

Cole Road Co-operative Community Inc.

By-law 2015.01

Organizational By-law

Passed by the Board of Directors on 09 February 2015

Confirmed by the Members on 01 March 2015

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By-law No. 2015.01 Organizational Bylaw

This By-law contains the rules under which Cole Road Co-operative Community (the co-op) is organized. The *Co-operative Corporations Act* (the *Act*) regulates the co-op. Certain parts of the *Act* contain rules which are not included in this By-law. Members should refer to them when questions come up.

Article 1: About This By-law

1.1 Priority of This By-law

- (a) This By-law repeals By-law No. 7. Any future by-law can only amend this By-law if the future by-law states that it is doing so.
- (b) If there is a conflict between documents, the documents will govern in the following order:
 - first, the *Act*
 - second, the Articles of Incorporation
 - third, 9.2 and 11.5 of this By-law, to meet the requirements of the Ministry of Housing
 - fourth, the Occupancy By-law of the co-op, and
 - fifth, the rest of this By-law, the other by-laws, and the legally adopted policies, rules and regulations of the co-op.

The co-op, board, members and employees must follow this order of priority.

Article 2: Membership

2.1 Membership

To become members of the co-op, applicants must be approved by the board and become residents of the co-op. When considering applications, the co-op must comply with the *Ontario Human Rights Code*.

2.2 Qualifications for Membership

To become members of the co-op, applicants must be sixteen years or older. The co-op may have other by-laws stating qualifications that applicants must have.

2.3 Applying for Membership

- (a) Persons must apply for membership in writing on the form that the co-op provides.
- (b) All members of an applicant's household who are sixteen years or older, and intend to live in the co-op, must apply for membership or long-term guest status. If they do not, the co-op will not consider the application.
- (c) New members must
 - sign the occupancy agreement
 - pay the lifetime membership fee
 - pay the security deposit, and
 - pay the first month's housing charge.

Applicants will still become members even if they do not do the above, as long as they comply with 2.1 of this By-law.

- (d) The board can require a new member to have a co-signer or to make other special financial arrangements.
- (e) If long-term guests are permitted as part of an applicant's household, the long-term guests and the member must sign a long-term guest agreement as stated in the Occupancy By-law.

2.4 Rejection of Membership Applications

The Board shall not be obliged to give, nor shall any applicant be entitled to receive, written or other reasons for the refusal of an application for membership in the Co-op.

2.5 Transfers and Withdrawals

Members cannot transfer their membership to any other person. Rules that apply to withdrawing from membership are in the Act and Articles 7 and 8 of the Occupancy By-law. Membership ends when a member dies.

Article 3: Members' Meetings

3.1 Annual Members' Meetings

The co-op must hold an annual members' meeting within eighteen months after incorporation. After that first meeting, annual meetings must be held no later than

- fifteen months after the last annual meeting, or
- six months from the end of the co-op's fiscal year.

3.2 Regular Members' Meetings

The board must call regular members' meetings at least two times a year (including the annual meeting and the budget meeting).

3.3 Special Members' Meetings

The board or the members at a proper meeting can call a special members' meeting. Members' meetings can also be called as stated in Article 4 of this By-law.

3.4 Place of Meetings

Members' meetings must be held in the City of Guelph.

3.5 Notice of Members' Meetings

Notice of any members' meeting must be given to the members not less than ten days nor more than fifty days before the date of the meeting. Notice must include the time and place of the meeting. Notice must be given to everyone who is a member at least eleven days before the date for the meeting. 13.2 of this By-law states rules for giving notice. 13.3 of this By-law states how to calculate the right date for giving notice.

3.6 Agenda of Regular or Special Members' Meetings

- (a) The agenda for each **annual meeting** must include
- approving the auditor's report
 - approving the financial statements, and
 - appointing the auditor for the next year.

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

The agenda must also include the general nature of any other business to be dealt with at the meeting. Members can raise any matter at a meeting but they cannot vote on it if it was not included in the agenda.

- (b) The board sets the advance agenda for **all members' meetings**. The notice calling the meeting must either include the agenda or be sent with the agenda. The notice must state the general nature of the items that the members will consider. Members can raise any matter at a meeting but they cannot vote on it if it was not included in the agenda.

If proper notice is given, the members can make any decision or pass any version of a by-law or budget. They can do this even if the version they pass is different from, or contrary to, the original.

Members can add items to the advance agenda as stated in 3.6 (d) and (e) of this By-law.

- (c) At the meeting the members can adopt the advance agenda with or without changes. However, only those items that were included in the notice of meeting or advance agenda distributed by the board, or in a notice as stated in 3.6(d) of this By-law, can be voted on. Items added to the agenda under 3.6 of this By-law must be within the authority of the members as stated in 4.1 of this By-law.

- (d) Members can have any item put on the advance agenda. However, members must give the corporate secretary written notice of the item at least ten days before the deadline for sending out the notice of the meeting.

Any items which members add will be put at the end of the advance agenda unless the members change the order of the agenda during the meeting.

- (e) If the members do not give notice to the corporate secretary in time, they can, at their own expense, give written notice directly to all members at least ten days before the date of the meeting.

- (f) A copy of a proposed by-law or budget does not have to be given with the agenda or notice of meeting. However, a copy must be given to each member as stated in 13.2 of this By-law at least five days before the meeting.

3.7 Continuing a Meeting on Another Date

- (a) If business is not completed at a meeting, the members can make a decision to continue the meeting on another date. The members can set a specific date, or state how a date will be chosen. A majority vote is needed to make the decision.

The agenda of the original meeting will be followed at the continued meeting unless the members decide to change it.

- (b) If the members set a specific date for the continued meeting, there is no need to give another notice. If they do not set a specific date, the board must give at least five days' notice of the continued meeting unless the members decided on a different notice period.
- (c) Decisions made at a continued meeting will have the same effect as if they were made at the original meeting.

3.8 Quorum at Members' Meetings

- (a) Quorum at members' meetings means the minimum number of members who must be present for the co-op to hold a members' meeting and make decisions or transact any business. If there is no quorum, anything discussed has no official status.
- (b) Thirty-five percent of the members make up a quorum.
- (c) A meeting must be called off if a quorum has not arrived thirty minutes after the meeting is scheduled to start. The members who are present can vote to continue the meeting on a date not less than six and not more than fifteen days later. There must be at least five days' notice of the continued meeting.
- (d) If a full quorum has not arrived thirty minutes after the continued meeting is scheduled to start, the quorum for that meeting will be ten percent of the members.
- (e) If members have requisitioned a meeting and there is no quorum present thirty minutes after the meeting was scheduled to start, the meeting must be called off. Those present do not have the right to continue the meeting as in 3.8 (c). The board does not have to call another meeting in response to the requisition.

3.9 Attendance by Non-Members

- (a) Employees of the co-op who are not members have the right to attend and speak at members' meetings unless the members decide otherwise. They cannot vote or make motions.
- (b) Other non-members can attend and speak at meetings only if the chair gives them permission. The members can reverse the chair's permission. Non-members cannot vote or make motions.

3.10 Record of Attendance

The corporate secretary is responsible for recording the names of all persons who attend members' meetings.

3.11 Conduct of Members' Meetings

The **Rules of Order** are a part of this By-law and are attached as Appendix A.

The chair uses the Rules of Order to run members' meetings, and decides any question about procedure which is not in the Rules of Order. The members have the right to appeal the chair's ruling as stated in the Rules of Order.

3.12 Voting

- (a) Every member of the co-op has the right to one vote at any members' meeting. Anyone can vote who is a member at the time that the vote is held.
- (b) Only members who are present at the meeting can vote. Members cannot appoint someone else to vote for them.

- (c) A majority vote is needed to make any decision, unless a by-law, or the *Act*, states differently.
- (d) A two-thirds majority is needed to pass or amend by-laws.
- (e) An abstention is not counted as a vote. A tie vote defeats the motion.

Article 4: Member Control

4.1 Powers of Board and Members

- (a) The board runs the business of the co-op. The members do not do this directly. However, the powers of the members include
 - electing directors under 5.4 of this By-law
 - removing directors under 5.11 of this By-law
 - approving the budget and housing charges under Article 4 of the Occupancy By-law
 - requisitioning directors to act under Article 4 of this By-law, and
 - appointing the auditor each year under 11.3 of this By-law.
- (b) The *Act* allows members' meetings to make decisions if
 - the by-laws or the *Act* say that a members' meeting must decide something
 - the by-laws or the *Act* give members the right to overrule a board decision, or
 - members follow the procedures in the *Act* and in Article 4 of this By-law.

4.2 Requisition for Passing a By-law or Directors' Resolution

- (a) Ten percent of the members can requisition the directors to pass any by-law or resolution. They must sign and deliver a notice to the co-op's office. The notice must state the wording of the by-law or resolution.
- (b) The board does not have to comply with the notice. If it wishes to comply, it must pass the by-law or make the decision within twenty-one days. If confirmation is required, the board must also call a members' meeting to confirm it within the twenty-one day time limit, or put it on the agenda for a meeting that has already been called. The meeting does not have to be held within the twenty-one day limit.

If the board does not wish to comply with the notice, any of the members who requisitioned the meeting can call a members' meeting for that purpose. This members' meeting has the full power to pass the by-law or make the decision. This is the only way that members can adopt a by-law that the board has not passed.
- (c) The rules for these requisitions are in section 70 of the *Act*.

4.3 Requisition To Put a Resolution on the Agenda of a Members' Meeting

- (a) Five per cent of the members can requisition the directors to put a resolution on the advance agenda for the next members' meeting. They must sign and deliver a notice to the co-op's office. The notice must state the wording of the resolution. This notice may include an explanation of the resolution of no more than one thousand words. The board will include this with the notice.
- (b) This procedure does not allow the members to
 - pass a by-law unless the board has already passed it, or

- make a decision unless the members already had the right to make it without a requisition.

It does allow members to remove a director under 5.11 of this By-law.

- (c) Members can have any item put on the advance agenda for a members' meeting as stated in 3.6(d) of this By-law.
- (d) The rules for these requisitions are in section 71 of the *Act*.

4.4 Requisition for a Members' Meeting

- (a) Five percent of the members can requisition the directors to call a meeting for any purpose that is

- connected with the business of the co-op, and
- is in agreement with the *Act*.

They must sign and deliver a notice to the co-op's office. The notice must state the purpose for calling the meeting.

- (b) The board can include the business of the requisitioned meeting as part of any meeting that is scheduled during the time period stated in section 79 of the *Act*. Therefore, it is not necessarily a separate meeting.
- (c) This right to requisition does not allow the members to pass a by-law unless the board has already passed it. This procedure is to be used when the board is not calling members' meetings as often as it should. It does not give the members any authority which they do not already have.
- (d) The rules for these requisitions are in section 79 of the *Act*.

Article 5: Board of Directors

5.1 Powers and Duties of the Board

- (a) The board manages and directs the business of the co-op. It can use all the powers of the co-op, unless the *Act* or the by-laws say that a members' meeting is needed to decide on a specific matter.
- (b) The board can act only by a decision at a proper board meeting.
- (c) The board must carry out the list of responsibilities attached to this By-law as Appendix E.

5.2 Number of Directors and Quorum

- (a) The board is made up of eight (8) directors.
- (b) Quorum at board meetings means the minimum number of directors who must be present to hold a board meeting and make decisions or transact any business.
- (c) Five (5) directors make up a quorum to deal with the business of the co-op.

5.3 Who Can Act as a Director

- (a) The rules stating who can be a director are in section 89 of the *Act*. They are repeated in this By-law.

To be a director, a person must be eighteen years or older and a member of the co-op. A majority of directors must be Canadian citizens or landed immigrants. Anyone who is an undischarged bankrupt or mentally incompetent cannot be a director.

Directors must not owe any money to the co-op other than future payments for their member deposit. A director must have a signed payment agreement for these payments.

- (b) Directors must be elected at a members' meeting. Members cannot be directors if they were present at a meeting and refused to accept the office. If absent, a person must agree in writing to be a director. They must do this within ten days of the meeting. If not, there is a vacancy on the board and 5.12 of this By-law applies.

The co-op can use the sample agreement form that is attached to this By-law as Appendix B.

5.4 Election of Directors

- (a) Members elect the directors. Normally, elections take place at the annual meeting but they can be scheduled for another meeting. If vacancies occur, the board appoints someone as stated in 5.12 of this By-law.
- (b) Sections 90 and 91 of the *Act* state the election procedures that the co-op must follow. The election is by secret ballot. **Members must cast a number of votes equal to the number of positions to be filled. Any ballot which has more or less votes will not be counted.** For example, if the meeting is electing four directors, then members must vote for four of the candidates. Members cannot vote more than once for a candidate. Members cannot appoint someone else to vote for them.
- (c) If the number of nominees is equal to the number to be elected, or less, the corporate secretary will cast a single vote in favour of all the candidates.
- (d) Members can vote only during a proper meeting. There must be a quorum present from the time the ballot boxes open until the final vote is cast. There does not have to be a quorum present while the votes are being counted and when the results of the vote are announced. If there is a tie and a quorum is no longer present, then the board must call a new meeting to complete the election.

5.5 Election Officer or Committee

- (a) Before the meeting to elect directors, the board can appoint an election officer or an election committee. The officer or committee members do not have to be members of the co-op. The election officer or committee is responsible for
- giving information about the election to the members, including educating members on the duties and responsibilities of the board
 - getting candidates
 - making sure that the election follows the rules stated in the *Act* and the co-op's by-laws, and
 - supplying initialed ballots with a number of spaces equal to the number of directors to be elected.
- (b) The election officer or committee should try to have more candidates than the number of directors to be elected.

- (c) If the election officer or committee presents a list of candidates to the meeting, those candidates still have to be nominated. Members can nominate any other candidate.

5.6 Procedures for Elections

- (a) The members can appoint an election officer or committee. If the board has appointed an election officer or committee for the election meeting, the members can approve this appointment for the meeting or appoint someone else. If no one is appointed, the chair can perform the duties of the election officer or committee or appoint someone else.
- (b) The candidates who receive the greatest number of votes are elected to the board. The election officer or committee counts the votes and announces the results. The officer or committee should not announce the number of votes that each candidate got or the order in which they finished.
- (c) A second election must be held immediately if there is a tie for the final position on the board. In the second election only the candidates who were tied for the final position can be on the ballot.
- (d) If a quorum is present and a member moves to have a recount immediately after the results are announced, and ten members agree, there must be an immediate recount with scrutineers present. Detailed results must be announced.
- (e) After the election, the election officer or committee must return the ballots to the ballot box. The ballots must be kept in a sealed container in the co-op office, or some other safe place, for seven days. Then the officer can destroy the ballots.
- (f) During the seven day period ten percent of the members can requisition a special members' meeting to recount the votes. If this happens, the ballots must be kept until the requisitioned meeting. There must be scrutineers present at the recount and detailed results must be announced. Until the recount, the results announced at the election meeting will stand.

5.7 Term of Office

- (a) The directors will have staggered terms. At the first election using this system, the four candidates with the largest number of votes will be elected to a two year term. The next four candidates will be elected to a one year term. All directors will be elected to two year terms from then on.
- In a newly developed co-op, this system of staggered terms will begin with the first election after the co-op has housing units ready for occupancy.
- If an existing co-op does not already have this system, it will begin at the first election after this By-law is passed.
- (b) Unless they resign or are removed, directors serve until the first board meeting following the election of their successors.
- (c) Once the first housing units of the co-op are occupied, no director can be elected for more than two consecutive terms.

5.8 Conduct of Individual Directors

Each director must

- act honestly, in good faith and in the best interests of the co-op at all times
- attend all board and members' meetings, unless excused by the board

- prepare for all meetings, and
- keep confidential any private information about the affairs of the co-op, its members or staff.

5.9 Indemnification of Directors

- (a) The co-op will indemnify all directors and officers, and their heirs and legal personal representatives, to the maximum extent permitted by section 110 of the Act. This includes paying for any judgment or costs against directors and officers less any costs that result from failing to comply with their duties to the co-op. The co-op will indemnify all employees to the same extent.
- The co-op should sign an agreement promising to do this. The co-op can use the sample agreement form that is attached to this By-law as Appendix C.
- (b) The co-op must purchase insurance to cover this liability.

5.10 Resignation of a Director

A director can resign by giving written notice, delivered either to the president or to the co-op office. The resignation will not take effect until the board accepts it. The board must accept any resignation at the first meeting after it is received, unless it is withdrawn.

5.11 Removal of a Director

(a) **Members can remove a director**

The members can remove any director before the end of the director's term. Notice that a motion will be made to remove a director must be given at least ten days before the meeting. This motion must be passed by a majority vote.

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

The board can recommend that the members remove a director if the director

- is absent from three consecutive board meetings without permission or proper excuse
- has broken the confidentiality rules in Article 10 of this By-law
- has not carried out the other responsibilities of a director, or
- has not carried out the responsibilities of a member or has broken the co-op's by-laws.

The board must give written notice to the director of the board meeting held to discuss the recommendation. The notice must state:

- the time and place of the meeting, and
- the reasons for the recommendation.

Notice must be given to the director at least seven days before the meeting.

The director can appear and speak at that board meeting. The board decides and votes on the recommendation without the director present.

If the board votes to recommend the removal of a director, it must present a resolution to the next members' meeting. The members must then make a decision. The director remains in office until the members make a decision.

5.12 Vacancy

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

The members can elect any qualified person to replace the director for the rest of the term of the former director. If the members do not do this, then 5.12(b) applies.

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

If there is still a quorum on the board, the directors can appoint a qualified person for the rest of the term of the former director.

The appointment takes effect immediately. But the election of the director must be put on the agenda for the next members' meeting. The appointment will be considered confirmed unless the members elect someone else.

If no quorum of directors remains in office, the remaining directors must call a members' meeting to fill the vacancies. At that meeting the members elect directors to serve the rest of the terms of the former directors.

- (c) 5.4, 5.5 and 5.6 of this By-law apply to filling vacancies except that normally there is not an election committee.

5.13 Board Meetings

(a) **Place of meetings**

Board meetings must be held in the City of Guelph.

(b) **Regular meetings**

The board must hold regular monthly meetings on a date decided at the previous meeting, or at a regular time set by the board. There is no need to give notice of regular meetings.

(c) **Special meetings**

The board can hold special meetings. A special meeting can be called by a decision of the board, by the president or vice-president, or by a quorum of directors.

Each director must be given at least three days written notice of a special meeting. The notice must state the general nature of the meeting's business.

(d) **Emergency meetings**

A special meeting of the board can be called on less than three days' notice if

- there is an emergency, and
- a quorum of directors is present at the meeting.

Emergency meetings can be called only in very unusual circumstances. For example, roof repairs might have to be done immediately to avoid serious damage. Notice of an emergency meeting must be given in writing or by telephone, and both if possible.

There must be a report to the next regular directors' meeting of any decision made at an emergency meeting.

(e) **Agenda of a board meeting**

An agenda should be given to directors before a board meeting. The agenda contains the items that the directors will consider at the meeting. At regular meetings, however, the board can consider or adopt any motion even if no notice of the item was given.

At special meetings or at emergency meetings, the board can only consider the business stated in the notice, or the agenda given with the notice.

(f) **Giving up the right to a notice**

Directors can give up their right to a notice. This must be done in writing.

- (g) **Chair**
The chair of board meetings can be either the president or another person chosen by the board. The chair can vote on all matters which come before board meetings, but cannot vote a second time if there is a tie.
- (h) **Voting**
A majority vote is needed to make a decision unless this By-law states differently.
- (i) **Procedures**
This By-law's procedures for members' meetings and the Rules of Order also apply to board meetings except when this By-law states differently. Procedures at board meetings will be the same as members' meetings with all appropriate changes.
- (j) **Taking part in meetings**
If none of the directors present at a meeting objects, any or all directors can participate in a board meeting by telephone or other communication equipment. All the directors must be able to hear each other.

5.14 Members, Non-Members and Employees at Board Meetings

Members and employees of the co-op can attend board meetings except when the board makes a decision stating that some or all of the business of the meeting is confidential. Persons who are not directors can speak with the board's permission, but they cannot make motions or vote.

5.15 Minutes of Board Meetings

- (a) The minutes, or brief summaries, of all board meetings should be made available to members as soon as possible after the meeting.
For example, this can be done by publishing them in the co-op newsletter, sending them to members' units, or putting them up in a prominent location in the co-op.
A copy of the board minutes must be available to members in the co-op office during regular office hours.
- (b) Confidential minutes must only be available to board members unless the board decides otherwise.

Article 6: Officers

6.1 Meaning of "Officers"

Unless this By-law or the Act states differently, the word "officers" means only the officers as stated in this article. It does not refer to employees of the co-op.

6.2 Election of Officers

- (a) The board elects the following officers annually, or more often as needed:
- president
 - vice-president
 - corporate secretary
 - treasurer

- the delegate to the Central Ontario Co-operative Housing Federation, and
- the delegate to the Co-operative Housing Federation of Canada.

All officers will be elected at the first meeting after the board's election. The board can fill vacancies as necessary. The board can elect any other officers and give them any authority and duties.

- (b) No person can hold more than one office, except that an officer can be elected as delegate to the Central Ontario Co-operative Housing Federation or the Co-operative Housing Federation of Canada. The same person can be a delegate to both federations.
- (c) All officers must be members of the co-op. Only the president and vice-president must be directors.

The office of president or vice-president becomes vacant as soon as the office-holder resigns, or is removed, as a director.

6.3 Removal of Officers

This section deals with removing an officer. 5.11 of this By-law deals with removing a director.

- (a) A majority of the board can remove any officer by a decision at any time and for any reason. Notice of this decision must be given to all directors.
- (b) If the officer is not a director, the officer is also entitled to notice of the meeting and the opportunity to be heard at the meeting.
- (c) The directors can immediately choose another qualified person to fill the vacancy.

6.4 Resignation of Officers

This section deals with the resignation of an officer. 5.10 of this By-law deals with the resignation of a director.

An officer can resign by giving written notice to the president or the office of the co-op. The resignation takes effect when the board accepts it. The board must accept any resignation at the first meeting after it is received, unless it is withdrawn.

6.5 The President and Vice-President

- (a) The president
- gives leadership to the co-op
 - follows the decisions approved at board and members' meetings, and
 - co-ordinates the work of the board, committees, members and staff.
- (b) The president and vice-president work together to carry out the above responsibilities. They decide how they will share them. They review their roles regularly to make sure that they are carrying out all the responsibilities.

6.6 The Secretary

- (a) The secretary must ensure that
- all required notices of board and members' meetings are given
 - all the necessary documents for board and members' meetings are provided
 - the minute book of the co-op is kept up to date

- all legally required notices are given, such as the notice of meetings
 - all necessary notices are filed with the Ministry of Financial Institutions
 - complete minutes of all board and members' meetings are kept and distributed before the next meeting, and
 - a copy of all new by-laws is given to the members as soon as possible after they are confirmed.
- (b) The secretary will not personally perform these duties if they are part of staff duties. The co-ordinator or manager must see that all the staff duties are done and that legal requirements are met.

6.7 Recording Secretary and Corporate Secretary

The board can appoint a recording secretary and a corporate secretary.

- (a) A **recording secretary** takes and distributes the minutes of board and members' meetings.
- (b) A **corporate secretary** is responsible for all the other duties of the secretary.

6.8 The Treasurer

The treasurer must understand and review the co-op's finances and report on them to the board, the finance committee and the members. The co-ordinator or manager is responsible for the day-to-day financial management of the co-op.

6.9 Delegate to the Central Ontario Co-operative Housing Federation or the Co-operative Housing Federation of Canada

The delegate to each of these federations

- 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 must get direction from the board on important issues if there is time.

Article 7: Staff

7.1 Employment of Staff

- (a) The board hires employees to fill all staff positions.
- (b) The board should provide a job description for each staff position where appropriate. The job description states the responsibilities and authority of the position.
- (c) The board and the members must pass a by-law or a special resolution if they want to employ an outside agency to provide management services.
- (d) A permanent full-time employee cannot live in the co-op.

7.2 Supervision of Staff

- (a) The board is the final authority for the co-op in relation to employees. It sets the terms of employment.

- (b) The employees work under the instructions of the board. However, the personnel policy or job description may state that some employees will work under the instructions of a senior employee.
- (c) Employees must provide any information about their position that the board asks for.

Article 8: Committees

8.1 Creating Committees

There are two ways to create a committee.

- (a) The board can create a committee. It can decide on the duties of the committee and appoint the committee's members.
- (b) A members' meeting can create a committee. The members' meeting can decide on the duties of this committee and appoint the committee's members. These duties are limited by 8.2(b) of this By-law. If the members' meeting does not decide on the duties, the board can do so.

8.2 Role of Committees

- (a) Each committee reports to the board at least quarterly.
- (b) A committee must have the authority from a by-law or from a motion passed by the board to
 - spend any money
 - authorize any expense
 - enter into any contract, or
 - commit the co-op to any action.

Article 9: Conflict of Interest

9.1 Carrying Out Duties

All officers, directors, committee members and employees are bound by the terms and conditions of By-Law 2015.03 (Conflict of Interest By-Law) and must carry out their duties honestly, in good faith and in the best interests of the co-op rather than in their own interest.

Article 10: Information and Confidentiality

10.1 Access to Member's Files and Accounts

Members have the right to see their own personal files and financial accounts during co-op office hours. Members may have to make an appointment. If any member believes that there is an error in their personal file or accounts, co-op staff should try to correct the problem. If staff does not think there is a mistake, they should explain the record to the member. If the member is still not satisfied, the member can take the matter to the board by sending a letter to the board or going to a board meeting. Members can put written statements in their files.

10.2 Confidentiality of Board and Committee Business

- (a) Sometimes directors or committees discuss confidential matters. All directors and committee members must keep these matters secret, even after they are no longer directors, members of the committee, or members of the co-op.
- Confidential matters are
- personal and financial information about members and other residents
 - personal information about co-op employees, and
 - information about co-op business which should be kept secret to protect the co-op.
- (b) Officers, employees or members sometimes learn confidential information. They must keep that information secret and not pass it on to anyone else.
- (c) When the board discusses confidential matters, the minutes of these discussions must be kept in a separate section of the minute book. Only board members can see the confidential minutes.
- (d) Directors must decide which items are confidential. They should remember that members have the right to be fully informed about the co-op's business. They must have a good reason for keeping something confidential.
- (e) Confidential or other personal information may be made available to the board as stated in the Occupancy By-law.
- (f) Directors and committee members should sign a confidentiality agreement. The co-op can use the sample agreement form that is attached to this By-law as Appendix D.

Article 11: Financial

11.1 Fiscal Year

The fiscal year of the co-op starts July 01 and ends June 30 of the following year.

11.2 Bonding Officers and Employees

The following persons must be bonded:

- every officer or employee in charge of or handling money or securities
- every signing officer, and
- any other officer, employee or person under contract that the board decides should be bonded.

11.3 Auditor

- (a) The members appoint an auditor at each annual members' meeting. The auditor can be either a chartered accountant or a chartered accountant firm.
- The auditor stays in office until the members appoint the next auditor. The board will arrange for payment of the auditor if authorized by the members.
- (b) Sections 124 and 125 of the *Act* state how to remove an auditor and appoint a different auditor.
- (c) The auditor must have access to the books, accounts and vouchers of the co-op at all reasonable times.
- (d) The directors, employees and officers of the co-op must provide any information and explanations which the auditor needs.

11.4 Auditor's Report

The auditor reports at the annual members' meeting on the financial statement of the co-op.

11.5 Signing Officers

- (a) The president, vice-president, corporate secretary and the treasurer will be signing officers.
- (b) All cheques or other negotiable documents must be signed by two signing officers. Officers must never sign a blank cheque.
Before signing a cheque or other negotiable document, the officers must make sure that the expense has been properly approved.
- (c) All other documents must be signed by two signing officers. This includes any written commitment of the co-op such as a contract for work to be done. Before signing a document, the officers must make sure that the document has been properly approved.
The board can make a specific decision to appoint any officer, director or employee to sign documents, or any class of documents, for the co-op.
- (d) Signing officers must have board approval before making any commitments, or entering into contracts or obligations, for the co-op.
- (e) When authorizing a document, the board can decide its exact form. If it does not, the signing officers can approve the final document.
- (f) Anyone who has the authority to sign documents can also put the corporate seal on a document.

11.6 Power to Borrow

- (a) The board can
 - borrow money on the credit of the co-op
 - issue, sell or pledge securities of the co-op, and
 - use the property of the co-op as security for a loan or payment of a debt.
- (b) Total liabilities under 11.6 (a) cannot be more than \$25,000, unless the members approve by a special resolution.
- (c) The co-op has or will get a first mortgage loan under a government program. The board may authorize this loan without a special resolution. This includes preliminary funding prior to taking out the first mortgage.
The board must pass a special resolution to obtain any new first mortgage if the co-op has units ready for occupancy. The board does not have to pass a special resolution if it is renewing or refinancing an existing loan without increasing the principal.

11.7 Investment of Co-op Funds

- (a) The board can invest co-op funds in accordance with the terms and conditions of By-Law No. 2015.03 (Investment By-Law).

Article 12: Membership in Federations

12.1 Membership in Federations

The co-op should become a member of co-operative federations and associations which support and promote co-operative housing. The co-op must pay the reasonable expenses of members appointed to attend federation activities.

Article 13: Notice

13.1 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 to a person entitled to it. It also includes a person's not receiving a notice that was sent.

13.2 Delivery of Notice

(a) Except where the *Act* states otherwise, the co-op needs to give only one notice per unit.

Any notice or other document can be

- handed personally to the member
- left with an adult in the member's unit
- left in the mail box
- taped to the door
- delivered in any other manner to the member's unit, or
- put in the member's box in the co-op's internal mail box system.

(b) These rules do not apply to notices given to members when they are being evicted. The rules for eviction notices are in 10.3 of the Occupancy By-law.

13.3 Calculating Time for Notices

When calculating the time for a notice, the date on which the notice is given is not counted, but the date of the meeting or event is counted. For example, a members' meeting is scheduled for Thursday, October 21. The By-law says that there must be a notice of ten days. Counting back ten days, including the day of the meeting, this count will end at Tuesday, October 12. Therefore, notice should be given on or before Monday, October 11. Sundays or holidays are included when counting.

CERTIFIED to be a true copy of By-law No 2015.01 of Cole Road Co-operative Community Inc., passed by the board of directors at a meeting held on the 9th day of February, 2015 and confirmed by a two-thirds majority at a meeting of members held on the 1st day March, 2015.

c/s
Corporate Secretary

Appendix A

Rules Of Order for Members' Meetings

These are rules of order for members' meetings. These rules replace any other rules such as Robert's Rules of Order. There are also comments to explain the meaning of the rules. The comments are not part of the rules.

1. Chair

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

- i. If the board has not appointed a chair, the members can choose the president, the vice-president or anyone else to chair members' meetings. A person can be appointed to chair one meeting or a series of meetings. If the board has appointed a chair, the members must approve that person to chair members' meetings. If the members do not approve that person, they can appoint someone else.
- ii. The chair makes sure that meetings run smoothly. The chair tries to make sure that members have a chance to discuss every item on the agenda fully and fairly and that the meeting comes to a clear conclusion.
- iii. A chair who wants to make or 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.
- iv. The chair does not vote unless there is a tie or the vote is by secret ballot. If there is a tie on a secret ballot, the chair cannot vote a second time. The chair must be a member in order to vote.

2. Motions

The meeting can deal with an item of business on the agenda in three ways:

- i. The member who asked that the item be put on the agenda can ask the members to approve a proposal by "moving" it.
- ii. The chair can present an item on the agenda, and ask if any member wishes to make a motion.
- iii. A member can present an item for discussion without making a motion. The chair decides if a motion is needed. If so, the Chair asks for a motion.

Another member must "second" a motion. Otherwise, members cannot discuss the motion. Members can only discuss one main motion at a time.

3. Speaking

Members discuss a motion after it has been moved and seconded. The chair controls the discussion.

Members speak as follows:

- i. They can ask questions. The chair or the member who moved the motion answers the questions.
- ii. They can speak for or against the motion.
- iii. They speak to the chair.
- iv. Each speaker normally speaks for 3 minutes or less. The chair can set a longer or shorter time limit.
- v. Normally, the chair will allow a member to speak more than once on an item only after others who want to speak have done so.

4. **Amendments**

Members can suggest an amendment to a main motion during discussion. An amendment must be moved and seconded like any other motion. An amendment can:

- take out part of the main motion
- add to it, or
- change parts of it.

An amendment cannot:

- be unrelated to the main motion, or
- be, in the opinion of the chair, directly against the meaning of the main motion.

All speakers must speak about the amendment once it has been moved and seconded. They continue to do so until the amendment has been voted on. The chair will keep a separate speakers' list for the discussion on amendments.

(a) Friendly Amendments

A member can ask that the mover and seconder of the main motion accept an amendment as "friendly". If they agree that it is a "friendly" amendment, it becomes part of the main motion.

(b) More Than One Amendment

The chair can accept more than one amendment if:

- the amendments have been moved and seconded
- they would change the same part of the motion, or
- a second amendment would change the terms of the first one.

The chair can limit the number of amendments at any one time. After the meeting deals with them, the chair can allow members to move other amendments.

(c) Order of Voting on Amendments

The order of discussion and voting on amendments is the **reverse** of the order in which they were moved. This means that discussion and voting begins with **the last amendment moved**.

Any amendment to the main motion that is passed becomes part of the main motion. When there are no more amendments to be discussed, members vote on the (amended) main motion.

(d) Majority of Votes

An amendment must have the same majority as the motion that it amends. Therefore, an amendment to a proposed by-law must have a two-thirds majority.

5. **Withdrawing a Motion**

The member who moved a motion can withdraw it at any time during the discussion if the seconder agrees.

6. **Voting**

The chair calls for a vote once every member who wishes to speak has spoken.

(a) Majority

Motions are decided by simple majority unless the Act or the co-op's by-laws say otherwise. A simple majority vote is more than half of the votes cast, without counting abstentions. A two-thirds majority is two-thirds of the votes cast without counting abstentions. If the co-op votes by ballot, a spoiled ballot will not be considered a vote cast.

(b) Chair

The chair rules on whether or not the motion has passed. Any member can request a recount of votes.

7. Motions About Procedure

(a) Calling the Question

A member who wishes to end the discussion can call for an immediate vote by saying "I call the question" or "I move to end the debate". This motion to **call the question** needs a seconder. The chair will immediately ask members to vote on whether they want to finish the discussion at this point. A two-thirds majority is needed.

If the motion **to call the question** is carried, the members then vote on the main motion or amendment. If the motion **to call the question** is defeated, members can continue to discuss the main motion or amendment.

(b) Motions to Defer, Refer, or Table a Motion

During the discussion on a main motion or an amendment, any speaker can move to

- defer the question
- refer the question, or
- table the motion.

Motion to defer the question

This motion needs a seconder. Members can debate it. It must state the date or time at which the members will discuss the question.

Motion to refer the question

This motion needs a seconder. Members can debate it. It must state to whom the question is referred.

Motion to table the motion

This motion needs a seconder. Members do not debate it.

(c) Motions that Waste Time

The chair can rule a motion out of order on the grounds that it is absurd or wasting time, and not worth the members' attention.

8. Interruptions

Members can speak out of turn if they wish to raise:

- a point of order
- a point of information
- an appeal against the chair's ruling

- a question of privilege.

They can also speak out of turn if they wish **to call the question**.

Once a **point of order** is raised, the chair rules whether it is correct or not, and acts accordingly.

Members who have:

- an important piece of information, or
- a question which will save time in the discussion

can raise a **point of information**.

Members can **appeal** when they think a ruling of the chair is not correct. The appeal needs a seconder, and is not discussed. Both the chair and the member who makes the appeal can give their reasons. 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.

A **question of privilege** does not need a seconder. It is not discussed. The chair rules on the question without calling for a vote.

Appendix B
Director's Code of Conduct
Cole Road Co-operative Community Inc.

1. I agree to be a director of the co-op.
2. I agree that any director can participate in a board meeting by telephone or other communication equipment as long as all persons in the meeting can hear each other.
3. I agree that
 - a. Directors have authority only as a Board. They have no individual authority. Between meetings they have no authority unless the Board has given them authority to do something. For example, the Board may ask a director to meet a member, to write a letter or to sign a document.
 - b. The Board may delegate authority to any individual director, committee, employee or member. However, the final authority and responsibility stays with the Board.
 - c. Directors must avoid conflicts of interest, both direct and indirect. They must always try to put the interests of the co-op before their own personal interests. They must declare any conflict of interest in writing at a Board meeting as soon as it occurs. The Board will deal with the conflict of interest using the procedures set out in the Conflict of Interest By-Law.
 - d. A director who disagrees with a proposal the Board is considering must say so.
 - e. All directors will state their position clearly when the Board is making an important decision.
 - f. Each director must keep confidentiality and follow the Board's policy on confidentiality.
 - g. Each director will obey the By-Laws and rules of the co-op and will pay housing charges on time.
 - h. All directors will remain open to other points of view and options. They will not act defensively when members question or disagree with their decisions.
 - i. All directors will work together for the good of the co-op. They will not let personal dislikes or grudges affect their decisions.
 - j. The Board will not tolerate discriminatory slurs from any director. It will not allow any statements which put down, or show lack of respect for, any member or staff person, especially negative comments concerning:
 - Gender
 - Origin
 - Income
 - Physical, mental or developmental disability, or
 - Sexual orientation
4. I have read and understand the co-op's code of conduct and agree that I will follow it.

Name::

Signature:

Date:

Appendix C
Director's Indemnity Agreement

Cole Road Co-operative Community Inc.

To: _____

You have agreed to be a director. The co-op agrees to indemnify you to the maximum extent permitted by section 110 of the Co-operative Corporations Act. This includes paying for any judgment or costs against you less any costs that result from failing to comply with your duties to the co-op.

Signature for the co-op: _____

Position: _____

Date: _____

Appendix D
Confidentiality Agreement

Cole Road Co-operative Community Inc.

Confidential information is

- personal and financial information about members
- personal information about co-op employees, and
- information about co-op business which should be kept secret to protect the co-op.

I agree that I will keep secret any confidential information that I know through my position with the co-op unless authorized by the board of the co-op. This applies while I am a member of the co-op and after I leave the co-op.

Name: _____

Signature: _____

Date: _____

Appendix E

Board Responsibilities

The board has the following responsibilities:

Members

- approves or rejects membership applications as stated in the by-laws
- sets the advance agenda for all general members' meetings
- reports to the members on the activities of the board and committees
- pays attention to the social and community needs of the members, and
- makes sure that education about co-operatives is available to members.

Finances

- oversees the financial affairs of the co-op
- makes financial decisions for the co-op, and
- makes sure that the co-op has enough insurance coverage.

Organization

- makes sure that the by-laws and continuing resolutions of the board are adopted and reviewed regularly
- gives a clear outline of the responsibilities of staff, committees and members
- directs and coordinates the activities of all committees
- makes sure that the co-op's property is well maintained, and
- involves the co-op in the broader co-operative movement and in the local community.

Employees

- hires, fires and directs employees as stated in the by-laws
- sets the salary and employment terms of employees, and
- makes sure that education about co-operatives is available to employees.

The board can delegate some of these responsibilities to committees or staff. However, the board has the final responsibility.