

# Kanata Co-operative Housing Inc.

## A BY-LAW ABOUT THE GOVERNANCE OF THE CO-OP

# By-law No. 24

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## ORGANIZATIONAL BY-LAW

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Passed by the Board of Directors on *August 14, 2024*

Confirmed by the members on *September 24, 2024*

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# ORGANIZATIONAL BY-LAW

The purpose of Kanata Co-operative Homes Incorporated (the co-op) is to provide housing to its members at cost and without the possibility of profit and to give its members control over how their housing is operated. This By-law is the framework for the co-op's governance. It states the basic rules for how the co-op is organized.

## Article 1: About This By-law

### 1.1 Older By-laws

#### (a) Repeals

The following by-laws, or parts of by-laws, are repealed when this By-law becomes effective:

- The Organizational By-law (By-law No. 18)
- The Conflict of Interest By-law (By-law No. 19)
- Spending By-law (By-law No. 17)

### 1.2 Priority of this By-law

#### (a) Conflict with other by-laws

This is the order of priority in case of conflict:

- The Occupancy By-law governs over this By-law and other co-op by-laws.
- This by-law governs all other co-op by-laws.
- Other by-laws can only change or govern over the Occupancy By-law or this By-law if they specifically state that they are doing so.

### 1.3 Laws that Apply to the Co-op

#### (a) *Co-operative Corporations Act and Human Rights Code*

The Ontario *Co-operative Corporations Act* (the *Co-op Act*) and the Ontario *Human Rights Code* are laws that affect this By-law. The co-op and its members must follow them.

#### (b) **Funding program laws**

If the co-op receives funding under any program, such as the Ontario government program, it may have to follow the specified governance and organizational rules.

(c) **Changing by-laws**

If any articles of the current co-op by-laws violate any laws, the board of directors will pass by-law amendments to correct the situation and submit them to the membership for approval. This could happen if the laws change or new interpretations are made.

## 1.4 Special Meanings

(a) **Co-op office**

The co-op's office is at 1010 Teron Rd, Kanata, ON K2K 2W4. When this By-law mentions the “co-op office,” members can refer to that place.

(b) **Confidentiality and Conflict of Interest Agreement**

The co-op’s Confidentiality and Conflict of Interest Agreement is in Schedule B of this By-law. It must be signed by all directors, officers and committee members. Staff must also sign the Agreement, or it can be part of an employment or management contract that says the same basic things.

(c) **Directors’ Ethical Conduct Agreement**

The Directors’ Ethical Conduct Agreement is in Schedule C of this By-law. All directors must sign it.

(d) **Government requirements**

“Government requirements” refer to the laws, regulations, or agreements with government bodies that apply to the co-op.

(e) **Officers**

“Officers” means only the officers stated in Article 13 (Officers). It does not include any staff.

(f) **Relatives**

In this By-law, someone is considered a relative of someone else if that person is related by blood, marriage or adoption or has ever lived in the same household at the co-op or somewhere else. In addition,

- **Groups of relatives:** A relative of one person is also a relative of all that person's relatives.
- **Related businesses:** Related businesses are included in the word “relative” in this By-law. A business is related to anyone who owns any part of the business, works for the business, or gets any benefit, depending on how well the business does. It does not include owning stock or securities listed on a public exchange.

(g) **Staff**

The word “staff” in co-op by-laws means people hired or contracted to perform staff duties. It does not matter if they are co-op employees, people

who work under a contract with the co-op, or property management or service companies and their staff.

## **1.5 Electronic Participation**

### **(a) Special meaning**

In this By-law, “electronically” means transmitting information or data by telephone or in other electronic or technological ways, including phone calls, voicemail, fax, e-mail, automated touch phone system, cell phone, computer or computer networks.

### **(b) Electronic meetings**

When meetings are held electronically or have electronic participation, people who attend electronically must be able to participate reasonably. They are considered present at the meeting for all purposes, including quorum.

### **(c) Electronic notices and documents**

Sections 26.2 (Notices to Members) and 26.3 (Notices to Co-op) state rules about delivering notices and documents to members and the co-op. When signed documents or notices are referred to in co-op by-laws, they may not be signed or delivered electronically unless the by-laws allow electronic signature or delivery for that type of document or notice.

# Article 2: Membership

## 2.1 Membership

To become co-op members, applicants must be approved by the board of directors and pay the one-time membership fee of \$10.00. The procedures in the Membership Approval By-law or other co-op by-laws must be followed. The

## 2.2 Qualifications for Membership

To become co-op members, applicants must be at least sixteen (16) years old and meet any other qualifications in the Membership Approval By-law or other co-op by-laws.

Anyone who has lost their membership due to violence or arrears will not be permitted to apply for membership. This means these individuals are not welcome on the co-op premises and are trespassing.

## 2.3 Applying for Membership

### (a) Who applies

All members of an applicant's household must become members or long-term guests if they intend to move into the co-op. The only exceptions are children of applicants. They are covered by the Occupancy By-law Article on Members' Households and Guests.

### (b) Signing application

Everyone in a household who intends to become a member must sign a membership application. Anyone else in the household (except the applicant's children) must sign a long-term guest application. The applications must be completed and signed using the co-op's standard forms, or the co-op will not consider the applications. The board or staff may permit electronic signature or delivery in unusual cases.

### (c) Other applicant requirements

Everyone in an applicant's household has to follow the process stated in the Membership Approval By-law or other co-op by-laws. This applies to everyone except children under sixteen.

## **2.4 Financial Responsibility**

### **(a) *Human Rights Code* requirements about income information**

To comply with the Ontario *Human Rights Code*, the co-op can ask applicants for income information only for credit references, rental history information and authorization for credit checks. Once the information has been reviewed, the co-op will discard it.

## **2.5 Moving into the Co-op**

### **(a) Move-in requirements**

Before move-in, new members must

- sign the occupancy agreement
- pay the lifetime membership fee of \$10.00
- pay the member deposit or follow the member deposit requirements in the Occupancy By-law and
- pay the first month's housing charge.

Applicants can still become members even if they do not meet the full requirement, as long as the board approves them and they become co-op residents.

### **(b) Approved long-term guests**

A long-term guest agreement must be signed by the co-op, its members and any approved long-term guests, as stated in the Occupancy By-law. Long-term guests have a grace period of three (3) months to register with the co-op. This does not apply to the children of the applicants.

## **Article 3: Calling Members' Meetings**

### **3.1 Annual General Members' Meeting**

The board must call an annual general members' meeting each year. The meeting must take place fifteen months after the last annual meeting and not more than six months after the end of the co-op's fiscal year.

### **3.2 Other Members' Meetings**

The board must call at least one other general member's meeting each year and can call other members' meetings. A members' meeting can also be called by a motion passed at an earlier meeting or as stated in section 6.5 (Requisition to Call a General Members' Meeting).

### **3.3 Electronic Members' Meetings**

When a members' meeting is called, the board will decide whether:

- members must attend in person,
- members must attend electronically, if necessary

### **3.4 Notice of Members' Meetings**

#### **(a) Length of notice**

Notice of a members' meeting must be given ten (10) days before the meeting date and no more than forty-nine (49) days before the meeting.

#### **(b) Who gets notice**

Notice of a members' meeting must be given to everyone who is a member when the notice is sent out.

#### **(c) Contents of notice**

A notice of a members' meeting must state the date or time, include an agenda, and state the general nature of the business at the meeting.

#### **(d) Financial statements**

Each member must receive a copy of the financial statement and auditor's report at least ten (10) days before the annual meeting.

(e) **Proposed by-law or budget**

A proposed by-law or budget must be mentioned in a meeting notice or an agenda sent with the notice. A copy must be given to each member at least five (5) days before the meeting.

(f) **Electronic meetings**

The notice of a members' meeting must state the place of the meeting. If electronic attendance is allowed or required, the notice will state the details on how members can connect, participate and vote.

# Article 4: Holding Members' Meetings

## 4.1 Agenda of Members' Meetings

### (a) Annual meetings

The agenda for each annual meeting must include:

- presenting the financial statements
- presenting the auditor's report on the financial statements and
- appointing the auditor for the next year.

The agenda usually includes the election of directors and reports from the board.

### (b) All meetings

The agenda for all meetings must be approved. The agenda can only include items referred to in the notice of the meeting or a proposed agenda sent out with the notice. Members cannot vote on anything else, although they can discuss other business without voting.

### (c) Proposed agenda

The board must present a proposed agenda for each member's meeting. The proposed agenda should be sent out with the notice of the meeting. It can also be sent out later or presented at the beginning of the meeting, but it can only include things referred to in the meeting notice.

### (d) Adding items

Any member can have items added to the proposed agenda by sending a written request to the board. The board must put the items on the proposed agenda for the next members' meeting. If the next meeting is less than fifteen (15) days after the request is received, the board will put it on the proposed agenda for the following meeting. Anything added to the proposed agenda must be within the members' powers as stated in section 6.1 of this By-law (*Co-op Act Requirements*).

## 4.2 Authority of Members' Meetings

A members' meeting can amend any by-law or budget presented to it. They can do this even if the version they pass is different from, or contrary to, what was originally sent out under section 3.4(e) (Proposed by-law or budget). Any decision at a members' meeting must be within the powers of the members as stated in section 6.1 of this By-law (*Co-op Act Requirements*).

### **4.3 Quorum at Members' Meetings**

#### **(a) Minimum number**

Twenty-Five (25) percent or 25 members is the minimum number that must be present for the co-op to hold a legal members' meeting. This is called a quorum. A quorum must be present at the beginning of the meeting and at the time of any vote. If there is no quorum, anything done has no official status.

- If a secret ballot is held at a meeting, a quorum must be present when the ballots are collected but not when the result is announced.
- When counting quorums, the chair is included if it is a co-op member.

#### **(b) If no quorum**

A meeting should start at the time stated in the notice of the meeting or as soon after a quorum is present. A meeting must be called off or is postponed:

- if there is not a quorum twenty (20) minutes after the time stated in the notice or
- if a quorum is not present when it is time for a vote.

#### **(c) Continuing the meeting later**

If there is no quorum at the time stated in the previous paragraph, the present members can vote to continue the meeting between five (5) and fifteen (15) days later. The agenda for the continued meeting will be the same as the original meeting or the remaining items of the original meeting. There must be at least two (2) days' notice of the continued meeting as stated in section 3.4 (Notice of Members' Meetings). If the members who are present do not vote to continue the meeting, the meeting is called off.

#### **(d) Quorum at continued meeting**

Sections 4.3(a) and (b) apply to the continued meeting, but the quorum for that meeting will be ten (10) percent of the members.

#### **(e) Requisitioned meeting**

If a meeting is a member requisition, sections 4.3(a) and (b) apply; the meeting cannot be continued later if there is no quorum. Sections 4.3(c) and (d) do not apply. The board does not have to call another meeting in response to the requisition or appeal.

### **4.4 Attendance by Non-Members**

#### **(a) Non-members**

The board can invite non-members to attend members' meetings, and the chair can permit non-members to attend a meeting. The chair can withdraw permission (including permission given by the board), and the members at the meeting can reverse the decision to grant permission.

(b) **Evictions in process**

Membership ends on the termination date in an eviction decision or at the end of the notice period under a performance agreement or conditional eviction. See the Occupancy By-law section 16.2(a) (Membership Rights on Eviction—When Membership Ends). After membership ends, former members are not evicted until after the procedure in court or at the Landlord and Tenant Board if they vacate the unit. Despite the Occupancy By-law, former members can apply to the board for permission to attend members' meetings as guests. If the board gives permission, sections 4.4(a) and (c) apply.

(c) **Speaking**

Non-members can speak at members' meetings only if the chair permits them. The members at the meeting can reverse the decision of permission to speak.

(d) **Manager**

The board should usually arrange for the manager to attend members' meetings to answer questions and explain things.

#### **4.5 Minutes and Record of Attendance**

The board will arrange for the secretary or someone to keep minutes and a record of all people who attend members' meetings. The minutes should comply with section 21.1 (Confidentiality of Minutes).

# Article 5: Procedure

## 5.1 Chair

### (a) Chosen by board

The board will choose the chair for each member's meeting. The board can choose a director, a member, or an outside person.

### (b) Outside chair

If the board chooses an outside person who is not a member, the members must approve that person at the meeting. If members do not approve of the outside person, the chair will be another member chosen by the board.

### (c) If the board does not choose

If the board does not choose someone else, the chair will be the president.

## 5.2 Rules of Order

The Rules of Order are part of this By-law and are attached as Schedule A. The chair uses the Rules of Order to run members' meetings and decides any question about procedure that is not in the Rules of Order. The members can appeal the chair's ruling as stated in the Rules of Order.

## 5.3 Voting

### (a) Right to vote

Every co-op member has the right to vote at any members' meeting.

### (b) Must be present

Members cannot appoint someone else to vote for them. Members can vote only:

- if they are present at the meeting in person;
- if they are present at the meeting electronically if electronic attendance was stated in the notice of the meeting); or
- if they vote in advance. See section 8.2(d) (Election Meeting — Advance Voting).

### (c) Voting by show of hands

Voting is by show of hands unless there is a secret ballot. If electronic is necessary, the show of hands includes electronic voting and automated voting.

### (d) Secret ballot

Directors are elected by secret ballot. See section 8.2(c) (Election Meeting—Voting). There can also be a secret ballot where the board decides there should be a secret ballot and states this on the agenda for the meeting. In that

case, the board will make sure there are procedures for secret voting for members who attend electronically. There can also be a secret ballot if both the following conditions are satisfied:

- if the members at the meeting decide by a simple majority vote to have a secret ballot and
- if electronic attendance was stated in the notice of the meeting, there are procedures for secret voting for members who attend electronically.

(e) **Voting by chair**

The chair can vote only if the chair is a co-op member and only in the following situations.

- **Secret ballot:** The chair can vote on a secret ballot. The chair does not get a second vote if it is a tie.
- **Other votes:** The chair can vote only to break a tie.

## 5.4 Majority Required

(a) **Simple majority**

A simple majority vote is needed to decide at a members' meeting unless a by-law or the *Co-op Act* has other requirements. A simple majority is more than half the votes cast, without counting abstentions. A tie vote defeats the motion.

(b) **Two-thirds majority**

A two-thirds majority vote is needed to confirm by-laws and by-law amendments. This means at least two-thirds of the votes cast, without counting abstentions or rounding. A two-thirds majority vote is also needed to confirm special resolutions. Special resolutions are required in certain situations, as stated in the Co-op Act and by-laws. Examples of when a two-thirds majority vote is needed are when amending the Articles of Incorporation and when approving Major Commitments under section 24.2(a) (Approval Process – How member approval is given).

(c) **Calculating majorities**

Rule 6 (Voting) in the Rules of Order states how a simple majority and a two-thirds majority are calculated. Examples are in the Comment in Rule 6.

# Article 6: Member Control

## 6.1 *Co-op Act* Requirements

The *Co-op Act* states the basic requirements for member control and the board of directors' responsibility. These are:

### (a) **Board Responsibility**

The board supervises the management of the affairs and business of the co-op.

### (b) **Member Control**

The members do not manage the affairs of the co-op. They have the final say only in the ways stated in the *Co-op Act*. In addition, the by-laws require member approval for certain actions. Examples where member approval is required are:

- electing directors
- removing directors
- approving the housing charges
- approving operating and capital budgets
- appointing the auditor
- approving commitments as stated in section 24.1(a) (Major Commitments – When member approval is needed)
- confirming by-laws and by-law changes

## 6.2 Requisitions

If members feel a problem requires a membership decision, they can submit a requisition. This is sometimes called a petition. Requisitions are not business as usual but are used as a last resort in unusual circumstances where members feel the board is not serving them. The *Co-op Act* has detailed rules for requisitions. Members should consult the Act. The next part of this Article has explanations and additions. The last section of this Article has rules that apply to all requisitions.

## 6.3 Requisition to Put Something on the Agenda for a Members' Meeting

Members can submit a requisition to put something on the agenda for the next general members' meeting. This may not be necessary because a single member can do the same under section 4.1(d) (Agenda of Members' Meeting – Adding items) of this By-law. The requisition can also ask the board to circulate a statement about something already on the agenda. The requisition must include the exact wording of the statement. Details of this kind of requisition include:

- **Section 71:** See Section 71 of the *Co-op Act*.
- **Five percent:** The requisition must be signed by five percent of the members.

- **21 days:** A requisition to add an item must be received at least 21 days before the meeting.
- **14 days:** A requisition to circulate a statement about the reason for the requisition must be received at least 14 days before the meeting.
- **Limits:** The agenda item must be within the authority of the members.

#### 6.4 Requisition to Pass a By-law or Directors' Resolution

Members can submit a requisition for the board of directors to pass a by-law or resolution. The requisition must include the exact wording of the by-law or resolution. The board does not have to agree with the requisition. The board must call a general members' meeting to consider the question. If the board does not do that, anyone who signed the requisition can call the general members' meeting. Details of this kind of requisition include:

- **Section 70:** See Section 70 of the *Co-op Act*.
- **Ten percent:** Ten percent of the members must sign the requisition.
- **21 days:** If the board agrees with the requisition, it has 21 days to pass the by-law or resolution and call a members' meeting to confirm it, if necessary.
- **General members' meeting:** If the board does not agree with the requisition, a general members' meeting can be called to decide. If the board does not call a general members' meeting within 21 days, anyone who signed the requisition can call the meeting. The meeting must be held within 60 days.
- **No repetition:** A new requisition is permitted for a similar by-law or resolution after two years if the requisition fails.

#### 6.5 Requisition to Call a General Members' Meeting

Members can submit a requisition for the board of directors to call a general members' meeting. The requisition must state the purpose of the meeting. This is normally used when the board has not been calling enough meetings or members want information about something from the board. It can also be used if members want to remove directors from the board. It does not authorize the members to pass a by-law unless the board has already passed it. Details of this kind of requisition include:

- **Section 79:** See Section 79 of the *Co-op Act*.
- **Five percent:** The requisition must be signed by five percent of the members.
- **30 days:** The board must call and hold the general members' meeting within 30 days.
- **60 days:** If the board does not call and holds a general members' meeting within 30 days, anyone who signed the requisition can call the meeting. The meeting must be held within 60 days.
- **Limits:** The business for the meeting must be within the authority of the members.

## 6.6 Requirements for All Requisitions

Requisitions must follow the requirements of the *Co-op Act*. This can be very detailed and complicated. The following rules apply to requisitions at the co-op under the *Co-op Act* and the by-laws.

- **Exact wording:** Requisitions must include the exact wording of the proposed motion, resolution, by-law, etc.
- **Original signatures:** The requisition submitted must have the original of all signatures, not photocopies. It cannot be signed or delivered electronically. Section 26.3(c) (Notices to Co-op – Electronic mail) does not apply.
- **Confidentiality:** The board may distribute copies of the requisition but will not disclose the names and addresses of those who signed.
- **Multiple pages:** The signatures can be on more than one page, but each page must have the full wording of the proposed motion, resolution, by-law, etc.
- **Time limits:** All time limits start when the original requisition is given to the co-op, as stated in section 26.3 (Notices to Co-op).
- **Calling meetings:** Meetings under requisitions are called the same way as members' meetings with the same notice periods and governed by the same rules.
- **Planned meetings:** The board does not have to call a separate meeting under Sections 70 or 79 of the *Co-op Act* but can put the requisition on the agenda for another members' meeting within the same time limits. The board must put an item on the agenda for the next members' meeting if it was requisitioned under Section 71 of the *Co-op Act*.

# Article 7: Board of Directors

## 7.1 Number of Directors

The board of directors comprises five (5) to seven (7) directors.

## 7.2 Who Can Be a Director

### (a) *Co-op Act*

Directors must be members of the co-op who are at least 18 years old and meet the other qualifications stated in the *Co-op Act*. These qualifications are that a director may not be bankrupt or incapable of managing property under the *Substitute Decisions Act*. They apply at the time directors are elected and while they are directors. If an existing director no longer has the required qualifications, the position on the board is automatically vacant.

### (b) **Good financial standing**

Members who are in arrears may not be elected or appointed as directors. The rules for existing directors entering arrears are stated in the Occupancy By-law.

### (c) **Members of the same household**

Two or more members who occupy the same unit may not be directors simultaneously.

### (d) **Management or service company employee**

A manager or employee cannot be a director as stated in section 18.7(a) (Management or Service Company Employee – Can't be director or officer) and the Occupancy By-law section on "Co-op Employees."

### (e) **Former directors who resigned**

Members who resign or have been removed as directors may not be on the board until the second annual election after resigning. Until then, they cannot be elected or appointed to fill a board vacancy, and they cannot run at the first annual election after resigning.

### (f) **Ethical Conduct and Confidentiality and Conflict of Interest Agreements**

Every director must sign a Directors' Ethical Conduct Agreement and a Confidentiality and Conflict of Interest Agreement. The Agreements must be signed before the election or appointment of a director or within ten (10) days. A signed copy of each Agreement must be given to the manager. If a director fails to do this, the position on the board is automatically vacant.

**(g) Issues about qualification**

**A. Before the board elections**

Questions about whether the member meets the requirements to be a director should be resolved before board elections. If there is a disagreement, the member can run for the board. If elected, the member will not become a director until the board decides on the question.

**B. After the board elections**

If a question about a director's qualifications at the time of election arises later, the director will continue in his position until the board reviews the questions and decides.

**C. Effect of board decision**

If the decision under A. or B. is that the member did not meet the requirements, the position on the board is automatically vacant. The decision is not subject to appeal.

**(h) Board procedure for deciding about qualification**

Suppose a question about a director's qualifications at the time of election comes up after an election. In that case, the member must be given written notice of the board meeting to discuss whether the member met the requirements to be a director. Notice must be given at least ten (10) days before the meeting and state the date, time and place of the meeting and why the member may not have met the requirements. The members can appear and speak at the meeting. The members can have a representative at the meeting. The board decides and votes without the member present.

**7.3 Term of Office**

**(a) Length of term**

Directors serve for terms of two (2) years. A term of two (2) years means a term starting at the end of an annual members' election meeting and ending at the end of the second annual members' election meeting after that. This means that the term will not be exactly two years.

**(b) First meeting of the new board**

The board must meet no more than fourteen (14) days after an annual general members' election meeting or any meeting where more than forty (40) percent of the director positions are elected. The time for the meeting can be postponed only if all directors sign a consent to postpone it. Until the board meeting, the co-op signing officers before the election will keep their responsibilities under this By-law.

(c) **Staggered terms**

Directors' terms will be staggered so that in one (1) year, about half the directors will be elected for two (2)-year terms, and in the next year, the other directors will be elected for two (2)-year terms. If there is a vacancy, the replacement will serve the remainder of the former director's term.

(d) **Election for partial terms**

A single election for partial terms is sometimes needed. An example would be when a director resigned, and the board did not appoint someone.

## Article 8: Board Elections

### 8.1 Election Procedures

#### (a) Election Committee

The board can appoint an election committee or election officer before any members' meeting where there will be an election. The committee or officers do not have to be members. If the board does not appoint an election committee or officers, then the board will perform the duties of the election committee.

#### (b) General duties of election committee (board if no election committee)

- giving information about the election to the members, including educating members on the duties and responsibilities of the board
- finding candidates
- discussing qualification issues with candidates
- setting a deadline for nominations
- making sure the election follows the rules stated in the *Co-op Act* and the by-laws
- arranging for ballots to be distributed to members
- acting as or arranging for elections officers to control the ballot boxes and ensure the confidentiality of marked ballots,

#### (c) Nominations

Members can run for a director position by submitting a nomination form that includes the information in Schedule E in this By-law. The nominee and two other members must sign the form. The nominee must submit a signed Directors' Ethical Conduct Agreement and a Confidentiality and Conflict of Interest Agreement at the same time. These will take effect if the nominee is elected.

#### (d) Nomination deadline

The election committee or the board will establish a deadline for nominations. The nomination must be announced at least fifteen (15) days before the date of the election meeting. Nominations from the floor at the election meeting are not permitted.

#### (e) Checking qualifications

Qualifications of each candidate will be reviewed with the assistance of the office manager or staff. If there are any questions about qualifications, they will be discussed with the candidate. If the candidate does not withdraw the

nomination before the election meeting, the candidate may run, and section 7.2(g)(A) (Issues about Qualification— Before the board elections) will apply.

(f) **Number of candidates**

The election committee or the board should try to have more candidates than the number of directors to be elected.

(g) **Counting votes**

If there is no election committee, or if the members do not elect people to count the votes, the chair will decide how the votes will be counted.

(h) **No conflict of interest**

If there is an election committee separate from the board, no member of the committee or relative of a member can run in the election. If the board is acting as the election committee, any director who wishes to run in the election or has a relative who wishes to run must declare a conflict of interest and cannot be involved in any board decisions or activities related to the election. The conflict-of-interest rules in the by-laws will apply. If a conflict of interest is not declared, the director and all relatives are not eligible to run for the board. Someone running for election or re-election cannot chair any part of a members' meeting where there are elections.

## 8.2 Election Meeting

(a) **Annual members' election meeting**

Members elect the directors at the annual meeting, but elections can be scheduled for another meeting. If there are vacancies, they are filled as stated in section 12.3 (Vacancies).

(b) **Voting**

Voting will be by secret ballot. The rules of the *Co-op Act* must be followed. These include:

- Members must cast votes equal to the number of positions to be filled. Any ballot which has more or less votes will not be counted.
- Members cannot vote more than once.
- Members cannot appoint someone else to vote for them.

(d) **Advance voting**

Members can vote in advance at the co-op office or another polling station set up by the election committee. The committee will notify all members of the days and hours when they can vote. Members may have to provide identification. They will be given a ballot to fill in secret. The filled-in ballots will be put in a sealed box that will not be opened until the election meeting.

(e) **Special circumstances**

Suppose members cannot vote at the office or polling station because of special circumstances, such as illness or absence during polling hours. In that

case, they can contact the office or the election committee. The committee can arrange for two people to meet a member at the office or their unit, give them a ballot, and put it into a sealed box.

(f) **Quorum requirements**

There must be a quorum at the election meeting until the final vote is cast. There does not have to be a quorum while the votes are being counted and when the results of the vote are announced.

(g) **Most votes**

The candidates with the most votes are elected to the board. The number of votes for each candidate should not be announced. If applicable, there will be an announcement of:

- the names of candidates tied for the last position
- the names of candidates elected for a full term and for a partial term.

(h) **Tie vote**

If there is a tie for the last position for a full or partial term, the election committee or the election officers will meet and decide by chance (such as flipping a coin). There will be no announcement that there was a tie.

(i) **Acclamation**

If the number of nominees is equal to or less than the number of seats to be elected, the chair will declare that the candidates are elected by acclamation.

(j) **Lower number elected**

If the number of directors elected is lower than the positions available, the board can fill the vacancies under section 12.3 (Vacancies).

### 8.3 Recount

(a) **Immediate recount**

A member can move to have a recount immediately after the results are announced. If a quorum is still present and at least nine (9) members support the motion, there will be an immediate recount. One of the members who supported the motion can be present during the counting.

(b) **Special recount meeting**

If there has not been an immediate recount, five percent of the members can requisition a special members' meeting to recount the votes. See section 6.5 (Requisition to Call a General Members' Meeting). This requisition must be received during the seven (7) days following the election meeting. There will be a recount at the meeting. One of the members who signed the requisition can be present during the counting. Until the recount, the results announced at the election meeting will stand.

(c) **Used ballots**

The election committee or the chair will destroy the ballots, counting records and any electronic records right after a recount. If there is no recount at the election meeting, those items will be kept safe during the eight (8) days following the meeting. Unless a recount meeting has been requisitioned under this section, ballots and counting records will be destroyed on the eighth day.

# Article 9: Role of the Board of Directors

## 9.1 Duties of Board of Directors

The board is responsible for the good governance of the co-op. The board supervises the management of the co-op. It can use all the co-op powers unless the *Co-op Act* or the by-laws say that a members' meeting is needed to decide on something. Some of the board's duties are to:

### (a) Members

- approve or refuse membership applications
- call members' meetings and decide about electronic attendance
- present an agenda to the members
- report to the members on the activities of the board and committees
- pay attention to the community needs of the members
- make sure that education about co-operatives is available to members

### (b) Finances

- oversee the financial affairs of the co-op
- present a budget to the members
- make financial decisions for the co-op within the budget and by-laws
- arrange for long-term financial planning based on the future needs of the co-op
- make sure the co-op has a current building condition assessment and any other reports needed for the viability of the co-op
- report to the members on the co-op's finances

### (c) Maintenance

- ensure that the co-op's property is well maintained and repairs are done when needed
- make sure that the system for responding to members' work orders operates efficiently

### (d) Risk management

- make sure the co-op has appropriate insurance for the co-op property and co-op liability
- make sure that other kinds of insurance are maintained, such as directors' and officers' liability insurance and employee and contractor dishonesty insurance or bonding
- evaluate long-term maintenance contracts for co-op equipment (elevator)
- make sure the co-op has a risk management plan
- arrange for all required fire plans
- make sure the co-op's electronic records and data are backed up and protected

(e) **Organization**

- make sure that co-op by-laws and policies are reviewed regularly
- have a clear outline of the responsibilities of committees and staff
- direct and coordinate the activities of committees
- involve the co-op in the broader co-operative movement and the local community

(f) **Staffing**

- deal with staffing as stated in Article 16 (Staffing)

## **9.2 Committees and Staff**

The board can arrange for committees or staff to do things. The board has to supervise them. The board has final responsibility and can overrule committees or staff.

## **9.3 Powers of Individual Directors**

The board of directors can only act based on the board's overall decisions. Individual directors have no authority to act except as stated in a by-law or as authorized by a decision at a board meeting.

## **Article 10: Standards for Directors**

### **10.1 Standard of Care**

Standards of care required for a director are stated in the *Co-op Act* and other laws. A director must

- act honestly, in good faith and in the best interests of the co-op rather than in the director's interest and
- use the care, diligence and skill of a reasonably prudent person.

### **10.2 Performance of Directors' Duties**

Each director must

- attend all board and members' meetings unless excused by the board based on advance notice of absence or later information if advance notice was not possible
- prepare for all meetings
- comply with the co-op by-laws and with board decisions, and
- comply with the Directors' Ethical Conduct Agreement and the Confidentiality and Conflict of Interest Agreement.

# Article 11: Board Procedures

## 11.1 Board Meetings

### (a) Regular meetings

Unless the board decides something else, the board will hold regular meetings at a regular time and place set by the board.

- There is no need to give notice of regular meetings.
- The board can consider or adopt a motion even if no advance notice of the item was given.

### (b) Special meetings

The board can hold special meetings. A board decision, the president or vice-president, or a quorum of directors can call a special meeting. It can be held at any place the board approves. A director with a conflict of interest cannot call a special meeting about the item where there is a conflict or be part of the quorum that calls the special meeting.

- Each director must be given at least three (3) days' written notice. In an emergency, less notice or notice can be given in person or by phone or voicemail.
- The notice must state the general nature of the meeting's business. If possible, an agenda should be included with the notice.
- The board can only adopt motions about things on the notice or the agenda.

### (c) E-mail notices

Any director can agree in writing to accept notices by e-mail. This can be done using section 2 of the Directors' Ethical Conduct Agreement. E-mail can be used to give those directors notices of board meetings, agendas, reports, and other documents related to board functions. Highly sensitive materials should not be sent by e-mail but distributed at the meeting, and all copies should be collected afterwards.

## 11.2 Quorum at Board Meetings

A quorum must be present to hold a board meeting, make decisions, or transact any business. A quorum equals a majority of the number of directors stated in section 7.1 (Number of Directors). The number required for a quorum can only be reduced by an amendment to this By-law and only if the new quorum complies with the *Co-op Act*. Vacancies, conflicts of interest, or other reasons do not reduce it. If the chair is a member of the co-op, the chair is included when counting quorum.

### **11.3 Phone Meetings**

Any or all directors can participate in a board meeting by conference phone or other equipment, using which all the directors can communicate with each other simultaneously and instantaneously. A director participating in those ways is considered present at the meeting.

### **11.4 Resolutions in Writing**

The directors can pass a motion by signature (except a motion to end a member's membership and occupancy rights). The motion must be in writing and signed by all directors. The signature can be in person, by e-mail, or through a scanned document or electronic signing service. Resolutions or motions passed this way will be included in the minutes of the next board meeting. The same confidentiality requirements apply if the matter arises at a board meeting.

### **11.5 Board Polls**

#### **(a) Effect of board poll**

If no director objects, a board poll can be used to get an advance opinion from the directors. A board poll is not a legal decision. The results must be reported to the next board meeting. The board poll becomes a legal decision if the board passes a motion to confirm it or all directors sign a resolution in writing to confirm it.

#### **(b) Procedure for board poll**

A board poll can be arranged by a board decision, by the president, vice president, or manager. It can be conducted by e-mail or telephone. All directors will be given the same information and the opportunity to state their position on the issue.

#### **(c) Acting on board poll**

Before the next regular board meeting, action can be taken as a result of a board poll only if:

- the result of the board poll is confirmed by a special board meeting, which could be by telephone,
- the result of the board poll is confirmed by a resolution signed by all directors under section 11.4 (Resolutions in Writing) or
- the action is within the authority of the manager or another person who takes the action.

### **11.6 Chair**

The chair for all board meetings will be the president or the vice president if the president is absent. The board can choose someone else. That person can be another

director, a member or an outside person. The chair can only vote to break a tie if the chair is a director.

### **11.7 Voting**

Each director has one vote at board meetings. A simple majority vote is needed to make any decision unless a by-law or the Co-op Act states something else. An abstention is not counted as a vote. A tie vote defeats the motion unless the chair is a director and votes to break the tie.

### **11.8 Procedures**

The procedures at board meetings will be the same as at members' meetings. The Rules of Order for members' meetings also apply to board meetings, except when this By-law states something else.

### **11.9 Members, Staff and Guests at Board Meetings**

Members, staff, and guests can attend the non-confidential part of board meetings with the board's permission. Permission can be withdrawn at any time. Persons who are not directors can speak with the board's permission, but they cannot make motions or vote.

### **11.10 Minutes of Board Meetings**

The approved minutes, or summaries, should be made available to members as soon as possible after they are approved. A copy of the approved minutes must be available to members at the co-op office during regular office hours. This does not include confidential minutes, as stated in section 21.1 (Confidentiality of Minutes).

## **Article 12: Early Ending of Directors' Terms**

### **12.1 Resignation of a Director**

**(a) Submitting resignation**

A director can resign by giving written notice to the co-op. The notice must be delivered to the president or the co-op office. The resignation will not take effect until the time stated in this section.

**(b) If there is still a quorum**

The board will consider the resignation at the first meeting after receiving it. If the board still has a quorum after the resignation takes effect, it must accept it at that meeting. The resignation will take effect when it is accepted.

**(c) If there would not be a quorum**

If the resignation leaves the board without a quorum, it will take effect thirty days after the board meeting or earlier if enough vacancies are filled, so there will be a quorum.

**(d) Withdrawing resignation**

A director can withdraw a resignation before it takes effect, but only if the board passes a motion to consent to withdrawal.

### **12.2 Removal of a Director**

**(a) Members can remove**

A members' meeting can remove any director before the end of the director's term. This can be for the reasons stated in the next paragraph of this section or for any other reason that the members wish. Notice for a motion to remove a director must be given to all members at least ten (10) days before the meeting. The motion must be passed by majority vote.

**(b) The board can recommend the removal**

The board can recommend that the members remove a director if the board decides that the director has broken Article 10 (Standards for Directors) or has not carried out the other responsibilities of a director or member.

**(c) Procedure for board recommendation**

The director must be notified of the board meeting to discuss the recommendation. The notice has to be given at least ten (10) days before the meeting and must state the time and place of the meeting and the grounds for the recommendation. The director can appear and speak at the meeting. The

director can have a representative at the meeting. The board decides and votes on the recommendation without the director present.

**(d) Report to members**

If the board votes to recommend removal and the director does not resign, the board must report the recommendation to the next members' meeting. The members make the final decision. If no motion is passed at the members' meeting, the board decision is confirmed, and removal is effective on the day of the members' meeting.

**(e) Until members' meeting**

If the board votes to recommend removal, then until the members' meeting, the director will not be entitled to attend board meetings as a director, count in the quorum or receive notices or documents that go to directors.

**(f) Resignation after board decision**

If the board votes to recommend removal, the director may resign before the next members' meeting. If the director submits a written resignation, it will take effect only as stated in section 12.1 (Resignation of a Director).

**(g) Removal of prohibited conflict of interest**

The board can remove a director with a prohibited conflict of interest as stated in section 19.5(e) (Rules for Directors – If there is a prohibited situation). In that case, removal is effective immediately and does not require approval by the members.

### **12.3 Vacancies**

**(a) When members do not elect enough directors**

When the members do not elect the full number of directors at an election meeting, the board can appoint a qualified person to fill the vacancy.

**(b) If no board quorum**

The remaining directors must be appointed if there is a vacancy and the board no longer has a quorum. Article 8 (Board Elections) will apply. The remaining directors must call a members' election meeting as soon as possible after the nomination deadline to elect directors to serve the rest of the terms of the former directors.

**(c) If the meeting is not called**

If the remaining directors do not call the members' meeting under the previous paragraph, any member can. The meeting must permit electronic attendance. At the meeting, the members elect directors to serve the rest of the terms of the former directors. Candidates must be nominated from the floor and seconded. Section 5.3(d) (Voting—Secret Ballot) applies.

**(d) When the members remove a director**

When the members remove one or more directors, they can elect any interested member to serve for the rest of the former director's term. Candidates must be nominated from the floor and seconded. Section 5.3(d) (Voting—Secret Ballot) applies. If the board does not elect a replacement, it can appoint a qualified person to fill the vacancy. If the board no longer has a quorum, this section's paragraphs (b) and (c) will apply.

**(e) When vacancies occur for any other reason**

When there is a vacancy on the board and the previous paragraphs of this section don't apply, the board can appoint any interested member for the rest of the former director's term. The appointment takes effect immediately, but the director's election must be on the agenda of the next members' meeting. The appointment will be considered confirmed unless the members elect someone else.

## **Article 13: Officers**

### **13.1 Election of Officers**

(a) **Electing officers**

The board elects the following officers annually or more often as needed:

- President
- vice-president
- secretary
- treasurer

(b) **Electing officers**

Officers will be elected at the first meeting after the board's election. The board can fill vacancies as necessary.

(c) **Qualifications**

Officers must be members of the co-op. Only the president and vice-president must be directors.

(d) **Only one office**

Directors and other members can only hold one office at a time.

### **13.2 Confidentiality and Conflict of Interest Agreement**

All directors must sign a Confidentiality and Conflict of Interest Agreement within fourteen (14) days of becoming officers. A signed copy must be given to the manager. People who fail to do this are automatically removed as officers.

### **13.3 Resignation of Officers**

(a) **Different from resignation as a director**

This section deals with the resignation of an officer. Section 12.1 deals with the resignation of a director. An officer who is a director can resign as an officer without resigning as a director.

(b) **How to resign**

An officer can resign by giving written notice to the co-op. The notice must be delivered to the president or the co-op office. The resignation will take effect when it is received or at the time stated in the resignation if that is later.

## **13.4 Removal of Officers**

### **(a) Different from removal as a director**

This section deals with removing an officer separately from removing a director. Section 12.2 deals with removing a director. When a director is also an officer, removal as a director does not automatically include removal as an officer, except in the case of the president or vice president.

### **(b) How to remove an officer**

The board can remove any officer at any time and for any reason. At least three days written notice of a motion to remove an officer must be given to all directors and the officer, if not a director. The officer can appear and speak at the meeting. The board decides and votes without the officer present. If the officer is removed, the board can immediately fill the vacancy.

## **Article 14: Officers' Duties**

### **14.1 The President**

The president

- represents the co-op to the outside world unless the board has appointed someone else for a specific event or purpose
- chairs meetings of the board unless the board chooses someone else
- follows the decisions approved at the board and members' meetings
- acts as the co-op's representative in ongoing dealings with staff unless this duty is given to another officer
- co-ordinates the work of the board, committees, members and staff, and
- reports about board activities at every member's meeting.

### **14.2 The Vice President**

The vice president performs the president's duties in the president's absence and generally works with the president to carry out the president's duties. The president and vice president review their roles regularly to ensure they carry out all their responsibilities.

### **14.3 The Secretary**

#### **(a) Role of Board Secretary**

The Board Secretary is responsible for performing regular secretarial duties for the co-op.

#### **(b) Duties**

The secretary will

- ensures all required notices of board and members' meetings are given on time
- ensures to provide all necessary documents for board and members' meetings
- ensures that co-op minutes and minute books are properly kept up and meet appropriate standards, including
  - minutes of board and members' meetings include all motions and the results of the motions
  - all reports, resolutions, by-laws and other items submitted at a meeting are attached to or included with the minutes

- minutes of board and members' meetings are duly signed by two signing officers and inserted in the minute book
- the minute book is kept up to date, and
- minutes of all board and members' meetings are distributed before the next meeting
- work with the Board and auditor to ensure that all necessary corporate documents are filed with the government and
- Works with the Board to arrange for a copy of all new by-laws to be given to the members as soon as possible after they are confirmed.

#### **14.4 The Treasurer**

##### **(a) Role of the Board Treasurer**

The treasurer is responsible for the day-to-day financial management of the co-op. The treasurer must understand and review the co-op's finances and report on them to the board, the members, and any financial committees. The treasurer will report any financial problems and issues to the board.

##### **(b) Duties**

The treasurer will

- act as the co-op's representative in dealing with the auditor beyond what is normally done by staff
- work with the Board and the auditor in implementing and monitoring internal financial controls
- when available, sign cheques on behalf of the co-op along with one other signing officer
- each month, review the reconciliation of the co-op's bank accounts performed by staff, sign the reconciliation statement to show the review has been performed and report to the board on any problems
- work with the Board and Finance Committee in preparing an annual budget and any capital budget and present the budget to the board and
- Receive a copy of any management report from the auditor as soon as possible, report it to the board, and work with staff and the board to implement its recommendations.

# **Article 15: Membership in Federations**

## **15.1 Membership in Federations**

The co-op should be a member of the local, regional, and national co-op housing federations and bodies that support and promote co-operative housing.

## **15.2 Board Appoints**

The board will appoint Federation delegates to represent the co-op and define their duties and authority. They must be co-op members but do not have to be directors or officers.

## **15.3 Federation Delegates**

Each federation delegate:

- represents the co-op at meetings of the federation
- informs the board and the members of what the federation is doing
- informs the federation of the views and concerns of the co-op and
- votes at federation meetings. The delegate should get direction from the board on important issues.

## **15.4 Expenses**

The co-op will pay the reasonable expenses of delegates and other members appointed to attend federation activities.

## **Article 16: Staffing**

### **16.1 Staffing the Co-op**

The board is responsible for co-op staffing. This includes:

- recommending amounts for staffing in the budget presented to the members
- ensure that contracts are in place, up to date and reviewed annually

### **16.2 Dealing with Staff**

#### **(a) Board Responsibility**

The board is the final authority for the co-op about staff.

### **16.3 Confidentiality and Conflict of Interest Agreement**

The board must ensure that all contracts for staffing include an agreement that the staff will follow the confidentiality and conflict of interest requirements of this By-law. A signed copy must be kept with staff contracts. The Agreement can be in Schedule B or part of an employment, management or other contract if it says the same basic things.

### **16.4 Staff Information**

#### **(a) Confidential staff information**

The co-op will respect staff's right to privacy and personal information in their relations with the co-op. Confidential staff information includes staff salaries, fees, employment contracts, management contracts, records of reviews and complaints, personal information and personal health information.

#### **(b) Access to confidential staff information**

The board can access confidential staff information to make any staff decisions. Individual directors can have access only as authorized by the board. They must keep the information confidential. The general membership cannot have access.

## **Article 17: Committees**

### **17.1 Creating Committees**

A committee can be created by the board or by a members' meeting. The board decides on the membership and duties of all committees. The board decides when the committee's work is finished or when a committee is ended.

### **17.2 Committee Membership**

The board can appoint members to a committee, and committees can also appoint members unless the board states that they can't. The board can remove members from a committee, whether created by the board or by a members' meeting.

### **17.3 Confidentiality and Conflict of Interest Agreement**

All committee members must sign a Confidentiality and Conflict of Interest Agreement within fourteen (14) days of joining the committee. A signed copy must be given to the manager. People who fail to do this are automatically removed from the committee.

### **17.4 Role of Committees**

Committees should report to the board at least quarterly. Minutes of committee meetings should be copied to the office for review by the board and historical reference. Committees must have authority from a motion passed by the board to:

- spend any money
- authorize any expense
- enter into any contract
- commit the co-op to anything.

## **Article 18: No Payment of Directors and Officers**

### **18.1 No Payment for Being a Director or Officer**

Directors and officers must serve without payment for being a director or officer.

### **18.2 No Other Payment to Directors or Officers**

Except as stated in this Article, directors, officers, and their relatives cannot receive any pay, remuneration or compensation from the co-op.

### **18.3 Authorized Expenses**

Directors and officers may be reimbursed for reasonable travel or other expenses while doing business for the co-op. The board of directors must authorize these expenses, which must meet guidelines and limits set by the board. The co-op cannot compensate directors or officers for lost income because they spent time at co-op meetings or doing things for the co-op.

### **18.4 Contracts with Co-op**

Except as specifically permitted in this By-law, directors, officers, and their relatives cannot enter into any contracts with the co-op other than contracts generally available to other members, such as occupancy or performance agreements.

# Article 19: Conflict of Interest

## 19.1 Purpose of this Article

The rules in this Article are to help avoid conflicts of interest and to have fair ways to deal with them. They apply in addition to the requirements of the *Co-op Act* and other legal and government requirements. The first part of this Article explains the conflict of interest. The definition of relatives is also important [section 1.4(g) (Special Meanings – Relatives)]. The second part of this Article states rules for different situations.

## 19.2 Understanding Conflict of Interest

People who make decisions on behalf of the co-op should make the decisions in the best interests of the co-op – not in their interests. This includes directors, officers, committee members and staff. Section 19.9 (Members' Conflict of Interest) governs decisions at a members' meeting.

## 19.3 What is Conflict of Interest?

Two things create a conflict of interest:

- someone takes part in a decision on behalf of the co-op, and
- the decision affects that person or a relative or friend in a way that is different from most co-op members.

### (a) Taking part in a decision

People who take part in a decision on behalf of the co-op include:

- directors voting on a motion
- committee members making a decision or recommendation
- staff making a decision or advising the board about a decision

### (b) Benefits of a decision

Benefits of a decision include:

- direct or indirect benefits
- actual or potential benefits
- benefits to relatives and friends
- non-financial benefits

## 19.4 Conflict Situations

Two kinds of situations can become conflicts of interest:

- manageable situations
- prohibited situations

(a) **Manageable situations**

Manageable situations are part of the ordinary operation of the co-op. They could become in a conflict of interest if the person getting the benefit participates in the decision. Examples:

- A director puts in a work order for major renovations to their unit.
- A friend of a director is given a Notice to Appear.
- An employee requests a pay raise.

(b) **Prohibited situations**

Prohibited situations do not happen in the ordinary operation of co-ops. They are often illegal. Examples include:

- A director gets a reduced price on carpeting from the same company that contracts for carpeting for the co-op.
- A property management company or an employee receives an incentive or commission with a contract signed by the co-op.
- A director is a partner or shareholder in a company bidding on the co-op's snow shovelling contract.

## 19.5 Rules for Directors

(a) **Declaring**

If a director has a conflict of interest or is involved in a situation that could become a conflict of interest, the director must declare it in writing before the next board meeting. If the director learns about it at a board meeting, the director must declare it at the meeting.

(b) **If in doubt, declare**

If a director is not sure whether something would be a conflict of interest, the director must report it to the board in the same way as stated in the previous paragraph. If other directors or members think a director could have a conflict of interest or is involved in a situation that could become a conflict of interest, they should also report it to the board.

(c) **Deciding**

The board must decide if there is a conflict of interest and what to do about it. It should be considered at the first meeting after it is declared or reported or the next one after that. People who might have a conflict cannot participate in decision-making. They cannot be present while the decision is being made. The meeting minutes must record the conflict declaration and the board decision. This could be in the confidential minutes if appropriate.

(d) **If there is a manageable situation**

If there is a manageable situation, the person with the potential conflict:

- cannot vote or participate in any decision-making relating to the item
- cannot be present at a meeting while the item is under discussion

- cannot see any of the documents or materials relating to the item, either before or after the decision is made

(e) **If there is a prohibited situation**

If there is a prohibited situation, the circumstances have to be changed so the prohibited situation no longer exists. It may not be enough for the director to leave the board since the director may have learned something that would give an advantage to someone, such as a bidder on a contract. Steps to be taken could include one or more of the following:

A. **Resignation**

The person involved can resign as a director.

B. **Removal**

The board can remove the person involved from the board. Despite section 12.2 (Removal of a Director), removal under this section is effective as soon as the board passes the motion. There is no appeal to the members. If there is enough time, the director should be given written notice of the board meeting to discuss removal, including the time and place of the meeting and the grounds for removal. The director can appear and speak at the meeting. The board decides and votes on the removal without the director present.

C. **Deal with someone else**

If the situation involves bidding on a contract with the co-op or selling something to the co-op, the co-op can reject the bidder or seller that is involved.

D. **Change the situation**

The situation that created the prohibited conflict can be changed in other ways to avoid a prohibited conflict.

(f) **Government requirements**

Individual directors and the board must also follow government and funder reporting and procedural requirements about conflict of interest.

## 19.6 Rules for Officers

Officers have to follow the same rules as directors, including any officers who are not directors.

## 19.7 Rules for Committee Members

(a) **Declaring**

Committee members must declare conflicts of interest and situations that could become a conflict of interest to the committee in the same way as

directors declare them to the board. In addition, a copy of all conflict declarations should be given to the board, including those made during a committee meeting.

(b) **Deciding**

A committee has to decide about conflict of interest in the same way as the board. In addition, the committee chair has to give the board a written report on the situation no later than three (3) days after the committee meeting.

(c) **Dealing with committee conflicts**

A committee has to deal with conflict of interest in the same way as the board. In addition, the board can decide on a committee conflict. The committee has to follow the board's decision.

## 19.8 Rules for Staff

(a) **Declaration by the property management company**

Suppose the co-op has a contract with a property management company. In that case, that company has to declare conflicts of interest and any situation that could become a conflict of interest by giving a written report to the president as soon as possible. This has to be presented to the board at the next meeting. This could be a conflict of interest or situation involving the property manager's staff at the co-op, the company, its owners, or personnel who do not work there. The written report should state proposed steps to deal with the situation.

(b) **Service companies or others who are not employees**

Service companies and non-employees have to follow the same requirements as property management companies under (a).

(c) **Declaration by manager**

Suppose the manager is an employee of the co-op and has a conflict of interest or is involved in a situation that could become a conflict of interest. In that case, the manager has to give the president a written report and explanation as soon as possible. This has to be presented to the board at the next meeting.

(d) **Declaration by other staff**

Other co-op employees who have a conflict of interest or are involved in situations that could become conflicts of interest must report it to the manager immediately. The manager will give immediate directions and give the president a written report and explanation as soon as possible. This has to be presented to the board at the next meeting.

(e) **Board action**

The board will decide if there is a conflict of interest and what steps to take.

## **19.9 Members' Conflict of Interest**

At members' meetings, all members can discuss and vote as they wish, even if they have a conflict of interest. Members are encouraged to declare their conflict of interest before participating in the discussion. Members should try to act in the best interests of the co-op.

## **19.10 Proof**

### **(a) When required**

The board can ask someone for evidence to prove that there is no conflict of interest or that the conflict of interest rules have been followed. It does this when deciding if there is a conflict of interest or investigating compliance with conflict of interest requirements.

### **(b) Response**

Members and staff must give complete proof and details in response to a request under this section. This may require showing documents and getting sworn statements from everyone involved. Failure to provide proof under this section is a breach of this By-law. Also, failure to provide proof can be evidence of non-compliance with conflict of interest requirements.

## **Article 20: Confidential Information**

### **20.1 Co-op Confidentiality Policy**

The co-op has information about co-op members and staff. The co-op's policy is to protect that information and only use or disclose it as necessary or appropriate. The rules in this part of the By-law are to outline co-op systems to do this. They apply in addition to all legal and government requirements.

### **20.2 Kinds of Information**

#### **(a) Confidential information**

Confidential information is:

- personal information
- confidential co-op information, and
- confidential staff information

#### **(b) Personal information**

Personal information is information about an individual. The information can be recorded on paper, electronically or in other ways. It also includes information that has not been recorded in writing. Personal information may be known to other people and not confidential. That does not affect the co-op's duty to treat it under the personal information rules in this By-law.

#### **(c) Confidential co-op information**

Confidential co-op information is information about the co-op or co-op business which should be kept confidential to protect the co-op.

#### **(d) Confidential staff information**

Confidential staff information is confidential information about co-op staff. It includes property management fees, staff salaries, and benefits except as presented in a general way in the co-op budget. It also includes property management and individual staff contracts.

### **20.3 Basic Rules**

The following basic rules govern how the co-op deals with personal information. They are subject to all government and legal requirements and the other parts of this By-law.

#### **(a) Personal information**

- The Co-op will only collect personal information needed for the co-op's operations.

- Personal information will only be kept as long as it is legally needed or relevant.
  - Members and staff have a right to see personal information about them that the co-op has and to correct any errors.
- (b) **All confidential information**
- Confidential information will only be shown to people on a need-to-know basis or as permitted or required by government and legal requirements or co-op by-laws.
  - Confidential information will be used and stored in a way that protects confidentiality.

## 20.4 Limiting Collection

The co-op will only collect personal information necessary to perform the co-op's functions under the co-op by-laws and government requirements. This can include:

- credit, reference and other information for new applicants, members applying for an internal move and applicants for long-term guest status
- reference and other information about applicants for work at the co-op
- household income and household composition information for households who apply for or receive subsidies and any other information needed under government requirements
- household composition information for all members to know who is living in a unit and to enforce the co-op by-laws
- information about the condition of a member's unit
- information about payment of housing charges
- information about possible breaches of co-op by-laws
- information about performance by co-op staff

## 20.5 Limiting Disclosure

### (a) **The board of directors decides on confidentiality**

If there is any doubt, the board of directors will decide whether any information is confidential and whether confidential information should be disclosed. The Occupancy By-law states when information can be disclosed in certain situations. Other co-op by-laws can also deal with confidential information.

### (b) **Obligations apply to everyone and do not end**

All co-op members and staff must follow the requirements of this by-law and the occupancy by-law regarding disclosing confidential information. It does not matter how anyone gets confidential information. It could be by serving on the board or a committee, making a statement at a members' meeting or even by accident. The requirements of this By-law continue to apply even after someone no longer has the position under which they got the information or even after they are no longer members or co-op staff.

(c) **Breaking obligations**

Unauthorized disclosure of confidential information is serious and could be grounds for eviction under the Occupancy By-law, removal from the board of directors, termination of employment without notice or other legal actions. In deciding what to do about any unauthorized disclosure, the board will consider factors like the sensitivity of the confidential information, how often it was disclosed and who received it. Legal advice may be required.

## **20.6 Access to Personal Files and Accounts**

(a) **Right to see file**

Members have the right to see their files and financial accounts during co-op office hours, but they may have to make an appointment.

(b) **Notes and copies**

Members who look at their files can take notes and make photocopies of materials in the file. They must pay any photocopying charge normally charged by the co-op for personal photocopies.

(c) **Exclusions**

Letters to and from the co-op's lawyers about a member, complaints or investigations relating to a member, confidential board minutes related to a member and similar things are not part of a member's file. These may be kept in a separate legal file. The same applies to electronic information. The co-op will get legal advice if there is any issue about whether a member can see these items.

(d) **Written statements by members**

Members can put written statements in their files.

(e) **Errors**

If a member believes that there is an error in their file or accounts, staff should try to correct the problem. If the member is still unsatisfied, the member can complain under Article 23 (Confidential Information Complaints).

(f) **Staff access to member files**

Co-op staff can see members' files only as necessary to perform their duties for the co-op. Directors can see members' files only as authorized by a board decision or as presented at a board meeting by staff (such as considering prior history of arrears or complaints when necessary).

## **20.7 Staff Access to Personnel Files**

Co-op staff will have the right to see their personnel files as stated in their contracts with the co-op. Access that is not dealt with in a staff contract will be decided by

the board. The board will be guided by the principles applicable to members' access in this Article.

# Article 21: Confidentiality Situations

## 21.1 Confidentiality of Minutes

### (a) Record of Attendance

The attendance record at members' meetings should not be part of the minutes. It should be kept separately in a separate confidential minute book. The record of attendance at board and committee meetings should be part of the minutes.

### (b) Motions

Minutes should record all motions passed or rejected. They can also include names of movers and seconders and information on the discussions. They do not have to. This applies to members' meetings and board and committee meetings. At the request of any director, minutes of board meetings should state whether that director voted for or against something.

### (c) Confidential board minutes

When the board discusses confidential information or members' personal information, the minutes of these discussions must be kept in a separate confidential minute book. This includes any reports or documents and any motions or decisions. Only directors can see the confidential minutes unless the board lets someone else see them. Directors cannot see confidential meeting minutes before the director's current terms unless authorized by the board. Directors cannot see confidential minutes where they would have a conflict of interest.

### (d) Right of membership to information

The board must decide which items go in the confidential minutes. They should remember that the members have the right to be informed about the co-op's business. The board must have a good reason for keeping something confidential.

### (e) Committee Business

Committees must follow the same rules as the board. If there is any doubt, the committee should report to the board, and the board will decide.

## 21.2 No Recording of Meetings

### (a) Recording co-op meetings

People present at a co-op meeting can take notes but are not allowed to record the meeting, whether by tape or any other device. This includes members' meetings, board meetings and committee meetings. It includes the participants

in the meeting, such as directors or committee members, as well as members and guests. It applies whether the people are present in person or by conference phone, electronic or other equipment.

(b) **Board authorization**

The board can authorize taping or recording of meetings to help with minute-taking or for other reasons. Only the board can give the authorization, whether it is for a board, members' or committee meeting. The motion to authorize taping or recording must be recorded in the minutes of a board meeting.

### **21.3 Electronic Entry and Security Systems**

(a) **Electronic records**

The co-op may have security cameras, key fobs or other systems that automatically create records. These are called electronic records in this section. They are considered confidential information under this By-law.

(b) **Approval at a members' meeting**

Installing any new electronic records system or any major change in an existing system requires approval at a members' meeting. The board can approve other changes, such as relocating a security camera.

(c) **Location of security camera screens**

Live monitors and computer or television screens that show images from security cameras will be placed so that only authorized staff can see them. A motion at a members' meeting can decide something else. This does not apply if the co-op has arranged for direct viewing on a cable or similar channel.

(d) **Checking electronic records**

Electronic records will be checked by authorized staff as necessary. No one else can see them except as stated in this section.

(e) **Discarding electronic records**

The board will decide on a normal time frame for discarding or recycling each kind of electronic record unless one of the following applies:

- The manager is aware of an incident or situation where the records may shed light on the problem in the future.
- Someone has submitted an incident report or complaint where the manager believes the records could be relevant.
- The manager feels the records could be relevant in legal proceedings.
- The manager has received an indication that the records should be kept as evidence.

## **21.4 Incidents**

### **(a) Use of records**

When the manager reports to the board on any incident, complaint, or situation, the manager should report on what is shown in the relevant paper, electronic records, and other records. The manager may show the record itself. Records will be made available to the police under and without a warrant when the manager considers appropriate.

### **(b) Disputes between members**

Paper, electronic and other records may be requested by someone having a dispute with someone else. Suppose the records show information about someone not involved in the dispute. In that case, they will not be shown without written consent unless the relevant information can be deleted.

The following additional points will apply:

- The records will be kept if the manager notices they may be needed.
- If both sides consent in writing, records may be reviewed by those involved or their lawyers or representatives.
- A member can submit a written request to the board to see the records. If the board permits this, the records will be available to people on both sides of the dispute.
- Despite the above, the records will be shown or delivered according to any subpoena or court order.

### **(c) Legal action**

Paper, electronic and other records may be shown or sent to the co-op's lawyers or anyone investigating or dealing with an incident or complaint on behalf of the co-op. Paper, electronic and other records may be used in connection with any eviction or procedure in Court or at the Landlord and Tenant Board.

## **Article 22: Ensuring Privacy**

### **22.1 Privacy Officer**

The Board will appoint a third party person to be the co-op's privacy officer unless the board chooses someone else. The privacy officer's name, address, and telephone number will be available upon request.

### **22.2 Duties of the Privacy Officer**

The privacy officer will work with the manager to review the co-op's confidential information procedures and consult with the manager on specific situations, concerns and issues raised by the manager, including the ones in Article 21 (Confidentiality Situations). The privacy officer will be accountable for the co-op's compliance with confidentiality requirements. The privacy officer can report to the board any specific situation and any recommendations for improvements in the co-op's confidential information practices and procedures.

### **22.3 Limits on Privacy Officer**

The privacy officer will not have the authority to give directions or orders to staff, board or committees or to incur any expense. The privacy officer can point out the problem, and the person responsible should correct it. If they do not do so or there is any disagreement, the privacy officer can report the situation to the board. The board's decision will be final.

## **Article 23: Confidential Information Complaints**

### **23.1 Making Complaints**

Any member, staff member or other person can complain to the privacy officer about confidential information. Complaints should be in writing and signed by the person making the complaint. No special form is needed. The privacy officer should assist in putting the complaint in writing, if necessary.

### **23.2 Informal Action**

Depending on the nature of the complaint, the privacy officer may try to resolve the situation informally by consulting with the members and Board (staff) and assisting them in coming to an agreement on the issue.

### **23.3 Referral to Board**

If a complaint is not resolved informally, the privacy officer will refer the complaint to the board of directors. The privacy officer will always refer a complaint to the board if the privacy officer feels an investigation could hurt anyone's rights, if the Board (staff) is involved, or if legal advice is needed.

### **23.4 Investigating Complaints**

The board will decide whether an investigation of the complaint is needed. An investigation could be done by the privacy officer or someone else. The board will determine the procedure. The board can decide to get legal advice.

### **23.5 Board Report**

After completing the investigation, the investigator will give a written report to the board. The report should summarize the parties' position on the complaint, the investigation process and the investigator's conclusions and recommendations. It should include a copy of the complaint, a written response, and relevant documents.

### **23.6 Board Action**

The board will decide what steps to take due to the report.

### **23.7 Confidentiality of Complaint Process**

The complaint, all materials related to the investigation and the report will be considered confidential information. If the complaint is about someone, that person will be shown the complaint or a summary and allowed to comment. The board may permit the person who complained, or anyone who complained about it, to see the report and give comments. The board does not have to do this. The board will decide whether the report or any materials relating to the complaint should be inserted in the file of the party who complained, or the party complained about, or neither.

# Article 24: Financial

## 24.1 Major Commitments

### (a) When member approval is needed

The following actions are called “Major Commitments” in this By-law. The board of directors can take them on behalf of the co-op, but only if they have been authorized by the members under this Article or are within the exceptions in (b):

- borrowing money
- mortgaging co-op property or giving any kind of security for a loan or payment of a debt through a charge, mortgage, pledge or other security interest in real or personal property of the co-op
- issuing, selling or pledging securities of the co-op
- investing co-op money as stated in section 24.3(e) (Investment of Co-op Money – Alternatives)
- acquiring real estate by purchase, lease or in other ways
- selling, transferring, leasing or disposing of real estate
- entering into agreements that will involve charges to the members for items that were not included in the most recent approved budget
- entering into non-residential leases for space that was not leased before
- entering into agreements with government bodies that may require changes in the co-op by-laws
- entering into any agreements or commitments with a term of ten (10) years or more, or where the other party can renew the term so the total is more than ten (10) years

### (b) When member approval is not needed

Despite the previous paragraph, the following actions are not considered Major Commitments, and the board can take them without member approval:

- borrowing money without security as long as the total unsecured borrowing of the co-op will be less than \$25,000
- renewing or refinancing an existing loan without increasing the principal, including a loan secured by mortgage or in other ways
- entering into any agreements or commitments that can only continue for less than ten (10) years (including renewals)
- renewing or extending non-residential leases or signing new ones of the same space.

(c) **Optional member approval**

The board can request approval from the members for any action not within the definition of Major Commitment. If the board requests approval, it must follow the decision of the members' meeting.

(d) **Authority to spend**

When the members approve borrowing under this Article, they are not automatically giving the board authority to spend the borrowed money. Spending authority must be requested separately as stated in the Occupancy and Spending By-law. That can be requested at the same or another member's meeting.

(e) **Adjusting items in housing charges**

Despite the Occupancy By-law, the items included or not included in housing charges can be changed by a vote of the members at a general meeting. There should normally be a separate motion approving the change, even though it may also be stated in the budget materials.

## 24.2 Approval Process

(a) **How member approval is given**

Member approval for Major Commitments must be given by a resolution passed by the members by a two-thirds majority vote at a members' meeting. Member approval is needed for the action but not necessarily for the required documents.

(b) **Board approval process**

Before the board proposes a resolution to go the members for a Major Commitment, a report must be given to the board. The report has to include a summary of the proposal and a letter from the co-op's lawyer or auditor commenting on it. Each director has to read the basic documents before approval. For example, each director must read a mortgage commitment letter, but only the signers must review the mortgage.

(c) **Requesting member approval**

When requesting member approval, the board must report to the members. The report has to include a summary of the proposal and a letter from the co-op's lawyer or auditor commenting on it. The documents must be available for members to review before the meeting. If any parts of the report or documents must be kept confidential or unavailable, they must be explained orally at the members' meeting.

(d) **Optional approval process**

If the board requests approval under section 24.1(c) (Major Commitments – Optional member approval), only a simple majority vote will be needed at the members' meeting.

(e) **Conditional commitments**

The board can sign a commitment to something requiring member approval if the commitment is conditional on obtaining member approval.

### 24.3 Investment of Co-op Money

(a) **Government requirements**

The board has to invest co-op money as stated in government requirements. This includes the *Housing Services Act* or the co-op's Operating Agreement.

(b) **Other investments**

Where government requirements do not apply, the board can invest co-op money in

- government bonds, treasury bills or other securities guaranteed or insured by the governments of Canada or Ontario or a crown corporation or agency
- investments under a program where oversight is provided or arranged by the Ontario Housing Services Corporation, the Co-operative Housing Federation of Canada or a local co-op housing federation
- investments under a bulk investment program that is part of the services of the Co-operative Housing Federation of Canada or a local co-op housing federation

(c) **Investment By-law**

Suppose the co-op has a separate Investment By-law. In that case, the board can invest co-op money in other investments permitted under the Investment By-law if it follows the procedures stated in the Investment By-law.

(d) **Deposits**

The board can deposit funds with a Canadian credit union, chartered bank or trust company.

(e) **Alternatives**

The board may not invest or put co-op funds in any investment, security or deposit other than as stated in the earlier paragraphs of this section unless it is approved by the members as a Major Commitment.

(f) **Reserves and special funds**

If any reserves or special funds exist, money earned on them will be put back into the funds.

### 24.4 Financial Year

The board will decide the co-op's financial year (fiscal year). The board can change the financial year.

## **24.5 Auditor**

### **(a) Appointed by members**

The members appoint an auditor at each annual members' meeting. The auditor can be either a chartered professional accountant or a professional accountant firm. As stated in the Co-op Act, the auditor stays in office until another is appointed. The *Act* states how to remove an auditor and appoint a different auditor. The board will arrange for the auditor's payment.

### **(b) Work of auditor**

The auditor must have access to the co-op's books, accounts and vouchers at all reasonable times. Directors, officers, and staff must provide any information or explanations that the auditor requests.

## **24.6 Indemnification**

### **(a) Obligation to indemnify**

The co-op will indemnify all directors and officers, their heirs, and legal personal representatives to the extent permitted by the *Co-op Act*.

### **(b) Insurance**

The board of directors may purchase insurance, subject to reasonable limitations and deductibles, to cover this liability.

## **Article 25: Signing on Behalf of the Co-op**

### **25.1 Committing the Co-op**

This Article governs committing the co-op. This includes ordering anything, writing any cheque, creating any obligation or making any other commitment. It does not matter if this is done through a formal contract or document, orally, by e-mail, or in other ways. These are all called “documents” in this Article.

### **25.2 Board Approval**

Board approval must be given before anyone is authorized to commit the co-op to anything or to sign any document. As stated in section 24.1 (Major Commitments), member approval may also be needed. Whoever signs any document must be sure that these approvals have been given.

### **25.3 Signing**

#### **(a) Signing officers**

The president, vice president, secretary, and treasurer will be the signing officers.

#### **(b) Signing specific documents**

When approving a document, the board can decide who is authorized to sign on behalf of the co-op. The board can authorize one or more signing officers or anyone else to sign. If the board does not decide something else, two signing officers must sign the documents.

#### **(c) Form of documents**

When authorizing a document, the board can decide its exact form. The signer or signers can approve the final document if it does not.

#### **(d) Kinds of documents**

The board can authorize one or more officers, directors, or staff members to sign specific documents for the co-op.

#### **(e) Cheques**

Two (2) authorized signers must sign all cheques or other negotiable documents. No one is authorized to sign a blank cheque or a cheque to one of the signers or a relative. Before signing, the signers must ensure the expense has been properly approved.

## **25.4 Staff Authority**

Staffing contracts can give spending and signing authority to staff members. This includes employment contracts and property management contracts. When the board approves the staffing contract, it also approves the spending and signing authority stated in it, and no additional approval is needed unless approval of the members is required. See section 24.1 (Major Commitments).

## **25.5 Approval Motions**

All board approvals and decisions mentioned in this Article must be made by a formal motion passed by the board and recorded in the minutes of a board meeting.

## **Article 26: Giving Notices**

### **26.1 Scope of this Article**

The Occupancy By-law governs notices relating to an eviction. This Article is about other kinds of notices.

### **26.2 Notices to Members**

#### **(a) Number of notices**

Only one notice or copy of a document must be given for each unit.

#### **(b) Delivery**

Notices and documents can be:

- handed personally to the member
- left with an adult in the member's unit
- left in the unit mailbox
- slid under the unit door or through a mail slot in the door
- delivered in any other way to the member's unit
- put in the member's box in the co-op's internal mailbox system.

#### **(c) Mail**

Notices and documents can be given by ordinary mail to members at their co-op unit or the last known address where the member lives or works. Notices and documents sent by mail are considered delivered on the fifth day after the mailing day.

#### **(d) Electronic mail**

Members can sign a form consenting to notices by electronic mail. The form must state an e-mail address. Notices and documents can be given to those members by e-mail. They will be considered delivered at the time of sending. Members can change their e-mail addresses by notifying the co-op. Members can also cancel their consent to receive e-mail notices.

#### **(e) Delivery by electronic mail**

The following types of notices and documents can be delivered to members by e-mail if the member has consented under paragraph (d):

- notices of members' meetings, agendas and documents to be presented or discussed at a meeting
- notices about the co-op, the co-op property or co-op activities that the board or staff decides to send to all members or a large portion of the membership (such as all members on a floor)
- notices personal to a member or responses to e-mails from a member.

## 26.3 Notices to Co-op

### (a) **Delivery**

Notices and documents can be given to the co-op by delivery to the co-op office. If the co-op does not have an office, see section 1.4(a) (Special Meanings – Co-op office).

### (b) **Mail**

Notices and documents can be given by ordinary mail to the co-op addressed to the co-op office. Notices and documents sent by mail are considered delivered on the fifth (5) day after the mailing day.

### (c) **Electronic mail**

Section 1.5(c) (Electronic Notices and Documents) states rules for signing or delivering notices and documents electronically. Members can sign or deliver those documents to the co-op by e-mail at an address set by the co-op. They are considered delivered at the time of sending.

### (d) **Exceptions**

The following are some examples of documents that may **NOT** be signed or delivered electronically unless a by-law says something else:

- applications for membership
- credit check authorizations
- occupancy agreements, including all attachments, schedules and appendices
- statements of income and household composition, as applicable
- co-signer or guarantee agreements
- long-term guest agreements
- requisitions or petitions
- Directors' Ethical Conduct Agreements, Confidentiality and Conflict of Interest Agreements, Consents to serve as Director or any similar documents
- confidential information complaints
- human rights complaints
- other complaints under the co-op by-laws.

## 26.4 Defects in Notice

A minor error or omission in any notice will not affect any decision made by the board or members. This includes accidentally failing to give notice or a document to someone. It also includes someone not receiving a notice or document delivered or sent.

**Schedules**  
**And**  
**Attachments**

## ***Schedule A: Rules of Order***

These are the rules of order for members' meetings. These rules replace any other rules, such as Robert's Rules of Order. Some comments explain the meaning of some of the rules. The comments are part of the rules.

### ***Rule 1: Chair***

In these rules of order, the "chair" means the person chairing the meeting when the rule applies.

1. **Choosing chair:** As stated in section 5.1 of the By-law (Chair), the chair is chosen.
2. **Role of chair:** The chair ensures meetings run smoothly. The chair tries to ensure that members can discuss every item on the agenda fully and fairly and that the meeting comes to a clear conclusion.
3. **Participation by chair:** A chair who wants to discuss a motion must step down until the meeting has dealt with all matters concerning the motion. Another person approved by the members can chair the meeting in the meantime. This applies whether the chair is a member or non-member.
4. **Voting by chair:** Section 5.3(e) of the By-law (Voting – Voting by chair) states when the chair can vote.

### ***Rule 2: Motions***

1. **How to deal with things:** A meeting can deal with an item of business on the agenda in three ways:
  - The member who asked that the item be put on the agenda can ask the members to approve a proposal by "moving" it. If the member does not want to make a motion, another member can make one.
  - The chair can present an item on the agenda and ask if any member wishes to make a motion.
  - A member can present an item on the agenda for discussion without making a motion. The chair decides if a motion is needed. If so, the chair asks for a motion.
2. **Second needed:** Another member must "second" a motion. If there is no seconder, members cannot discuss the motion.
3. **One motion at a time:** Members can only discuss one main motion at a time.

**Comment:** A main motion tells members what the proposal is. It would be helpful if the motion could be written and sent to members before the meeting. If possible, get motions written, given to the chair, and written on a flip chart for members. The secretary reads the motion to the members before a vote is taken.

### ***Rule 3: Speaking***

1. **Speaking on a motion:** Members can discuss a motion after it has been moved and seconded. The chair controls the discussion. Members speak as follows:
  - They can ask questions for information. The chair or the member who moved the motion can answer the questions.
  - They can speak for or against the motion.
  - They speak to the chair.
  - Each speaker speaks for 3 minutes or less. The chair can set a longer or shorter time limit.
  - Members can speak more than once about an item only after all the others who want to speak have done so. The chair can make exceptions.

**Comment:** All those who want to speak should raise their hands or indicate through an electronic message. The chair may keep a speakers' list and call members to speak in order if they have not already spoken. The chair may rule speakers "out of order" if their comments are off the point. Speakers must stop speaking when their time is up.

### ***Rule 4: Amendments***

1. **Motion to amend:** When a member speaks, the member can suggest a change to a main motion. The member does this by moving an amendment. The motion to amend must be seconded like any other motion.
2. **Majority needed:** An amendment must have the same majority as the motion that it amends. This means that an amendment to a proposed by-law requires a two-thirds majority vote to pass.
3. **When not permitted:** An amendment cannot, in the opinion of the chair:
  - be unrelated to the main motion or
  - be contrary to the meaning of the main motion.

**Comment:** Members cannot amend a motion by moving a whole new motion or by an amendment directly against the meaning of the main motion. A member who wants something contrary to the main motion can

- speak against the motion
  - ask the mover and seconder to withdraw the main motion
  - ask the members to defeat the main motion so a different motion can be moved.
4. **Friendly amendments:** A member can ask that the mover and seconder of the main motion accept a change to their motion. If they accept the change, it becomes part of the main motion.
  5. **Withdrawal of a motion:** The member who moved a motion can withdraw it at any time during the discussion if the seconder agrees. If members still want to vote on the motion, they can move and second it themselves.

**Comment:** The mover might decide that this is not the right time to make a decision or might feel that someone else has a better motion to present.

### ***Rule 5: Procedures for Amendments***

1. **Discussion on amendments:** After an amendment has been moved and seconded, speakers can only speak about the amendment. They continue to do so until the amendment has been voted on. The chair will keep a separate speakers' list to discuss amendments.
2. **After amendment:** After the amendment has been voted on, discussion can continue on the motion as amended or the original motion if the amendment was defeated.
3. **Only one amendment:** One motion to amend can be simultaneously on the floor. Members can move to other amendments after the meeting deals with that amendment.
4. **Chair can authorize more than one:** Despite the above, the chair can authorize more motions to amend before earlier ones have been voted on. This would only apply if the later amendment would change the terms of the first one. Amendments are discussed and voted on in reverse order from when they were moved. This means that only the current amendment can be discussed until it is voted on.

**Comment:** Usually, only one amendment at a time should be under consideration. Members can easily become confused if several amendments are being discussed at once. If the chair decides there can be more amendments, great care should be taken to see that members understand what the current amendment is.

### ***Rule 6: Voting***

1. **When to vote:** The chair calls for a vote
  - after every member who wishes to speak has spoken
  - at a fixed time that the members decided the vote would take place
  - after the members pass a motion to call the question
2. **How to vote:** Voting is by show of hands unless the *Co-op Act* or the co-op's by-laws say a vote will be by secret ballot. See section 5.3(d) of the By-law (Voting – Secret ballot).

**Comment:** A vote-by-ballot may be better if the item is sensitive. But it often takes a lot of time.

3. **Counting:** The chair counts the votes and rules on whether or not the motion has passed unless the co-op's by-laws say something different. See By-law sections 8.1 (Election Procedures) and 8.2 (Election Meeting).

4. **Recount:** For the election of directors, recount rules are stated in section 8.3 of the By-law (Recount). In other cases, a member can request a recount immediately after the results are announced. If a quorum is no longer present, the originally announced results will stand. If a quorum is still present, then
  - if the vote was by show of hands, there must be an immediate recount.
  - If the vote was by ballot and four other members supported the request, there must be an immediate recount with scrutineers.
5. **Majority:** Motions are decided by a simple majority unless the *Co-op Act* or the co-op's by-laws say something else. See section 5.4 of the By-law (Majority Required).

**Comment:** A simple majority is more than half of the votes cast. A two-thirds majority is at least two-thirds of the votes cast. Abstentions and spoiled ballots are not considered votes cast. Examples:

- Simple majority:
  - 31 members present, and 25 vote
  - a simple majority is 13 (more than  $25/2 = 12\ 1/2$ )
  - **it is not 50% plus one** (more than  $12\ 1/2 + 1 = 13\ 1/2$ ), which would be 14.
- Two-thirds majority:
  - 31 members present, and 26 vote
  - a two-thirds majority is 18 (at least  $2/3 \times 26 = 17\ 1/3$ )
  - **it is not 17** because it has to be "at least"  $17\ 1/3$

## ***Rule 7: Motions About Procedure***

1. **Calling the question (Vote immediately):** When a member is speaking, the member can ask for an immediate vote by saying, "I call the question" or "I move to end the debate." There must be a seconder. The chair will immediately ask the members to vote on whether they want to finish the discussion. A two-thirds majority vote is needed. The vote is by show of hands.
  - If the motion to call the question is carried, the members vote on the main motion or amendment.
  - Members can continue the discussion if the motion to call the question is defeated.

**Comment:** A motion to call the question should be used when members seem ready to vote, and speakers are not saying anything new. It should be used carefully because it may remove someone's right to speak.

2. **Motion to postpone:** When a member is speaking on a motion or amendment, the member can make a motion to postpone any decision. There must be a seconder to the motion to postpone. A simple majority is needed. The vote is by show of hands. There are three kinds of motions to postpone.

- (a) **Defer the motion:** This means putting off the discussion until another time. The motion can be discussed before voting on it. The motion must state the time or how the time will be decided. Examples:
    - until 9:30 p.m. during the same meeting
    - until after item ... on the agenda for the same meeting
    - until the next meeting
    - until a special meeting to be called by the board.
  - (b) **Refer to the motion:** This means to refer the motion to the board or a committee for a recommendation. They will bring the issue back to the members at a later time. The motion can be discussed before voting on it.
  - (c) **Table the motion:** This means to put off the motion for an indefinite time. It is usually used when members don't want to discuss something or to express their opinions. There is no discussion or debate before voting on the motion.
3. **Motion to take from the table:** When a motion has been tabled, it can be brought back to the members by a motion "to take from the table." This must be on the agenda if it is at a different meeting. There must be a seconder to the motion to take from the table. It can be discussed before voting on it. A simple majority is needed. The vote is by show of hands.
  4. **Motions that waste time:** The chair can rule a motion out of order on the grounds that it is absurd or a waste of time and not worth the members' attention.

### ***Rule 8: Interruptions***

1. **Limits:** Members cannot interrupt another speaker or speak out of turn except in the specific situations stated in this rule. In all cases, the interruption must be as brief as possible and not part of a debate. Members who want to interrupt under this rule should stand up and politely say what their interruption is about.
2. **Point of order:** Members can raise a point of order if they think that the meeting is not following the correct procedure or there is not a quorum at the beginning of a meeting or at the time of a vote. The chair rules on the point of order and takes any action that is necessary.
3. **Question of privilege (point of privilege):** Members who feel that there is a risk to the rights, safety or comfort of the members (or of one member) can raise a question of privilege. It may be a simple thing, such as the need for better ventilation or for the use of a microphone. The chair rules on the question of privilege and takes any action that is necessary.
4. **Point of information:** Members can raise a point of information if they have an important piece of information or question, and dealing with it will save

time in the discussion. A point of information must be very brief. The chair rules on whether it is a point of information and what action should be taken.

5. **Appeals from the chair:** Members can appeal when they think a ruling of the chair is not correct. The appeal must be made immediately after the ruling. There must be a seconder. Both the member who appealed and the chair can give their reasons. There is no other debate or discussion. The chair does not step down. The question: “Do we confirm the decision of the chair?” is put to the vote. The chair does not vote. If the vote is tied, the chair’s ruling is confirmed.

**Comment:** The chair does not have to resign if an appeal is supported by a majority of members. Members have the right to decide how their meetings should run. An appeal is not a vote of confidence. It is simply a way for members to control their meetings.

### ***Rule 9: Unacceptable Behaviour***

1. **Vote of members:** If a member’s behaviour is unruly or inappropriate in a significant way that interferes with the conduct of a meeting, the member may be ejected from the meeting or disconnected electronically by a vote of the members present. There is no discussion or debate. A simple majority is needed.
2. **With or without motion:** The chair can ask the members questions without motion. Anyone speaking on a motion or amendment can also make a motion, but only if the chair permits it. The motion needs a seconder.
3. **Refusing to leave the meeting:** If a member does not leave the meeting after a motion has been passed to eject the member and cannot be disconnected electronically, the member will be considered in breach of the Organizational By-law. Repeated breaches are grounds for eviction under the Occupancy By-law. In addition, the chair or the meeting may take any other measures that are appropriate to remove the member from the meeting.

## ***Schedule B: Confidentiality and Conflict of Interest Agreement***

**TO: Kanata Co-operative Homes Inc.**

I am signing this Agreement as a director, officer, committee member or co-op staff member.

### **CONFIDENTIALITY**

1. I understand that this Agreement applies to
  - (a) Personal information about co-op members and applicants.
  - (b) Confidential information about co-op staff.
  - (c) Confidential information about the co-op or co-op business.
2. I understand that the above is considered confidential information, even if I learn about it from a source unrelated to my position with the co-op and even if it is publicly available.
3. I will not tell anyone any confidential or personal information
  - that I know through my position with the co-op
  - that I learn at meetings related to my position with the co-op or
  - that I know about in any other way.
4. I will not disclose or permit the disclosure of any confidential or personal information in any other way.
5. I will safeguard confidential or personal information that I may have.
6. The only exception is when I am authorized by the board or the co-op by-laws to disclose the information. If I am not sure whether information should be kept confidential, I will ask the board for a decision about it.
7. I agree that the above obligations apply while I have my position with the co-op and after I no longer have that position or any connection with the co-op.
8. I will always give the board any information requested by the board. When I no longer have my position with the co-op, I will return all co-op papers and property to the co-op.
9. While I have a position with the co-op, I will not gossip about the co-op or its members or employees.

### **CONFLICT OF INTEREST**

10. Whenever I am involved in a decision or action of the co-op, I will put the best interests of the co-op ahead of my personal interests and the interests of my relatives and friends.

11. A conflict of interest is where I take part in a decision that benefits me or a relative or friend in a way that is different from most co-op members.
12. I understand that some conflicts of interest are prohibited, and some situations are manageable, as stated in the Organizational By-law.
  - **Prohibited conflicts.** I will not become involved in any prohibited conflict of interest.
  - **Manageable situations.** If I am involved in a potential conflict that is manageable, I will follow the applicable rules as stated in the co-op's Organizational By-law.
13. I promise that I will declare any conflict of interest or situation that could become a conflict of interest as stated in the Organizational By-law. If there is any doubt, I will report the situation to the board, or any committee that I am on, and they will decide if it is a conflict of interest.
14. I promise that I will abide by the conflict of interest rules and definitions in the Organizational By-law. I promise to ask if I have any questions or there is anything I don't understand.
15. I also agree to abide by any legal and government requirements about conflicts of interest that are not included in co-op by-laws.

**GENERAL**

16. I understand that this Agreement is a binding legal document, and I have had the opportunity to obtain legal or other advice before signing it.

Date: \_\_\_\_\_ Signature: \_\_\_\_\_

## ***Schedule C: Director's Ethical Conduct Agreement***

### **TO: Kanata Co-operative Homes Inc.**

I agree to be a director of the co-op and to do my best to advance the interests of the co-op, its members, and its other stakeholders.

1. I am at least 18 years old and am not bankrupt or incapable of managing property under the *Substitute Decisions Act*.

### **BOARD PROCEDURES**

2. CHOOSE ONE:

- (a) I will accept notices to directors by electronic mail.
- (b) I will **NOT** accept notices to directors by electronic mail.

### **DUTIES OF A DIRECTOR**

3. I will perform my duties as a director honestly, in good faith, and in the best interest of the co-op rather than in my own interest.
4. I will use the care, diligence and skill of a reasonably prudent person in performing my duties as a director.
5. I will sign and comply with the co-op's Confidentiality and Conflict of Interest Agreement and all legal and government requirements about confidentiality, privacy and conflict of interest.
6. I will always give the board any information requested by the board. I will return confidential papers to the co-op when requested. I will delete confidential materials from my computers and electronic devices when requested. When I am no longer on the board, I will return all co-op papers and property to the co-op, and I will delete confidential materials from my computers and electronic devices.
7. I will attend all board and members' meetings unless excused by the board based on advance notice of absence.
8. I will prepare for board meetings and act constructively at all board meetings.
9. I will participate in all training programs as decided by the board.

### **ACTING AS A BOARD**

10. I understand that the board acts as a whole. If I disagree with something the board is considering, I will say so at a board meeting. Once the board has made a decision, I will support that decision or remain silent.
11. I understand that directors can act only by a decision at a proper board meeting. Between meetings, I have no authority unless the board has given me the authority to do something, such as sign a document.

12. I understand that even if the board has given me responsibility for something, the final authority and responsibility stays with the board.
13. I understand that if I am an officer or a member of a committee, my duties must be performed as directed by the board and within any limits set by the board.

**RESPECT FOR OTHERS**

14. As a director, I will remain open to other points of view and options. I will not act defensively when directors or members question or disagree with my point of view.
15. I will do my best to work together with the other directors for the good of the co-op. I will not let personal dislikes or grudges affect my conduct or decisions.
16. I will never make statements which in any way harm, put down or show a lack of respect for other directors, members or staff.
17. I will never make statements, take actions or harass anyone in any way that is prohibited under the Ontario *Human Rights Code*.
18. I will make any complaints I may have about the co-op or the co-op's staff only to other directors. I will bring any concerns I may have to the attention of the board.
19. I will support the co-op's staff as they carry out their duties and not say or do anything that might cause them to lose respect among the membership or other staff.

**DUTIES OF A MEMBER**

20. I will perform my duties as a co-op member. I will comply with the by-laws of the co-op.
21. I will not be in arrears while I am a director.

**I have read and understood this Agreement and I agree that I will follow it. I understand that, if I break this Agreement, the board of directors can follow the procedure stated in the Organizational By-law to remove me as a director.**

Date: \_\_\_\_\_ Signature: \_\_\_\_\_  
*Print name:*

## ***Schedule D: Director's Nomination Form***

**To: Kanata Co-operative Homes Inc.**

We nominate \_\_\_\_\_ to run as a candidate for director of the co-operative at the next election meeting of members.

Nominator name: \_\_\_\_\_

Nominator address: \_\_\_\_\_

Nominator signature: \_\_\_\_\_

Date of signing: \_\_\_\_\_

Nominator name: \_\_\_\_\_

Nominator address: \_\_\_\_\_

Nominator signature: \_\_\_\_\_

Date of signing: \_\_\_\_\_

I accept the nomination. Enclosed are the Directors' Ethical Conduct Agreement and Confidentiality and Conflict of Interest Agreement. These will take effect if I am elected.

Candidate signature: \_\_\_\_\_

Date of signing: \_\_\_\_\_