hospital Medical-Dental clinical Department or program.
- d. *Clinical faculty (physician)* means an individual or individuals licensed to practice medicine in Ontario, holding a Medical-Dental staff appointment at the Hospital and appointed in accordance with the University Policy for Clinical Faculty as *Clinical faculty* in a University Faculty of Medicine Clinical Department. Clinical faculty may be full-time, part-time or adjunct, and the criteria for each of these are set out in the Procedures Manual for Policy for Clinical Faculty (attached as Schedule 3).
- e. *Dentistry faculty* means an individual or individuals licensed to practice dentistry in Ontario, holding a Medical-Dental staff appointment at the Hospital and who is appointed in the University of Toronto Faculty of Dentistry.
- f. *Health Science faculty* means an individual or individuals who are health professional staff or employees of the Hospital and appointed in a Faculty or Department at the University. Health Science faculty are not Clinical faculty (physician) or Dentistry faculty.
- g. *Joint Committee* means a Joint Committee as set out in section XII below.
- h. *Student* means a person formally registered in a Faculty or Department of the University in a course or program of study. A Student may be registered in a certificate, a diploma, an undergraduate, a health professional graduate, a doctoral (MSc/PhD) graduate or a postgraduate medical education program. Persons present in the Hospital in training situations who are not registered as Students of the University are not Students within the meaning of this section.

- i. *Teaching Programs* means programs within various University Faculties or Departments (including, but not limited to: Medicine, Dentistry, Nursing, Nutritional Science, Pharmacy, Psychology, Radiation Therapy, Medical Imaging Technology, Nuclear Medicine Technology, Social Work, Health Administration, Physical Therapy, Physical Education and Health, Occupational Therapy and Speech Language Pathology) that place Students in the Hospital and, if applicable, its research institute.

I.4.2 Interpretation

- a. Subject to the terms of this Agreement, the University and the Hospital have the right and the authority to make decisions and to exercise their discretionary authority regarding their respective resource allocations, programmatic changes and/or use of or access to their respective premises or facilities.
- b. No person who is not a party to this Agreement has any right to enforce any term of this Agreement.
- c. Except as may be provided herein, this Agreement shall not be interpreted or applied so as to fetter the respective authority, duties or responsibilities of the University or the Hospital under their respective constituting statutes, letters patent, governing legislation, by-laws or policies.
- d. Nothing in this Agreement shall be interpreted or applied so as to interfere with statutory obligations.
- e. Nothing in this Agreement creates an employment relationship between any Student and either the Hospital or the University.
- f. Where any person or position is referred to in this Agreement, except where the Agreement specifies that the responsibility may be delegated, such person may delegate his/her responsibilities only if such delegation has been approved by the Hospital and the University.
- g. References to specific legislation in this Agreement include any amendments made from time to time to such legislation and include any regulations, as amended from time to time, made under such specific legislation.
- h. In the event a provision of any Schedule to this Agreement is inconsistent or conflicts with a provision of the Agreement, the terms of this Agreement shall take precedence and govern to the extent of any such inconsistency or conflict.

I.5 APPLICABILITY OF UNIVERSITY POLICIES TO THE HOSPITAL AND AMENDMENT OF UNIVERSITY POLICES

i) The Hospital agrees that it is bound by the following University policies, procedures, guidelines and protocols (as amended by agreement of the Hospital and the University from time to time) attached as Schedules to this Agreement, to the extent that such policies, procedures, guidelines and protocols bind or create obligations for the Hospital:

- Policy for Clinical Faculty (Schedule 2)
- Procedures Manual for Policy for Clinical Faculty (Schedule 3)
- Faculty of Medicine/Affiliated Institutions Guidelines for Ethics and Professionalism in Healthcare Professional Clinical Training and Teaching (Schedule 4)

- Sexual Harassment Protocol: Sexual Harassment Complaints involving Faculty and Students of the University of Toronto arising in University-Affiliated Health Institutions (Schedule 5)

Any proposed changes to the University's Policy for Clinical Faculty (attached as Schedule 2) or its Procedures Manual (attached as Schedule 3) will be referred to the Clinical Relations Committee.

With respect to any proposed changes to the other three policies listed above in this subsection, the University's Vice-Provost, Relations with Health Care Institutions will advise the Hospital of the proposed change, and work collaboratively with the Hospital with the goal of obtaining the Hospital's agreement to be bound by the proposed changes. If agreement cannot be reached in that process, the matter will be referred to an ad hoc Joint Committee.

Any amendment to any of the policies listed above in this subsection will not bind the Hospital unless the Hospital agrees to the amendment.

ii) The Harmonization of Research Policies (Schedule 6) provides that the University and the Hospital will work together to ensure the highest standards of ethical conduct in research, and to ensure the greatest possible degree of compatibility of their research policies and procedures. Both parties will work together and synergistically to update and harmonize their research environments in the areas addressed in Schedule 6. The University research policies listed below in this subsection are binding on Students and faculty but are otherwise not binding on the Hospital, and the University and the Hospital will work towards harmonizing and/or introducing them. The University and the Hospital will start the harmonization process in the first year of this Agreement, and new harmonized research policies may be added to this Agreement through amendments as they are agreed to by the parties. Harmonization will be undertaken in a two-step process: first by the Hospital/University Research Coordinating Committee of the Toronto Academic Health Science Network and then by the Community Research Coordinating Committee on which the Hospital will be represented.

- Policy on University Administration of Grants and Contracts when the Research is Being Conducted at an Affiliated Hospital (Schedule 7)
- Guidelines for Faculty of Medicine Graduate Students and Supervisors in the Context of Commercialization of Inventions Based on Thesis-Related Research (Schedule 8)
- Protection for Intellectual Freedom and Publication Rights (Schedule 9)
- Policy on the Offer and Acceptance of Finders' Fees or Completion Fees in Research Involving Human Subjects (Schedule 10)
- Principles and Responsibilities Regarding Conduct of Research (Schedule 11)
- Guidelines to Address Allegations of Research Misconduct (Schedule 12)

With respect to any proposed changes to the Harmonization of Research Policies (attached as Schedule 6), revisions will be made by mutual agreement of the parties and will be effective upon the written confirmation of the Hospital President and Chief Executive Officer and the President of the University or the Vice-Provost, Relations with Health Care Institutions.

With respect to any proposed changes to the other policies listed above in this subsection, the matter will be referred to the Hospital/University Research Coordinating Committee of the Toronto Academic Health Science Network and to the Community Research Coordinating Committee. The Hospital will not be obligated to harmonize its policies to any proposed changes unless it agrees to do so.

iii) With respect to the University policies, procedures, codes and similar documents that are listed below, the parties agree that the Hospital is not bound to these and is not obligated to monitor or enforce them: however Students and University appointees working in the Hospital are

bound, and the Hospital recognizes and respects that. The Hospital will endeavour to avoid conflicts between these policies and Hospital policies and procedures and to advise the University of potential conflicts. For the purposes of this subsection, a “conflict” refers to a situation where a Hospital policy has the potential to impede the implementation of a University policy.

- Provost’s Guidelines for Status-Only, Adjunct and Visiting Professor Appointments (Schedule 13)
- Policy on Conflict of Interest Academic Staff (Schedule 14)
- Guidelines for the Assignment of Postgraduate Medical Trainees (Schedule 15)
- Code of Student Conduct (Schedule 16)
- Code of Behaviour on Academic Matters (Schedule 17)
- Policy on Ethical Conduct in Research (Schedule 18)
- Policy on Research Involving Human Subjects (Schedule 19)
- Research Involving Human Subjects: School of Graduate Studies Student Guide on Ethical conduct (Schedule 20)
- Publication Policy (Schedule 21)
- Policy on Support of University of Toronto Sponsored Continuing Education Activities from Commercial Sources (Schedule 22)

If the University changes any of these policies, it will advise the Hospital of the changes if the Vice-Provost, Relations with Health Care Institutions determines that the Hospital should be advised. With respect to any changes of which it is advised, the Hospital will endeavour to avoid conflicts between the changed policies and Hospital policies and procedures and to advise the University of potential conflicts.

Where the policies of the University referred to in this subsection and policies of the Hospital are in conflict, the matter will be referred to the Joint Committee as set out in Section XII or to other committees as specified in this Agreement or as otherwise agreed by the parties.

iv) If the University proposes to implement any new policy, procedure or guideline which could have an impact on the parties’ obligations under the Agreement, the University will advise the Hospital. If a proposed new University policy, procedure or guideline includes Hospital obligations, the University will work collaboratively with the Hospital with the goal of obtaining the Hospital’s agreement to be bound by the proposed policy, procedure or guideline. In no event will any new policy, procedure or guideline that is not agreed to by the parties be binding on the parties.

v) The University and the Hospital will each use their best efforts to inform their appointees and staff of their respective policies and guidelines and of the importance of adhering to them.

II APPOINTMENT OF STAFF AND OVERSIGHT BY UNIVERSITY DEPARTMENT CHAIRS AND DEANS

II.1 INTRODUCTION

The parties recognize that it is primarily through their health professionals that they are able to achieve excellence in their endeavours, and that a primary instrument for effecting this affiliation is through the concurrent appointment of those clinical professionals who teach Students in the Hospital. In making such appointments, the parties acknowledge that each party has its own appointment and/or hiring policies and processes and will each respect the other’s policies and processes. In addition, they will cooperate with

each other in their efforts and processes to maintain excellence, particularly in relation to staff assessment and promotion, program evaluation and Student evaluation of staff.

Not all Hospital health professionals will have University appointments. Only those who are in clinical departments and programs that may be listed in the clinical Student teaching placements and who teach University Students will have a University appointment.

II.2 POLICIES GOVERNING APPOINTMENTS

The applicable policies of each party will be followed by that party in the hiring, appointment, promotion, disciplining, suspension and termination of staff by such party. The terms and conditions of the appointment of staff are detailed in the appropriate documents of the two parties. The review, renewal or non-renewal and termination processes for both University and Hospital appointments shall be done in accordance with the respective policies of the University and the Hospital as appropriate.

The Hospital acknowledges that the University will appoint Clinical faculty (physicians) in accordance with the Policy for Clinical Faculty (attached as Schedule 2) and the Procedures Manual for Policy for Clinical Faculty (attached as Schedule 3). For all staff to whom the Policy for Clinical Faculty does not apply (i.e. non-physician staff), University appointments will be made in accordance with the Provost's Guidelines for Status-Only, Adjunct and Visiting Professor Appointments (attached as Schedule 13).

II.3 APPOINTMENT OF HOSPITAL MEDICAL-DENTAL TEACHING STAFF

II.3.1 Staff Complement

The Medical-Dental teaching staff of each of the clinical departments and/or programs of the Hospital where Students are taught (as listed in the clinical Student teaching placement) shall consist of a Chief and such other members as it is mutually agreed upon between the Hospital and the University as are necessary to render exemplary teaching and research.

II.3.2 University Appointment and Promotions

Those members of the Hospital Medical-Dental staff who teach Students and are responsible for a course or a substantial part of a course and/or grade Students must qualify for and hold University appointments in the appropriate Health Science Faculty of the University at such ranks and of such categories as the University may determine.

The University will use its best efforts to apply its policies and guidelines respecting appointments and promotions consistently and equitably in all University Faculties and Departments for all affiliated hospitals and teaching sites.

If any such staff member ceases to hold either a Hospital or University appointment, the party where this occurs shall promptly inform the other. This communication shall be the responsibility of the Hospital President and Chief Executive Officer (or delegate) and the Dean of the appropriate Faculty.

II.3.3 Hospital Appointment

Hospital appointments to the medical/dental staff of clinical departments and programs, now or hereafter established, of physicians or dentists who either will not hold University appointments or will also hold part-time or adjunct University appointments will be made in accordance with the Hospital's by-laws, policies and/or procedures. The Chief of the Hospital Department may consult the Chair of the corresponding University department regarding the appointment. For greater

certainly, the parties agree that the Hospital does not require the University's approval with respect to such appointments.

Hospital appointments of staff who will hold full-time University appointments may be made only upon the recommendation of both the Chief of the Hospital Department and the Chair of the University of Toronto Clinical Department, hereinafter referred to as "Chair", or the Dean of a Health Faculty.

Nothing in this Agreement shall be interpreted to limit the Hospital's right to unilaterally alter, suspend or terminate the privileges of its Medical-Dental staff in accordance with its by-laws and the *Public Hospitals Act* as amended from time to time or to require approval of the University in such circumstances.

II.3.4 Terms and Conditions of Appointments

The terms and conditions of appointment are set out in separate University and Hospital appointments. Appointments set out responsibilities for teaching, research and administration. Part-time and adjunct faculty are normally not funded through the University payroll for teaching. The University and the Hospital will negotiate, within the budgetary framework of the University, financial support from the University for administrative oversight of clinical teaching within specific programs, and will set out these terms in a separate letter of understanding as necessary.

II.3.5 Clinical Faculty (Physicians) in the Faculty of Medicine

i) Policy for Clinical Faculty and Procedures Manual for Policy for Clinical Faculty

The parties recognize that Clinical faculty (physicians) are essential to the University's academic mission. They also recognize that the situation of clinical faculty (physicians) is very different from that of University-salaried tenured faculty. Appointments of Clinical faculty are governed by the University's Policy for Clinical Faculty (attached as schedule 2) and the Procedures Manual for Policy for Clinical Faculty (attached as Schedule 3).

ii) Appointment of Clinical Faculty (Physicians)

The Faculty of Medicine will appoint Clinical faculty (physicians) in accordance with the Procedures Manual for Policy for Clinical Faculty (attached as Schedule 3). Clinical faculty (physician) members may be appointed as part-time or adjunct Clinical faculty members, and on occasion as full-time. The criteria for each type of appointment are set out in Procedure 2.0, section VI in Schedule 3 attached.

iii) Academic Group Practices

Some Clinical faculty (physicians) will develop academic group practices through which funds from professional practice at the Hospital will be collected by the physician group and used for academic enrichment of the Hospital Department concerned ("Practice Plans"). The arrangements under which any such group practices function should be consonant with the patient care responsibilities of the Hospital and the academic missions of both the University and the Hospital.

If any Practice Plan now or in the future meets the definition of a "conforming practice plan" as defined in the Procedures Manual, its members shall be considered participants in a conforming practice plan for the purposes of the Policy for Clinical Faculty and its Procedures Manual.

iv) Dispute resolution for Academic Disputes

Academic disputes involving Clinical faculty (physician) members will be dealt with in accordance with the Procedures for Dealing with Academic Disputes (Procedure 3.0 in the attached Schedule 3). The Hospital accepts the jurisdiction of the (Clinical Faculty) Academic Clinical Tribunal (set out in Schedule 3) as regards disputes involving academic freedom concerns in the clinical setting. The Tribunal's decision will consist of a determination of facts with respect to the complaint, a finding as to whether there has been a breach of academic freedom, and a delineation of the implications of the breach for the complainant. The decision shall be final and binding on the complainant and the Hospital and the University. The Tribunal has no powers to award remedies, or to change any of the provisions of a duly enacted policy or established practice of the University or the Hospital, or to substitute any new provision thereof.

II.4 APPOINTMENT OF HEALTH SCIENCE FACULTY TO THE UNIVERSITY

i) Health Science faculty of the University includes Hospital staff and employees appointed to one or more University Faculties and Departments other than Clinical Departments in Medicine and Dentistry. These include, but are not limited to: Nursing, Nutritional Science, Pharmacy, Psychology, Radiation Therapy, Medical Imaging Technology, Nuclear Medicine Technology, Social Work, Health Administration, Physical Therapy, Physical Education and Health, Occupational Therapy and Speech Language Pathology.

ii) Health Science faculty may be given teaching appointments by the University in the appropriate Faculty at such rank and in such category as the University may determine. The University will not give University appointments to Health Science faculty without first obtaining the consent of the Hospital's President and Chief Executive Officer or her/his delegate.

iii) Those Health Science faculty holding appointments at the Hospital who teach University Students and are responsible for a University course or a substantial part of a course and/or grade Students must qualify for and hold University appointments in the appropriate Faculty of the University at such ranks and of such categories as the University may determine.

iv) The University recognizes the importance of developing further policies and guidelines governing the appointment and promotion of Health Science faculty, and agrees to engage in a consultative process with the community teaching hospitals and community teaching sites to develop these. No such policy or guideline will be binding on the Hospital unless the Hospital agrees to it.

II.5 APPOINTMENT AND RE-APPOINTMENT OF HOSPITAL CHIEFS

The Hospital will consult with the University Department Chair (or, in the case of Dentistry, the Dean) or his/her delegate before appointing or reappointing a Chief of a Medical or Dental Department in which significant teaching takes place. The parties acknowledge that it will be expected (although not mandatory) for the Chief of a Medical or Dental Department in which significant teaching takes place to hold a University appointment. The Hospital does not require the University's approval to appoint a particular individual as Chief of a Medical or Dental Department. For greater certainty, except as set out above, the Hospital has no obligation to consult with the University with respect to leadership positions.

II.6 APPOINTMENT OF CHAIRS OF UNIVERSITY DEPARTMENTS

Collectively the community teaching hospitals and community teaching sites will have representation as appropriate in searches for Clinical Department Chairs, where there is teaching in the cognate community hospitals' or teaching sites' Departments or programs.

II.7 CONFLICT OF INTEREST AND COMMITMENT OF UNIVERSITY APPOINTEES

The University expects All faculty to perform their duties in accordance with the Policy on Conflict of Interest Academic Staff (attached as Schedule 14), which sets out the University's expectations for its academic members of staff concerning their commitment to the University's mission, goals and objectives in relation to their outside and related activities.

II.8 REVIEW OF ACADEMIC APPOINTEES

Upon request by the Vice-Provost, Relations with Health Care Institutions of the University, the Hospital will provide to the University for information, as soon as reasonably possible, a listing of All Health Professional faculty at the Hospital.

III TEACHING

III.1 INTRODUCTION

The Hospital acknowledges that the University is primarily responsible for the Teaching Programs in which Students are enrolled, whether those programs are located on or off the University's property. Accordingly, the Hospital recognizes the University's ultimate authority with regard to decisions made with respect to its Teaching Programs. Nevertheless, the University acknowledges the valuable role and specific functions carried out by All Health Professional faculty who are engaged in the academic teaching mission, in the planning, administration, funding, presentation and review of its Teaching Programs, as well as the use of Hospital premises and access to the Hospital's client populations for clinical teaching, and therefore will involve the Hospital in these processes as appropriate.

The parties will support the efforts and requirements of each other to achieve and maintain excellence in teaching, particularly through such processes as departmental and institutional reviews, accreditation surveys, staff evaluations, program assessments, Student evaluations and constructive criticism and evaluation.

The University and the Hospital agree to follow the Faculty of Medicine/Affiliated Institutions Guidelines for Ethics and Professionalism in Healthcare Professional Clinical Training and Teaching (attached as Schedule 4).

The University (including faculty, staff and Students) and the Hospital share responsibility for creating a learning environment at the Hospital that promotes the development of explicit and appropriate professional attributes (attitudes, behaviours, and identity) in Students. The learning environment includes formal learning activities as well as attitudes, values, and informal "lessons" conveyed by individuals with whom the Student comes in contact.

III.2 HOSPITAL TEACHING COMMITMENT

The University and Hospital agree that, subject to the mutual agreement of the parties on annual teaching placements, certain Hospital Departments and programs will engage in teaching, and that some or all of the Hospital staff or health professionals in those Departments and programs will have University appointments and will teach Students.

The University and the Hospital agree to work together in a reciprocal planning process to determine the appropriate number of clinical Student teaching placements by program and in the context of curriculum requirements.

University health professional education programs will prepare annually a curriculum outline and the proposed clinical Student teaching placements at the Hospital.

The University will deliver the proposed clinical Student teaching placements to the Hospital at least 10 months in advance of the start of each academic year ordinarily commencing July 1. The Hospital will consider whether they can accommodate the proposed clinical Student teaching placements, and the Hospital and the University will negotiate in good faith to reach agreement on the proposed clinical Student teaching placements at least 8 months in advance of the start of each academic year commencing July 1. Any subsequent changes to the clinical Student teaching placements will be agreed upon by the program leader of the cognate University Faculty, Department or program and the Vice-President Education (or equivalent) at the Hospital at least 4 months in advance of the start of the academic year. If agreement cannot be reached at any stage, the appropriate Dean, or, if relevant, Department Chair, and the Hospital's President and Chief Executive Officer will endeavour to negotiate an agreement.

The University curriculum, the number of Students needing placements and the Hospital's ability to take Students may change from year to year for various reasons, and these factors will be relevant to the negotiation of the annual clinical Student teaching placements.

The parties will cooperate to implement the annual clinical Student teaching placements (attached as Schedule 1).

The Hospital undertakes that any teaching of students from other educational institutions will not compromise its ongoing teaching commitment to the University as set out in Schedule 1. The University undertakes that, subject to requirements of the Guidelines for the Assignment of Postgraduate Medical Trainees, any assignment of Students to other hospitals or teaching sites (or other clinical settings) will not compromise its ongoing commitment to assign Students to the Hospital as set out in Schedule 1.

Attached as Schedule 1 is a template clinical Student teaching placements form. The parties will develop a detailed clinical Student teaching placements form in the first year of the Agreement to replace the template on agreement of the parties. The parties will amend the form by agreement on an annual basis.

III.3 STUDENTS

III.3.1 Placement of Students

For periods of time agreed to by the University and Hospital, Students will be permitted to take instruction and gain clinical and/or practical experience in the Hospital, provided that appropriate services are offered at the Hospital, subject to the Hospital's ability to offer such instruction and/or experience and the commitments in Schedule 1. The Hospital will provide services and facilities upon the terms and conditions hereinafter set out.

The placement of Students will be based on pedagogic interests, including the need for a wide range of learning experiences, and on requirements of applicable regulatory bodies, and subject to the Hospital's ability to offer such instruction and/or experience.

Using the process set out in Part III, section 2 above, the number of undergraduate, postgraduate and graduate Students from each University professional program taking instruction in the Hospital shall be negotiated and agreed annually by the representatives of the heads of the

appropriate University Faculties or Departments with the representatives of the heads of the appropriate Hospital teaching services.

The Faculty of Medicine will assign postgraduate Students to teaching hospitals and sites and other clinical institutions in accordance with the Guidelines for the Assignment of Postgraduate Medical Trainees (attached as Schedule 15).

Students enrolled in Departments and Faculties including, but not limited to, the Departments of Occupational Therapy, Physical Therapy, Speech/Language Pathology and Radiation Oncology, and the Faculties of Nursing, Pharmacy, Dentistry and Social Work are assigned to the Hospital in accordance with the curriculum plan for each clinical course or program and with the Hospital's ability to provide an appropriate placement.

The University will be responsible for informing Students who are placed at the Hospital that they are required to comply with Hospital policies.

III.3.2 Transfer of Students

The Hospital will transfer Students of the University assigned to it for clinical training and experience to another hospital or site or clinical facility only in collaboration with and with approval of the appropriate Department Chair and Dean or their delegates. However, provided it informs the University, the Hospital may, at its discretion, assign Students to clinical training activities in community clinics for part of the Student's rotation at the Hospital.

III.3.3 Termination of Student Placement for Unacceptable Behaviour

The University recognizes the right of the Hospital, after consultation with the appropriate University Dean or Department Chair, to terminate the placement in the Hospital of an individual Student, if the Student's behaviour or activities are considered by the Hospital to be unacceptable. If the behaviour, conduct or activities of a Student is considered to be unacceptable, that Student will be treated by the University in accordance with the University's Code of Student Conduct (attached as Schedule 16) and by the Hospital in accordance with any applicable Hospital policies.

Notwithstanding the above, if in its sole discretion the Hospital determines that a Student's behaviour or activities is placing patient or Hospital staff safety at risk, or unreasonably interferes with the operation of the Hospital's programs or services, the Hospital may remove the Student from patient or Hospital staff contact immediately and, after contacting the appropriate Dean or Department Chair so that the University can take interim measures under its Code of Student Conduct, may terminate the Student's placement.

III.3.4 Code of Behaviour on Academic Matters

In order to protect the integrity of the teaching and learning relationship, the University's Code of Behaviour on Academic Matters (attached as Schedule 17) will apply to its staff and Students in the Hospital.

III.4 HOSPITAL CLINICAL PROGRAM PLANNING AND REVIEW

III.4.1 Program Planning

While recognizing its own authority and responsibility for the content and quality of the programs in which it places its Students, the University notes the essential role of All faculty in the presentation of clinical and practical experiences and programs of instruction to Students. Thus,

where there is core curriculum teaching in a department or program at the Hospital, the Deans of the University's Faculties and Schools, or their delegates, will invite the Hospital to participate in the planning of the programs and experiences to be offered to Students in related Departments at the University. Hospital participation could range from representation on University divisional/departmental education/curriculum committees to informal meetings between course coordinators and Hospital preceptors.

The University will assist the Hospital as required in setting up teaching programs.

The Hospital will notify the appropriate Dean or her/his delegate(s) of any proposed change in Hospital strategic plans and Ministry of Health and Long-Term Care accountability agreements that would materially affect the teaching obligations of the Hospital as set out in this Agreement and, where feasible, will invite the University to comment prior to making any such changes.

III.4.2 Quality Control

In order to assess the quality of and maintain the highest standards in its Teaching Programs, the University employs a variety of evaluative tools. Foremost among these is the review process, using either internal or external reviewers as deemed appropriate.

Some reviews are mandated by external organizations such as accreditation bodies, while others are initiated from within the University. In addition, Students are asked regularly to evaluate the performance of teaching staff following a particular course, part of a course or practical experience. Department Chairs and Deans also review annually the performance of academic staff in all areas of staff responsibilities including teaching.

The Hospital acknowledges the importance of these and other measures to the mission of the University, recognizes that they also bear upon the success of the Hospital in achieving its own objectives and accordingly agrees, subject to available resources, to support and assist the University and the Faculties corresponding to Hospital departments where Students are taught in their efforts to maintain the quality of its Teaching Programs.

The University will use its best efforts to provide the Hospital with copies of the usual performance evaluations by Students of the Hospital's teaching staff. The University acknowledges the importance of these evaluations to the mission of the Hospital and recognizes that they also bear upon the success of the Hospital in achieving its own objectives.

III.4.3 Responsibility to Inform of Circumstances Affecting Teaching Programs

The parties acknowledge that decisions of accreditation authorities, requirements of the Professional Association of Internes & Residents of Ontario and other circumstances may affect Teaching Programs, and they agree to inform each other of any such decisions or circumstances.

III.4.4 Availability of Patients for Teaching

The Hospital will allow Students, for teaching purposes, access to such of its patients and their personal health information, both in-patients and ambulatory patients, as are necessary to meet its teaching commitments set out in the clinical Student teaching placements (attached as Schedule 1, as amended from time to time by agreement), subject to such restrictions as are imposed by the Hospital staff for clinical reasons and by Hospital patients, including any exercise of their right to refuse Student access.

The Hospital will use its best efforts to provide the necessary mix of patients to meet the educational needs of Students placed in the Hospital. In exceptional circumstances if the Hospital ascertains that it will not be able to meet Students' needs in any program or area as

previously agreed upon, it will promptly advise the appropriate Department Chair or Dean and assist in finding alternate arrangements for the Students.

The University will comply with all applicable privacy laws, including the Personal Health Information Protection Act, 2004, and agrees that it will advise all Students that they are required to comply with all applicable privacy laws and Hospital policies and procedures.

III.4.5 Facilities

The Hospital will provide in the Hospital such facilities for Students and clinical teachers as are agreed to by the Hospital's Vice-President Education (or equivalent) and the Faculty's Office of Community-Academic Relations.

The sharing of infrastructure expenses between the University and the Hospital will be negotiated in good faith from time to time among the University Department Chairs, the Deans and the Hospital's Vice-President Education (or equivalent).

III.4.6 Continuing Education

The University is committed to providing opportunities for All faculty to enhance their education skills through faculty development. University Departments and programs will facilitate the professional development of All faculty through appropriate educational methods (such as interactive seminars, workshops and on-line education skill development programs) relevant to the delivery of clinical teaching and learning.

IV NON-DISCRIMINATION AND HUMAN RIGHTS

The University and the Hospital are committed to human rights and shall comply with the Human Rights Code (Ontario) and other applicable rights and equity legislation. The parties will remain committed to the principle of fair and equitable treatment for all.

The parties are committed to having an environment free of prohibited discrimination and harassment. Each party will adopt their own appropriate policies with respect to discrimination and harassment and will have guidelines as to how it will deal with allegations of prohibited physical and verbal harassment and sexual harassment. In the cases of allegations of sexual harassment, the parties agree to follow the Sexual Harassment Protocol: Sexual Harassment Complaints involving Faculty and Students of the University of Toronto arising in University-Affiliated Health Institutions (attached as Schedule 5) for determining which sexual harassment policy applies and whether the University or the Hospital is responsible for dealing with a complaint.

V RESEARCH

V.1 INTRODUCTION

In achieving their common goals in research, the parties will consult each other in their research strategic planning processes.

V.2 GRANT ADMINISTRATION

Concerning research projects of All Health Professional faculty, the following procedures will apply.

- i) All grant applications to be administered by the University will be signed by a) the Chair of the University Department in which the principal investigator holds her/his primary appointment, and b) the Dean, and counter-signed on behalf of either or both the Hospital and the University, as follows below in ii) and iii). The Dean may delegate signing authority to the Vice-Dean Research. For grant applications to be administered by the Hospital, the Department Chair's signature is not required. However, a copy of the cover sheet and a summary of each submitted grant should be provided to the Chair of the Department in which the principal investigator holds her/his primary appointment.
- ii) When the research grant is to be administered by the University, senior signing authority will be vested in the President of the University (or his/her delegate). A copy of the cover sheet and a summary of each submitted grant application should be provided to the Hospital if the Health Professional faculty reports to the Hospital Vice-President Research (or equivalent).
- iii) When the research grant is to be administered by the Hospital, senior signing authority will be vested in the President and Chief Executive Officer of the Hospital (or his/her delegate).
- iv) When significant Hospital resources, such as salaries, space and services, are used in research projects, the grant will ordinarily be administered by the Hospital. Where the Hospital administers the grant, the Hospital will receive the indirect cost funds.
- v) The party that accepts senior responsibility for a research grant will also accept full responsibility for grant administration and record-keeping, and for liaison with the granting agency. If a research grant is administered by one party and the research is conducted at the premises of the other, there may be an administrative cost to the party conducting the research. The Policy on University Administration of Grants and Contracts when the Research is being Conducted at an Affiliated Hospital is attached as Schedule 7.

V.3 INVENTIONS AND INTELLECTUAL PROPERTY

Both the University and the Hospital have their own policies regarding the ownership and treatment of inventions and intellectual property. The protocol as between the University and the Hospital regarding inventions and intellectual property is set out in a separate agreement, which is attached as an Appendix . Faculty of Medicine graduate Students and their supervisors are also governed by Guidelines for Faculty of Medicine Graduate Students and Supervisors in the Context of Commercialization of Inventions Based on Thesis-Related Research (attached as Schedule 8).

V.4 THE CONDUCT OF RESEARCH

V.4.1 Ethical Conduct

The parties expect the highest standards of ethical conduct in every aspect of research. To this end, All faculty and Students will be expected to adhere to all relevant policies on ethical conduct of research, following the University Policy on Ethical Conduct in Research (attached as Schedule 18) when conducting research at the University and following the applicable Hospital policy(ies) when conducting research at the Hospital.

Faculty with appointments in the Faculty of Medicine of the University will also adhere to all relevant Faculty guidelines, including the Principles and Responsibilities Regarding Conduct of

Research (attached as Schedule 11), Protection of Intellectual Freedom and Publication Rights (attached as Schedule 9), and the Policy on the Offer and Acceptance of Finders' Fees or Completion Fees in Research Involving Human Subjects (attached as Schedule 10). Where there is an allegation of research misconduct against a faculty member in the Faculty of Medicine, the Faculty's Guidelines to Address Allegations of Research Misconduct (attached as Schedule 12) set out the criteria to determine which representative of the Faculty and/or Hospital will deal with the allegations. The Hospital will develop and maintain policies regarding research misconduct within its jurisdiction which are harmonized with the University's and Health Faculties' policies and which have parallel processes for dealing with allegations of research misconduct.

The Hospital will operate its own Research Ethics Board or Boards (or be part of an REB consortium) which will be separate and independent from the University Research Ethics Board. These will be operated in a manner consistent with the principle of harmonization of research ethics and research policies set out in this Agreement. In addition, with respect to human subjects, the Hospital agrees its own Research Ethics Board or Boards will adhere to the Tri-Council Policy Statement (and its updates) and applicable legislation, including but not limited to the Personal Health Information Protection Act, 2004 and O.Reg 245/06. In the event that the Hospital does not have its own REB, it agrees to accept the review of a Board accepted by the University. The Hospital and University agree to collaborate, as appropriate and reasonable, in arrangements designed to enhance the effectiveness, efficiency and consistency of ethical review processes.

V.4.2 Conflict of Interest

All faculty conducting research at the Hospital will be governed by the conflict of interest policy of the Hospital.

VI HEALTHCARE DELIVERY

In supporting the Hospital in achieving its objectives and carrying out its responsibilities in healthcare delivery and patient care, the parties acknowledge that the Hospital is solely responsible for all healthcare delivery and patient care that occurs on the Hospital's premises or under the Hospital's jurisdiction. Nevertheless, the Hospital recognizes that the University has an interest in patient care and healthcare delivery, as they impact on the teaching of Students and on research. The University will support the Hospital in its efforts and requirements to maintain excellence in its standards of patient care and healthcare delivery particularly with regard to such processes as accreditation and review, and through the offering of constructive evaluation to the Hospital.

VII LIBRARY AND INFORMATION SERVICES

The parties recognize the necessity of the provision of excellent library and information services in order to achieve their common objectives in teaching and research. Thus, they will cooperate and collaborate in planning, providing and maintaining such services. The parties accept their responsibilities to each other with regard to these services, subject to the limits of their financial resources.

The University will work with the Hospital to facilitate remote access by the Hospital to the University's library and information services.

VIII UNIVERSITY AND HOSPITAL USE OF EACH OTHER'S NAMES AND INSIGNIAS

The University encourages the use by the Hospital of the University and Faculty names and insignia as appropriate on letterhead and on all other materials in the ordinary course of business (e.g., websites, correspondence, course materials) in matters that are directly relevant to the affiliation with the University. The University will similarly refer to its affiliation with the Hospital as appropriate on materials in the ordinary course of business in matters that are directly relevant to the affiliation. Each party has a responsibility for safeguarding the names and insignia of the other, and, if there is any doubt as to appropriate use, for seeking clarification from the other party.

Authorization to each party to use the name and official form of the logo(s) of the other party is limited to the purpose of officially recognizing the affiliation between the parties. Use of the name or logo(s) of a party for any purpose other than officially recognizing the affiliation between the parties requires prior written authorization from that party.

IX NOTIFICATION AND CONSULTATION

Unless otherwise specified in this Agreement, where the Hospital is required to give notification to or consult with the University, communication with the Vice-Provost, Relations with Health Care Institutions will meet that requirement.

Unless otherwise specified in this Agreement, where the University is required to give notification to or consult with the Hospital, communication with the (TO BE ADDED BY THE HOSPITAL) will meet that requirement.

With respect to obligations of officials identified in this Agreement, if the Hospital or the University reassigns or reorganizes responsibilities within the institution such that the identified official is no longer appropriate to carry out the obligations assigned in this Agreement, the Hospital or the University will notify the other party of the change to the official carrying out the obligation under the Agreement.

All notices sent to the other party pursuant to this Agreement which are required to be in writing shall be delivered by hand; or by certified or registered mail, postage prepaid, return receipt requested; or by overnight courier; or by FAX, as follows:

If to University of Toronto:

Vice-Provost,
Relations with Health Care Institutions
University of Toronto
Toronto, Ontario
FAX # 416-X-X

If to Hospital:

President and CEO
X Hospital
Toronto, Ontario
M5
FAX# 416-X-X

All notices shall be deemed received on the date of delivery or, if mailed, on the date of receipt appearing on the return receipt card.

X COORDINATION AND LIAISON

X.1 UNIVERSITY-HOSPITAL COMMITTEES/WORKING GROUPS/TASK FORCES

The Hospital will have representation on the Hospital University Education Committee.

The University and the Hospital will establish a Community Research Coordinating Committee that will have representation from each community affiliate. This Committee will be chaired by the Vice-Provost, Relations with Health Care Institutions and meet at least twice a year.

The Vice-Provost, Relations with Health Care Institutions will, in consultation with the Hospital, endeavour to identify additional committees, working groups and task forces that might need to be developed to advance the joint mission. These additional committees, working groups and task forces shall, in general, include representation from the University and the community teaching hospitals and community teaching sites.

The Hospital and the University will liaise as appropriate on all task forces, committees and meetings as may be struck from time to time.

X.2 LIAISON

X.2.1 Hospital

Each health profession discipline will have an assigned leader in the Hospital, such as the Chief, with whom the leader of the University programs will work directly. Generally, teaching placement and evaluation are the responsibility of the assigned leader.

All health professional teaching will be overseen by a senior executive of the Hospital who reports to the Hospital's President and Chief Executive Officer.

The Hospital will name an individual(s) who will act as a liaison with the University.

X.2.2 University

The University will establish and maintain an Office of Community-Academic Relations and appoint a Director, Distributed Medical Education to assist with the liaison functions in advancing the clinical teaching in the Hospital and to support the implementation of new affiliation agreements.

XI CONFORMITY WITH OTHER COMMUNITY TEACHING HOSPITAL OR SITE AGREEMENTS

The University will use its best efforts to ensure that its agreements with other community teaching hospitals and community teaching sites contain substantially the same provisions as are contained in this Agreement. As new community affiliations are developed with other hospitals and community teaching sites, they may be governed initially by a developmental affiliation agreement for 2 years, with the goal of establishing longer-term agreements.

XII MAINTENANCE OF AFFILIATION

In order to monitor and coordinate this Affiliation, there will be ongoing liaison between the Vice-Provost, Relations with Health Care Institutions (or delegate) and the President/Chief Executive Officer of the Hospital (or delegate).

As needed, issues arising from this Agreement may be referred to an ad hoc Joint Committee. A Joint Committee may be struck by either party as needed to address issues arising from this Agreement, relations between the parties and proposed changes to the policies of either institution that are referred to it, and will be comprised of equal numbers of representatives from the University and Hospital. The Committee will be co-chaired by the Vice-Provost, Relations with Health Care Institutions and the Hospital President and CEO (or their delegates), each of whom will appoint members to represent their institution. The Committee may at its discretion add ad hoc members in equal numbers from the Hospital and University from time to time to assist it with any issue. A Joint Committee will meet on an as needed ad hoc basis, at times and locations to be mutually agreed to by the parties. Either party may call a meeting of a Joint Committee. The Committee shall consider and make recommendations to the University and to the Hospital with respect to matters referred to it and, in addition, the Committee shall perform any duties assigned to it by the terms of this Agreement. The Joint Committee will use its best efforts to reach mutually acceptable solutions to disputes between the University and the Hospital related to this agreement; if no agreement can be reached on a particular issue, the parties will continue to implement the balance of the Agreement so far as practicable.

XIII LIABILITY, INDEMNIFICATION AND INSURANCE

XIII.1 LIABILITY

The parties agree that the University shall not be liable to the Hospital for any bodily injury (including death), any loss or damage to the property of or to the Hospital, its Board members (or trustees), officers, employees and agents in any manner, arising during, occasioned by, resulting from or in any way attributable to the performance or non-performance of this Agreement, unless such injury, loss or damage is caused or contributed to by the willful or negligent act or omission of the University, its governors, officers, faculty, employees or agents while acting within the scope of their duties.

The parties agree that the Hospital shall not be liable to the University for any bodily injury (including death), any loss or damage to the property of or to the University, its governors, officers, faculty, employees and agents in any manner, arising during, occasioned by, resulting from or in any way attributable to the performance or non-performance of this Agreement, unless such injury, loss or damage is caused or contributed to by the wilful or negligent act or omission of the Hospital, its officers, employees or agents while acting within the scope of their duties.

The Hospital assumes legal liability for the proper maintenance of its facilities and services provided in respect of the subject matter of this Agreement.

XIII.2 INDEMNIFICATION

Subject to the provisions of section 1 above, the Hospital shall at all times indemnify and save harmless the University, its governors, officers, faculty, employees, agents and Students from and against all claims, demands, damages, costs, expenses, actions and causes of action, whether in law or equity, suits or other legal proceedings howsoever caused (collectively referred to hereafter as "losses") made or brought, prosecuted or threatened to be prosecuted against the University by whomsoever arising out of the Hospital's performance or non-performance of this Agreement.

Subject to the provisions of section 1 above, the University shall at all times indemnify and save harmless the Hospital, its Board members (or trustees), officers, employees and agents from and against all claims,

demands, damages, costs, expenses, actions and causes of action, whether in law or equity, suits or other legal proceedings howsoever caused (collectively referred to hereafter as "losses") made or brought, prosecuted or threatened to be prosecuted against the Hospital by whomsoever arising out of the University's performance or non-performance of this Agreement.

Notwithstanding the provisions of the indemnity set out above and the limitation of liability in section 1 above, each party shall be responsible for all losses made or brought, prosecuted or threatened to be prosecuted by whomsoever arising out of:

- i) the use by that party of any result of any research as contemplated by this Agreement, or
- ii) the infringement by that party of any patent, trade mark, industrial design, copyright or other intellectual property right or as a result of the development, use or exploitation thereof.

XIII.3 INSURANCE

The Hospital shall maintain in full force and effect a policy of comprehensive liability insurance to include coverage for any negligence, malpractice and medical professional liability on behalf of its officers, employees, agents and Students that could arise in the performance or non-performance of this Agreement. This insurance shall include coverage against bodily injury (including death), property damage and personal injury including cross-liability and severability of interest provisions with a combined limit of not less than \$5 million per occurrence. Such insurance coverage will protect Students assigned to the Hospital against legal liability incurred by them while acting within the scope of their duties and arising from the instruction, direction or supervision provided by the Hospital.

The University shall maintain in full force and effect a policy of comprehensive liability insurance to include coverage for any negligence, malpractice and medical professional liability on behalf of its officers, employees and agents that could arise in the performance or non-performance of this Agreement. This insurance shall include coverage against bodily injury (including death), property damage and personal injury including cross-liability and severability of interest provisions with a combined limit of not less than \$5 million per occurrence.

The Hospital shall maintain in full force and effect a policy of direct damage property insurance against normal risks of physical loss or damage as contemplated by a standard "All Risks" property insurance policy covering all equipment of the University which is located on Hospital premises for an amount not less than the full replacement value thereof.

The Hospital and the University will produce satisfactory evidence of insurance coverage to each other as set out above upon written request so to do.

XIII.4 STUDENT WORKPLACE INSURANCE

Neither the Hospital nor the University is responsible for Workplace Safety and Insurance Board premiums for Students, but the University will be responsible for arranging the relevant WSIB documentation regarding coverage for eligible Students.

XIV TERM, TERMINATION AND AMENDMENT OF THIS AGREEMENT

The term of this Agreement is for five (5) years from January 1, 2007 to December 31, 2011.

The University and the Hospital will commence discussions regarding renewing this Agreement eighteen (18) months before its expiry date.

If, at the end of the term, a new agreement has not been executed and neither party has given 12 months prior written notice of their intention not to renew this Agreement, then this Agreement will survive until such time as either a new agreement is executed or this Agreement is terminated by either party giving the other 12 months prior written notice.

This Agreement may be terminated by either party as of January 1 in any year during the term of the Agreement by giving to the other party at least twelve (12) months' prior written notice.

This Agreement and the Appendix to it may be amended by the parties at any time provided that no amendment shall be binding unless in writing and signed on behalf of the parties by their proper officers. Notwithstanding the foregoing, each of the Hospital and the University may amend its own internal policies referred to in this Agreement (including the attached Schedules) in accordance with its normal amending procedures, subject to the requirements of Part I, section 5 herein.

XV GENERAL TERMS

XV.1 ASSIGNMENT AND ENUREMENT

This Agreement and the rights and obligations hereunder are not assignable by either party. This Agreement shall inure to the benefit of and be binding upon the University and the Hospital and their successors.

XV.2 INDEPENDENT CONTRACTORS

The parties are independent contractors, and no agency, partnership, joint venture, employee-employer, or franchisor-franchisee relationship is intended or created by this Agreement.

XV.3 GOVERNING LAW

The laws of the Province of Ontario and applicable Canadian law shall govern the terms of this Agreement and the parties agree to submit to the exclusive jurisdiction of the courts of the Province of Ontario for any legal proceedings arising out of this Agreement.

XV.4 FORCE MAJEURE

The parties acknowledge that in the event of circumstances beyond the control of either party such as a community disaster, a strike, a fire, an infectious outbreak or other situation in which the continued provision of facilities or assignment of Students pursuant to obligations under this Agreement would substantially interfere with the Hospital's primary duty of care to its patients or its research obligations or with the University's teaching or research obligations, each party reserves the right to suspend performing its obligations under this Agreement immediately without penalty and until such time as the party reasonably determines that it is able to resume performance of its obligations herein.

XV.5 ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties and supersedes all other prior or contemporaneous representations, agreements, understandings or commitments, whether written or oral, between the parties relating to the subject matter herein, including, without limitation, the agreement(s) dated_____, as extended and/or amended by the parties in writing. For greater clarity, this Agreement shall mean collectively, the terms and conditions contained in sections I to XV of this document, and the attached and referenced Appendix and Schedules and any other specifically referenced documents. The invalidity of any provision of this Agreement shall not affect the validity of the remaining provisions and this Agreement shall be construed as if such invalid provision had been omitted. No provision of this Agreement may be terminated, modified or waived except as set forth in a written agreement executed by authorized representatives of the parties.

XV.6 COUNTERPARTS

This Agreement may be signed in counterparts and each of such counterparts will constitute an original document and such counterparts, taken together, will constitute one and the same instrument.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be signed by their duly authorized officers.

Seal

FOR THE GOVERNING COUNCIL OF
THE UNIVERSITY OF TORONTO

Vice-Provost, Relations with Health Care Institutions

Secretary of Governing Council

FOR THE HOSPITAL

Chair of the Board of [Directors/Trustees]

President and Chief Executive Officer

APPENDIX

INVENTIONS AND INTELLECTUAL PROPERTY

THIS AGREEMENT dated the 1st day of January, 2007 (the “**IP Agreement**”).

BETWEEN
The Hospital
(the “Hospital”)

and

THE GOVERNING COUNCIL OF
THE UNIVERSITY OF TORONTO
(the “University”)

WHEREAS the Hospital and the University have an affiliation agreement and many Hospital staff and University faculty members are concurrently appointed;

AND WHEREAS some of these staff members may, from time to time, create inventions and other intellectual property;

AND WHEREAS both the Hospital and the University (individually a “Party” and collectively the “Parties”) have their own separate and distinct policies regarding the ownership and treatment of inventions and other intellectual property;

AND WHEREAS it is important for the successful commercialization of such inventions and other intellectual property that there be no uncertainty regarding the application of those policies;

NOW THEREFORE IN CONSIDERATION OF premises and mutual covenants contained within the parties hereto agree as follows:

1. Definitions

In this IP Agreement, the following terms shall be deemed to have the following meanings:

- (a) “Invention” – any new and useful art, product, service, discovery, innovation, process, pattern, machine, process of manufacture or composition of matter or a formula thereof, new life form, computer software, compilation of information in whatever medium whatsoever, and attendant know-how or any new and useful improvement thereof, whether or not protected or protectable by patent, copyright or registration as an industrial design or trademark or pursuant to any other intellectual property or trade secret protection law which now exists or may exist in the future which was created with financial support, staff support, or the provision of space, equipment or supplies from either or both parties.
- (b) “Net Revenues” – all royalties, license fees and other income (excluding funds received in support of direct and indirect costs of the sponsored research project) received by a

Party from the assignment or commercialization of or licensing of rights to an Invention, minus legal and other fees reasonably and actually incurred directly in the process of establishing and maintaining the legal protection of those rights.

- (c) "Owner" means the Party determined under section 3.1 to be the owner of all patents, trademarks, copyright, proprietary and/or other intellectual property rights relating to an Invention.
- (d) "Share" – the proportionate share of support and Net Revenues determined or assigned to a Party as more particularly described in section 3.2.

2. Mutual Disclosure

- 2.1 When a staff member holding appointments in both the University and the Hospital makes or creates an Invention, he/she shall disclose it to one of the Parties, in accordance with the inventions and intellectual property policies of that Party. If the disclosure indicates that, in the process of creating the Invention, the individual used, in any way, facilities owned, operated or administered by the other Party and/or has received personal financial compensation from the other party and/or received funds from the other party that contributed to the direct costs of the project that resulted in the Invention, the Party to which the disclosure has been made will provide a copy of the disclosure to the other Party as soon as possible.
- 2.2 No Party shall enter into a research agreement or contract which imposes any obligation or liability on the other Party, including a commitment of the personnel, students or facilities of the other Party or an obligation with respect to the past, present or future intellectual property rights of the other Party, without the express, written consent of the other Party. The Party wishing to enter into such a research agreement or contract shall provide a copy of the proposed research agreement or contract, in confidence, to the other Party and shall consult fully with respect to the obligation or liability that would be imposed on the other Party.
- 2.3 For the purpose of this IP Agreement, undergraduate and graduate Students, clinical and research fellows, and postdoctoral fellows will be treated in the same fashion as staff members holding appointments in both the University and the Hospital in all respects.
- 2.4 Any Invention disclosure disclosed by either Party to the other under this IP Agreement shall be treated as confidential by the receiving Party unless the disclosing Party indicates in writing that it is non-confidential.

3. Ownership

- 3.1 Unless otherwise agreed among the Parties, due to extenuating circumstances, ownership of the patents, trademarks, copyright, proprietary and/or other intellectual property rights relating to the Invention shall vest with the Party on whose premises the Invention was made. If the Invention was made on the premises of both Parties or the Parties cannot agree on where the Invention was made, ownership shall vest with the Party that has provided the greater proportionate share of the salaries of the academic staff members named as inventors for the Invention at the time when the Invention was disclosed. The determination of that proportionate share shall be made by the Parties' Vice-Presidents Research or their delegates.
- 3.2 For all Inventions, the Parties shall determine, by mutual agreement, each Party's proportionate share of support to the research project from which the Invention arose and proportionate share of Net Revenues from the Invention (the "Share"). This determination shall be made jointly by the Vice-Presidents Research of the Parties or by

their designates. The Parties shall consider the following factors in determining each Party's Share: use of the premises of each Party, personal financial compensation paid by each Party to the inventor(s) and any contribution by either Party to the direct costs of the project from which the Invention arose, excluding grants from third parties.

3.3 In all cases, the Invention will be subject to the policies of the Owner.

4. Negotiation and Commercialization

4.1 (a) Unless otherwise agreed, the Owner will assume full responsibility for applying for legal protection and/or for commercializing the Invention. The Owner will assume responsibility for all the costs and liabilities incurred in such activities. The Owner will also ensure that the other Party is kept informed about all patent applications, issued patents, licenses or other agreements or events which relate to commercialization of the Invention.

(b) Inventions may arise involving two or more inventors where each Party is determined to be a joint Owner. In these circumstances, the Parties shall negotiate in good faith an agreement to cooperate to protect and commercialize the jointly-owned Invention and, unless otherwise agreed by the Parties, the Party whose inventors have made the predominant inventive contribution shall be responsible for protecting and commercializing such Invention.

4.2 If the Owner decides not to proceed with the application for legal protection and/or the commercialization of the Invention, the Owner shall advise the other Party of its decision within three (3) months of the date of the Invention's disclosure and, at that time, shall offer to assign all its rights to the Invention to the other Party and shall specify the applicable terms and conditions, if any, of such offer.

5. Proceeds from an Invention

5.1 All Net Revenues from an Invention will be divided between the Parties in proportion to each Party's Share. Each Party's Share will be distributed in accordance with the Party's intellectual property policies.

5.2 If equity in a company is received by the Owner in lieu of revenue in whole or in part, the equity shall be divided between the Parties in proportion to each Party's Share.

6. Dispute Resolution

6.1 Any dispute arising under this IP Agreement which cannot be settled amicably between the Parties shall be submitted to arbitration by a panel composed of one member nominated by the University, one member nominated by the Hospital and one member selected by the first two arbitrators. The panel's decision will be made by a majority of the three panel members within thirty (30) days of its appointment. The decision shall be final and binding upon the Parties.

6.2 If the nominees cannot agree on the identity of the third panel member, an application will be made to the court for the appointment of a third arbitrator.

7. Notices

7.1 All notices required under this Agreement shall be in writing and, unless otherwise agreed, shall be delivered by mail, facsimile transmission (with confirmation of delivery), or in person to the Parties at the following addresses:

University: Vice-President, Research
University of Toronto
27 King's College Circle
Toronto, Ontario M5S 1A1

Hospital:

8. Amendment

- 8.1 This IP Agreement may be modified at any time by mutual written agreement of the Parties.

9. Term and Termination

- 9.1 This IP Agreement shall enter into force as of the date first written above and shall remain in force until termination by mutual agreement of the Parties or thirty (30) days after presentation of written notice of termination by one Party to the other.

IN WITNESS WHEREOF the Parties hereto have caused this Agreement to be signed by their duly authorized officers on the day and date first above written.

FOR THE GOVERNING COUNCIL OF
THE UNIVERSITY OF TORONTO

Vice-Provost, Relations with Health Care Institutions

Secretary of Governing Council

FOR THE HOSPITAL

Chair of the Board of [Directors/Trustees]

President and Chief Executive Officer