



Organization

By-law [1]

*Daly Co-operative Inc.
2410 Southvale Crescent*

Ottawa, On. K1B 5K2

Passed by the Board of Directors on _____, 20_____

Confirmed by the members on _____, 20_____

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ORGANIZATIONAL BY-LAW

The purpose of **Daly Co-operative 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 governance of the co-op. It states the basic rules for how the co-op is organized.

Article 1: About This By-law

1.1 Older By-laws will be kept in a file located in the Boardroom/office. The previous organizational By-laws are no longer valid.

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 over 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.

(b) **References to other by-laws**

Sometimes this By-law refers to another Co-op By-law. If the co-op does not have that by-law, the board of directors will decide on anything, which could have been in it. This does not apply if the co-op uses a different name for it or if the co-op includes those things in a different by-law.

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 things in this By-law including the co-op and the members.

(b) **Funding program laws**

If the co-op received funding under an Ontario government program, it may have to follow governance and organizational rules under the *Housing Services Act*. The co-op may also have to follow rules under other funding programs.

(c) **Changing By-laws**

If any part of the co-op by-laws breaks any laws or there are changes in the laws or new interpretations, the board of directors will pass by-law amendments to correct the situation and submit them to the membership for approval.

1.4 Special Meanings

(a) **Co-op office/Boardroom**

The board/office should/will be the designated place that members can use to give things to the co-op or get them from the co-op. The contact person will be the office administrator. When this By-law talks about the “co-op office”, members can use that place or go to that person.

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

Daly Co-op’s Confidentiality and Conflict of Interest Agreement must be signed by all directors, officers, committee members and employee(s) and any members(s) replacing a board member(s) for any reason deemed necessary. This Agreement must be part of the employment contract.

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

All directors must sign the Directors’ Ethical Conduct Agreement.

(d) **Government requirements**

“Government requirements” means the laws, regulations or agreements with government bodies that apply to the coop.

(e) **Office Administrator**

This means the Office Administrator or member(s) who have been authorized to perform some of the administrator’s duties.

(f) **Officers**

“Officers” means Board of Directors in a specific role on the board.

(g) **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.

(h) **Employee(s)**

The word “employee(s)” in co-op by-laws means people who are hired or contracted to perform employee(s) duties at the co-op. 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 employee(s).

Article 2: Membership

2.1 Membership

To become members of the co-op, applicants have to be approved by the board of directors and become residents of the co-op.

2.2 Qualifications for Membership

To become members of the co-op, applicants have to be at least sixteen years old and meet the requirements that are in Daly Co-ops application form.

2.3 Applying for Membership

(a) Who applies?

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

(b) Signing application

Everyone in a household who intends to become a member has to sign a membership application. Anyone else in the household (except children of the applicant) has to sign a long-term guest application. The applications have to be completed and signed using the co-op's standard forms or the co-op will not consider the applications.

(c) Other applicant requirements

Everyone in an applicant's household has to follow the process stated in this by-law.

2.4 Financial Responsibility

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

To comply with the Ontario *Human Rights Code*, the co-op shall ask applicants for income information and credit references, rental history information and authorization for credit checks.

(b) Applicants with credit problems

In case of problems, the board can approve an application if the applicant has a satisfactory guarantor, co-signer or makes other special financial arrangements.

2.5 Moving into the Co-op

(a) Move-in requirements

Prior to move-in, new members must

- sign the occupancy agreement
- pay the lifetime membership fee

- pay the member deposit or follow the member deposit requirements in the Occupancy By-law
- pay the first month's housing charge

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

Prior to move-in, a long-term guest agreement as stated in the Occupancy

By-law has to be signed by the Board of Directors of the co-op. This does not apply to children of the applicants.

Article 3: Calling Members' Meetings

3.1 Annual General Members' Meeting

The board has to call an annual general members' meeting each year. The meeting has to take place not more than six months after the end of the co-op's fiscal year. It also has to be no more than fifteen months after the last annual meeting.

3.2 Other Members' Meetings

The board has to call general members' meeting each year. A members' meeting can also be called by a motion passed at an earlier members' meeting, when it is necessary to do so.

3.3 Notice of Members' Meetings

(a) Length of notice

Notice of a members' meeting has to be given to members at least ten days before the date of the meeting.

(b) Who gets notice?

Notice of a members' meeting has to be given to all members.

(c) Contents of notice

Notice of a members' meeting must state the date, time and place of the meeting. It has to include an agenda for the meeting or state the general nature of the business at the meeting.

(d) Financial statements

A copy of the financial statement and auditor's report has to be given to each member at least ten days before the annual meeting.

(e) Proposed by-law or budget

A proposed by-law or budget has to be mentioned in a notice for the meeting or an agenda sent out with the notice. A copy of the proposed by-law or budget has to be given to each member at least five days before the meeting.

Article 4: Holding Members' Meetings

4.1 Agenda of Members' Meetings

(a) Annual meetings

The agenda for each annual meeting includes:

- presenting the financial statements
- presenting the auditor's report on the financial statements

- appointing the auditor for the next year

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

(b) **All meetings**

The agenda for all meetings must be approved at the meeting. 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, they can discuss other business without voting.

(c) **Proposed agenda**

The board must present a proposed agenda for each members' meeting. The proposed agenda should be sent out with the notice of the meeting.

(d) **Adding items**

Any member can have items put on the proposed agenda by sending a written request to the board. The board has to put the item on the proposed agenda for the next members' meeting. If the next meeting is less than fifteen 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 has to be within the powers of the members.

4.2 **Authority of Members' Meetings**

The 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. Any decision at a members' meeting must be within the powers of the members.

4.3 **Quorum at Members' Meetings**

(a) **Minimum number**

Twenty percent of the total membership 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 a secret ballot, a quorum has to be present at the time the ballots are collected, but not when the result is announced.

- When counting the quorum, the chairperson is included if the chairperson is a member of the co-op.

(b) **If No Quorum**

A meeting should start at the time stated in the notice or as soon after as a quorum arrives. A meeting must be called off if the following apply:

- if a quorum has not arrived by thirty minutes after the time stated in the notice
- if a quorum is not present when it is time for a vote

(c) **Continuing the meeting at a later time**

If a meeting is called off because there is not a quorum, the members who are present can vote to continue the meeting between five and fifteen days later. The agenda for the continued meeting will be the same as for the original meeting. There must be at least two days' notice of the continued meeting.

(d) **Quorum at continued meeting**

If a full quorum has not arrived thirty minutes after the time stated in the notice of the meeting, the quorum for that meeting will be ten percent of the members.

(e) **Appeal meeting or requisitioned meeting**

If a meeting is to consider a member requisition or an appeal of a board decision that is permitted under another by-law, sections 4.3(a) and (b) apply, but the meeting cannot be continued at a later time to consider the requisition or appeal. 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. If a meeting is continued to deal with other items, the requisitioned item or appeal will not be on the agenda for the continued meeting.

4.4 Attendance by Non-Members

(a) **Non-members**

Non-members, including employee(s), can attend and speak at members' meetings only if the chairperson gives them permission. The members can reverse the chairperson's permission. Non-members cannot vote or make motions.

(b) **Office Administrator**

The board will arrange for the office administrator to be present at urgent or special meetings.

4.5 Minutes and Record of Attendance

The board will arrange for the recording secretary to keep minutes and a record of all persons who attend members' meetings. The minutes comply with section 20.1 (Confidentiality of Minutes).

Article 5: Procedure

5.1 Chairperson

(a) Chosen by the board

The chairperson for each members' meeting will be chosen by the board. The board can choose a director or an outside person.

(b) Outside chairperson

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

(c) If board does not choose

If the board does not choose someone else, the chairperson will be the president of the co-op.

5.2 Robert's Rules of Order

Robert's Rules of Order are a part of this By-law. The chairperson 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 have the right to appeal the chairperson's ruling as stated in the Rules of Order.

5.3 Voting

(a) Right to vote

Anyone who is a member of the co-op has the right to one vote at any members meeting.

(b) Must be present

Members can only vote if they are present at the meeting. Members cannot appoint someone else to vote for them. A vote by proxy is not permitted.

(c) Secret ballot

Voting is by show of hands unless there is a secret ballot. There will be a secret ballot in the following cases:

- electing directors
- where the board decides there should be a secret ballot and states this on the agenda for the meeting
- where the members at the meeting decide by simple majority vote (5.4) to have a secret ballot on a motion

(d) Voting by chairperson

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

- **Secret ballot:** The chairperson can vote on a secret ballot. If it is a tie, the chairperson does not get a second vote.

- **Other votes:** The chairperson can vote only to break a tie.

5.4 Majority Required

(a) **Simple majority**

A simple majority vote is needed to make any decision at a members' meeting unless a by-law or the *Co-operative Corporation 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 and without rounding. A two-thirds majority vote is also needed to confirm special resolutions. Special resolutions are required in certain situations stated in the *Co-operative Corporation Act* and the co-op by-laws.

(c) **Calculating majorities**

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

Article 6: Member Control

6.1 *Co-operative Corporation Act* Requirements

The *Co-operative Corporation Act* states the basic requirements for member control and board of director's responsibility.

(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 final say only in the ways stated in the *Co-operative Corporation Act*. The by-laws require member approval for certain actions. Member approval is required when:

- electing directors
- removing directors
- approving the housing charges and any other financial changes to households
- approving operating and capital budgets
- appointing the auditor
- approving commitments as stated in section 23.1(a) (Major Commitments) (When member approval is needed)
- confirming by-laws and by-law changes

6.2 Requisitions

If any members feel that there is a problem that requires a membership decision, they can submit a **requisition**, sometimes called a **petition**. Requisitions are used as a last resort in unusual circumstances where members feel they are not being served by the board. The *Co-operative Corporation Act* has detailed rules for requisitions/petitions. Members should consult the Act.

6.3 Requisition to Put an Item on the Agenda for a Members' Meeting

Members can submit a requisition to put something on the agenda for the next general members' meeting. The requisition can also ask the board to circulate a statement about an item already on the agenda. The requisition must include the exact wording of the statement. The requisition must include:

- **Section 71:** See Section 71 of the *Co-operative Corporation 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 an item 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. In that case, the board calls a general members' meeting to consider the question. If the board does not do that, then anyone who signed the requisition can call the general members' meeting. This kind of requisition must include:

- **Section 70:** of the *Co-operative Corporation Act*.
- **Ten percent:** The requisition must be signed by ten percent of the members.
- **21 days:** The board has to pass or decline the by-law or resolution and call a members' meeting to have this confirmed.
- **General members' meeting:** If the board does not agree with the requisition, it can call a general members' meeting to decide. If the board does not call a general members' meeting within 21 days, then anyone who signed the requisition can call the meeting.
- **60 days:** Meeting must be within this time frame.
- **No repetition:** If the requisition failed, no new requisition is permitted for a similar by-law or resolution for two years.

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 used when:

- The board has not been calling enough meetings
- Members requesting or needing information pertaining to the board
- 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.

This **must include** the following::

- **Section 79:** of the *Co-operative Corporation 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 hold a general members' meeting within 30 days, anyone who signed the requisition can call the meeting. The meeting has to 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-operative Corporation Act*. The following rules apply to requisitions at the Daly Co-op under the *Co-operative Corporation Act* and the Daly Co-op by-laws.

- **Exact wording:** Requisitions must include the exact wording of the proposed motion, resolution or by-laws.
- .
- **Original signatures:** The requisition submitted must have the original of all signatures, **no photocopies**. It cannot be signed or submitted electronically.
- **Multiple pages:** The signatures can be on more than one page, but each page must have the full wording of the proposed motion, resolution or by-law.
- **Time limit(s):** The time limits start when the original requisition is given to the co-op.
- **Calling meetings:** Meetings called under requisitions are called in the same way as other members' meetings with the same notice periods and are 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-operative Corporation Act*, but can put the requisition on the agenda for another members' meeting within the same time limits.

Article 7: Board of Directors

7.1 Number of Directors

The board of directors is made up of seven (7) directors.

7.2 Who can be a Director?

(a) *Co-operative Corporation Act*

Directors have to be members of the co-op who are at least 18 years old and must be member(s) in good standing, as stated in the *Co-operative Corporation Act*. These qualifications are that a director may not be bankrupt or incapable of managing property. 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 who go into **arrears** are stated in the Occupancy By-law.

(c) **Members**

Two or more members who occupy the **same unit** may not be directors at the same time.

Members must be living at the Daly Co-op for a full year in order to be a Director.

Members who are related in any way cannot be directors at the same time.

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

A member cannot be a director or officer as stated in section 18.8 (Rules for Employee(s) and the Occupancy By-law section on “Co-op Employees”.

(e) **Former directors who resigned**

A member who resigns as a director may not be on the board until the second annual election after resigning. Until then, the member cannot be elected to the board or appointed to fill a board vacancy. The member cannot run at the first annual election after resigning.

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

Every director must sign the Directors’ Ethical Conduct Agreement, Confidentiality and Conflict of Interest Agreement. The Agreements have to be signed before the election meeting or within ten days afterwards. A signed copy of each Agreement must be given to the office administrator. If a director fails to do this, the position on the board is automatically vacant.

(g) **Issues about qualification**

A. Before the board elections

Any issues as to 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. The member will not become a director until the board makes a decision..

B. After the board elections

If a question about a director's qualifications at the time of election comes up later, the director will continue on the board until the board makes a decision about it.

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. Prospective members that are considering running for the board should attend 3 (three) board meetings. New members and returning members must attend 3 (three) board meetings in a fiscal year.

D. Board procedure for deciding about qualification

The member must be given written notice of the board meeting to discuss whether the member met the requirements to be a director. The notice has to be given at least ten days before the meeting and must state the date, time and place of the meeting and the reason why the member may not have met the requirements. The member can appear and speak at the meeting. The member 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 years. A term of two 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 a term will not be exactly two years.

(b) First meeting of new board

The board must meet no more than seven days after an annual general members' election meeting or any meeting where more than forty 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 prior to the election will keep their responsibilities under this by-law.

(c) Staggered terms

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

(d) **Election for partial terms**

Sometimes a single election is held for replacing directors with full terms and partial terms remaining. Example: a director resigned and the board did not appoint someone. At those elections, the candidates with the largest number of votes will be elected to the full terms. If there is a tie for the last full-term position, the board will decide. The decision will be recorded in the board minutes.

7.4 Director Term Limits

(a) **One-year gap**

A member who has been a director for two consecutive terms is not eligible to be a director until the next annual election after the second term ended. Until then, the member cannot be elected to the board or appointed to fill a board vacancy. A partial term counts as a term if it is longer than one year.

Article 8: Board Elections

8.1 Election Officer or Committee

(a) Before election meeting

In October, the board can appoint an election committee. The committee will include one appointed director as chairperson. The chairperson will choose up to four (4) members to assist on the committee. The committee is responsible for,

- 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
- making sure the election follows the rules stated in the *Co-operative Corporation Act* and the by-laws
- supplying ballots at the AGM meeting.

(b) Number of candidates

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

(c) Nominations

Nomination forms will be sent to all members. Nominations closing date and time must be set by the committee guidelines and must be issued and followed.

The election committee can present a list of candidates to the members' meeting. Nominations are not required for those candidates. Members can nominate other candidates. Members can nominate themselves. Nominations do not have to be seconded.

Nominations submitted to the committee will be posted on the bulletin boards and updated if the members accept or decline to run in the election(s).

(d) Counting votes

The election committee supervises counting the votes and announces the results. The members' meeting should choose two or more members unrelated to the candidates to count the votes. If there is no election committee, or if the members do not choose people to count the votes, the chairperson will decide how the votes will be counted.

8.2 Election Procedures

(a) GM members' election meeting

Members elect the directors at the AGM meeting, but they can be scheduled for another meeting. If there are vacancies, they are filled as stated in Article 8.6 (Vacancies).

(b) **Voting**

The *Co-operative Corporation Act* states election and voting procedures that the Daly Co-op must follow. These include:

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.
- Members cannot vote more than once for a candidate.
- Members cannot appoint someone else to vote for them by proxy.

(c) **Quorum requirements**

Members can vote only during a proper AGM 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 while the votes are being counted and when the results of the vote are announced.

(d) **Most votes**

The candidates with the most votes are elected to the board. The number of votes for each candidate or the order in which they finished should not be announced. There will be an announcement for,

- The names of candidates elected for a full term and for a partial term.

(e) **Tie vote**

If there is a tie for the last position, there will be a second ballot between the tied candidates. If a quorum is no longer present, the board has to call another meeting to complete the election. If a candidate(s) withdraws another meeting is not necessary. The term of the other directors starts immediately.

(f) **Acclamation**

If the number of nominees is equal to the number to be elected or less, those candidates are elected by acclamation.

(g) **Lower number elected**

If the number of directors elected is lower than the positions available, the vacancies can be filled by the board.

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 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. (Requisition to Call a General Members' Meeting). This requisition must be received during the seven 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. See section 6.5 (Requisition to Call a General Members' Meeting).

(c) **Used ballots**

The election committee will destroy the ballots right after a recount. If there is no recount at the election meeting, the ballots will be kept in a safe place during the seven days following the election meeting. They will be destroyed on the eighth day unless a recount meeting has been requisitioned.

8.4 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 to the co-op office. The resignation will not take effect until the time stated in this notice.

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

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

(c) **If there is not a quorum**

If the resignation would leave 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. The vacancies can be filled by the board or by the members if the item is on the agenda for a members' meeting during the thirty days.

(d) **Withdrawing a resignation**

A director can withdraw a resignation before it takes effect. The resignation must be in writing and submitted to the Board for their approval.

8.5 Removal of a Director

(a) **Members can remove**

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

(b) **Board can recommend 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 given written notice of the board meeting to discuss the recommendation. The notice has to be given at least 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 vote 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's 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 or 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 decide to resign before the next members' meeting. If the director submits a written resignation, it will take effect only as stated in Article 12.3 (Resignation of a Director).

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

The board can remove a director with a prohibited conflict of interest as stated in section 18.5(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.

8.6 Vacancies

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

When the members remove a director, they can elect any qualified person for the rest of the term of the former director. Article 8 (Board Elections) applies with all necessary changes. If the members do not fill the vacancy, the board can do so.

(b) **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.

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

When there is a vacancy on the board and the previous paragraph does not apply, the board 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.

(d) **Board quorum**

If there is a vacancy and the board no longer has a quorum, the remaining directors must call a members' meeting. If they do not do so, then the office

administrator or anyone who was an officer within the last twelve months can call the meeting. At that meeting, the members elect directors to serve the rest of the terms of the former directors.

Article 9: Role of the Board of Directors

9.1 Duties of the 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 powers of the co-op, unless the *Co-operative Corporation Act* or the by-laws say that a members' meeting is needed to decide on an issue. The board's duties are to:

(a) **Members**

- approve or refuse membership applications
- call members' meetings and 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 expected future needs of the co-op
- make sure the co-op has a current building condition assessment, a current reserve fund study and an asset management plan
- 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
- ensures that there is follow-up on all major repairs/renovations
- make sure that the system for responding to member work orders operates efficiently
- follow-up report on equipment inspections to be given to the board

(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 if prudent and cost-effective, such as directors' and officers' liability insurance and employee and contractor dishonesty insurance or bonding
- evaluate long-term maintenance contracts for co-op equipment
- make sure the co-op has a disaster relief plan
- make sure the co-op's electronic records and data are backed up and protected

- insure Fire Regulations are followed and alarms checked regularly

(e) **Organization**

- make sure that co-op by-laws are reviewed every 5 (five) years or sooner if needed
- have a clear outline of the responsibilities of committees and employee(s)
- direct and co-ordinate activities of committees
- involve the co-op in the broader co-operative movement and in the local community

(f) **Employee(s)**

- deal with employee(s) as stated in Article 15 Employee(s)

9.2 Committees and Employee(s)

The board can arrange for items to be done by committees or employee(s). The board has to supervise them. The board has final responsibility and can overrule committees or employee(s).

9.3 Powers of Individual Directors

The board of directors can act only by a decision of the board as a whole. 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-operative Corporation 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 personal interest
- 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
- 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

The board will hold meetings at a regular time and place set by the board.

- Notice must be given for regular meetings.
- The board can consider or adopt a motion even if no advance notice of the item was given.
- The board can change a meeting date if there is a quorum.

(b) Special meetings

The board can hold special meetings. A special meeting can be called by a decision of the board, by the president, vice-president or by a quorum of directors. 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 days written notice. **In case of emergency**, less notice can be given and/or notice can be given in person, by phone or voicemail.
- The notice must state the general nature of the meeting's business.
- An agenda should be included with the notice.
- The board can only adopt motions about things that were within the notice or on the agenda.

(c) E-mail notices

Any director can agree in writing to accept notices by e-mail. E-mail can be used to give those directors notices of board meetings, agendas of board meeting, reports and other documents related to board functions. Highly sensitive materials should not be sent by e-mail, but should be distributed at the meeting and all copies should be collected afterwards and destroyed. A motion by e-mail must be confirmed at the board meeting and included in the minutes on the following board meeting agenda.

(d) Giving up the right to a notice

Directors can give up their right to notice of a specific meeting. This can be done in writing or by attending the meeting.

11.2 Quorum at Board Meetings

Daly Co-op requires a quorum of 50% plus one, which must be present in order to hold a board meeting and make decisions or transact any business. A quorum must consist of at least five board members, which must include a minimum of two executive board members. 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-operative Corporation Act*. If the chairperson is a member of the Daly Co-op board, the chairperson is included when counting the quorum.

11.3 Phone Meetings

Any or all directors can participate in a board meeting by conference phone or other equipment where all the directors can hear each other. A director participating in those ways is considered to be present at the meeting. This type of meeting must be recorded in the next board meeting agenda and minutes.

11.4 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 have to be included in the minutes of the next board meeting. The board poll becomes a legal decision if the board passes a motion to confirm it.

(b) Procedure for board poll

A board poll can be arranged by a decision of the board, president, vice-president or by the office administrator. The poll can be conducted by e-mail, telephone or in another way. All directors must 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 conference or email. The results of the board poll are confirmed at the next scheduled board meeting. At this meeting a motion to pass, and validate the poll results will be recorded in the minutes.
- The action is within the authority of the office administrator or another person who takes the action.

11.5 The Chairperson

The chairperson for all board meetings will be the president or vice-president if the chairperson is absent. The board can choose another director, a member or an outside

person. The chairperson can only vote in order to break a tie and only if the chairperson is a director.

11.6 Voting

Each director has one vote at board meetings. A majority vote is needed to make any decision, unless a bylaw, or the *Co-operative Corporation Act*, states something else. An abstention is not counted as a vote. A tie vote defeats the motion unless the chairperson is a director and votes to break the tie.

11.7 Procedures

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.

11.8 Members, Employee(s) and Guests at Board Meetings

Members, employee(s) and guests can attend the non-confidential part of board meetings with the permission of the board. 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.

11.9 Minutes of Board Meetings

The approved minutes, or brief 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 on the bulletin board and in the co-op office. This does not include confidential minutes as stated in section 20.1 (Confidentiality of Minutes).

Article 12: Officers

12.1 Election of Officers

(a) Electing officers

The following officers are elected by the board of directors annually, or more often as needed:

- President
- Vice-president
- Secretary
- Treasurer
- Chairperson

(b) Electing officers

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.

(c) Qualifications

All officers must be members of the co-op. An office becomes vacant when the officer is no longer a member. If the president or vice-president ceases to be a director, the office automatically becomes vacant.

(d) Only one office

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

12.2 Confidentiality and Conflict of Interest Agreement

All officers who are not directors must sign a Confidentiality and Conflict of Interest Agreement within ten days after they become officers. A signed copy must be given to the office administrator. People who fail to do this are automatically removed as officers.

12.3 Resignation of Officers

(a) Different from resignation as 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 to the co-op office. The resignation will take effect at the time the resignation is received or at the time stated in the resignation, if that is later.

12.4 Removal of Officers

(a) Different from removal as a director

This section deals with removing an officer separate from removal as 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 to 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.

Reasons:

- Chronic Absentee
- Bullying – Article 3 - 3.2 (c) (Discrimination & Harassment)
- Intimidation – Article 3 - 3.2 (c) (Discrimination & Harassment)

Article 13: Officers' Duties

13.1 The President

The President

- gives leadership to the co-op
- 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 in the absence of the chairperson unless the board chooses another board member
- follows the decisions approved at board and members' meetings
- acts as the co-op's representative in dealing(s) with employee(s) unless this duty is given to another officer
- co-ordinates the work of the board, committees, members and employee(s)
- reports about board activities at every members' meeting

13.2 The Vice-President

The vice-president performs the president's duties in the absence of the president and generally works with the president in carrying out the president's duties. The president and vice-president review their roles regularly to make sure that they are carrying out all their responsibilities.

13.3 The Secretary

(a) Role of Secretary

The board secretary is responsible for performing regular secretarial duties for the co-op. The office administrator must see that all the employee(s) duties are done and that legal requirements are met. The secretary will be familiar with employee(s) secretarial duties and report to the board if employee(s) or the office administrator is not adequately performing them. The secretary will perform any secretarial duties that are not part of the office administrator's responsibilities.

(b) Duties

The secretarial duties are:

- giving all required notices of board and members' meetings
- providing all necessary documents for board and members' meetings
- ensuring 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' meeting are distributed before the next meeting
- making all necessary corporate filings with the government
- arranging for a copy of all new by-laws to be given to the members as soon as possible after, they are confirmed.

13.4 The Treasurer

(a) The 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 to the board if the office administrator is not adequately performing her/his duties in relation to finances. The treasurer will report to the board with respect to any financial problems and issues.

(b) Treasurer's duties

The treasurer will

- act as the co-op's representative in dealing with the auditor beyond what is normally done by the office administrator
- work with the office administrator 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 the office administrator, sign the reconciliation statement to show the review has been performed and report to the board on any problems
- work with the office administrator in preparing an annual budget and any capital budget and present the budget to the board
- receive a copy of any management report from the auditor as soon as possible, report to the board on it and work with the office administrator and the board in implementing its recommendations

Article 14: Membership in Federations

14.1 Membership in Federations

The co-op should be a member of the Co-operative Housing Federation of Canada, (CHF), Co-operative Housing Association of Eastern Ontario, (CHASEO), and other co-operative federations and bodies, which support and promote co-operative housing.

14.2 Board Appointments

The board will appoint a delegate and associate delegate to the Co-operative Housing Federation of Canada, the local co-op housing federation and other bodies as necessary. The delegates must be members of the co-op. Directors from the board or regular members can be delegates. If no one accepts a delegate position then the board will appoint a member to the position.

Example: delegates to CHASEO or CHF

14.3 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
- votes at federation meetings
- the delegate should get direction from the board on important issues
- helps to organize Daly Co-op's participation in CHF, CHASEO and other Co-operative federation programs and campaigns

14.4 Expenses

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

Per Diem Policy (pages 15-19) under Schedules and Attachments

Article 15: Employee(s)

15.1 Employment in the Co-op

The board is responsible for the co-op employee(s). This includes:

- recommending amounts for employee(s) required that will be in the budget presented to the members
- arranging contracts with service companies or others or hiring employees
- negotiating the office administrator's fees, salary and employment terms, as applicable
- making sure there is an adequate contract for all employee(s) services including a description of duties, responsibilities and authority
- following the Occupancy By-law section on "Co-op Employees"
- making sure that education about co-operatives is available to all employee(s).

15.2 Dealing with Employee(s)

(a) Board responsibility

The board is the final authority for the co-op in relation to employee(s). This includes:

- dealing with property management or service companies
- supervising the office administrator
- reviewing performance of property management companies and/or employed personnel at least annually
- considering increases in fees or salaries when desirable
- dealing with complaints and problems relating to the office administrator employed personnel
- terminating employee(s) contracts when needed.

(b) Office Administrator

The board can give authority to the co-op office administrator to deal with some of its responsibilities in relation to another employee(s)

15.3 Confidentiality and Conflict of Interest Agreement

The board must make sure that all contracts for employee(s) include an agreement that the employee(s) will follow the confidentiality and conflict of interest requirements of this By-law. This could be in employment contracts or contracts with property management(s) or service companies or other contracts. The board must arrange for all employee(s) to sign a Confidentiality and Conflict of Interest Agreement when they become employed. A signed copy must be kept with the employee(s) contracts. The Agreement must be part of an employment, management

or other contract as long as it says the same basic information and covers all major points exactly as stated in all other documents.

15.4 Employee(s) Information

(a) **Confidential employee(s) information**

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

(b) **Access to confidential employee(s) information**

The board can have access to confidential employee(s) information as necessary to make any decisions about the employee(s). Individual directors can have access only as authorized by the whole board or quorum of the board. They must keep the information confidential. The general membership cannot have access.

(c) **Review by new directors**

Directors must have all significant information about the co-op's contracts and obligations in order to do their job. Within thirty days after they are elected or appointed, each new director should review all the co-op's employment contracts, office administrator contract, employee(s) salaries, benefit payments, fees and related materials.

(d) **Detailed review by new officers**

The officers that are mainly responsible for employee(s) need to have more detailed knowledge of employee(s) information. Within thirty days after they are elected, the president, the treasurer and any other officer designated by the board, will review the complete co-op file for the last year on all employee(s). If there are any active complaints or other issues outstanding when they are elected, the retiring officers will give them all relevant information.

(e) **Backup copies**

The board must ensure that complete copies of all employee(s) contracts and important documents relating to employment are sent to the co-op's lawyer or auditor.

Article 16: Committees

16.1 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 work of the committee is finished or when a committee is ended. The board decides whether to dissolve a committee or allow a committee to continue based on the need for the committee.**

16.2 Committee Membership

The board can appoint members to a committee. Committees can also appoint members unless the board states that they cannot. The board can remove members from a committee whether the committee was created by the board or by a members' meeting.

16.3 Confidentiality and Conflict of Interest Agreement

All committee members must sign a Confidentiality and Conflict of Interest Agreement within ten days after they become members. A signed copy must be given to the office administrator. People who fail to do this are automatically removed from the committee.

16.4 Role of Committees

Committees should report to the board at least quarterly. 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 17: No Payment of Directors and Officers

17.1 No Payment for Being a Director or Officer

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

17.2 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. These expenses must meet guidelines and limits set by the board. The co-op cannot compensate directors or officers for income that was lost because they were spending time at co-op meetings or doing things for the co-op.

17.3 No Other Payment to Directors or Officers

Directors, officers, and their relatives cannot receive any pay, remuneration or compensation from the co-op.

17.4 Contracts with Co-op

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

17.5 Property Management/Office Administrator/Contract Employee(s)

(a) Cannot be director or officer

A member cannot be a director or officer if the member or a relative is employed by a company that provides services to the co-op. This also applies if the member or a relative is related to the business.

(b) Making contract

The co-op may make a contract with a property management or service company or business even though one of its employees or a relative was a director or officer of the co-op within the prior year if all of the following are true:

- The Company was selected after a fair competitive process.
- The director or officer did not take any part in the selection or contracting process, either on behalf of the co-op or the company.
- Conflict of Interest declared and not involved in the decision.
- The director or officer resigns from the board or the office before the contract starts.

- The Company does not employ the director or officer or their relatives at

the co-op for one year after the contract starts – even if it would be permitted under the Occupancy By-law section on “Co-op Employees”.

Article 18: Conflict of Interest

18.1 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-operative Corporation Act* and other legal and government requirements. The first part of this Article explains conflict of interest. The definition of relatives is also important. The second part of this Article states rules for different situations.

18.2 What is Conflict of Interest?

Two things create a conflict of interest:

- someone takes part in a decision on behalf of the co-op
- the decision benefits 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
- employee(s) making a decision or giving advice to 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

18.3 Understanding Conflict of Interest

People who make decisions on behalf of the co-op **must** make the decisions in the **best interests of the co-op – not in their personal interests**. This includes directors, officers, committee members and employee(s). Decisions at a members' meeting are governed by section 18.9 (Members' Conflict of Interest).

18.4 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 conflicts of interest if the person getting the benefit takes part in the decision.

Examples:

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

(b) Prohibited situations

Prohibited situations are things that do not happen in the ordinary operation of co-ops. **They are often illegal.**

Examples:

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

18.5 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 and be recorded in the minutes.

(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 has to 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. The persons who might have a conflict cannot participate in

the process of deciding. They cannot be present while the decision is being made. The conflict declaration and the board decision must be recorded in the minutes of the meeting. This could be in the confidential minutes if appropriate. (In Camera)

(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, before or after the decision is made

(e) **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 take 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. 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 involved 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 so there will not be a prohibited conflict.

(f) **Government requirements**

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

18.6 Rules for Officers

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

18.7 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 chairperson of the committee has to give the board a written report on the situation no later than three 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 make a decision about a committee conflict. The committee has to follow the board decision.

18.8 Rules for Employee(s)

(a) **Declaration by Property Management Company**

If the co-op has a contract with a property management company, 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, or/ and their employee(s) at the co-op or involving the company or its owners or personnel who do not work at the co-op. The written report should state proposed steps to deal with the situation.

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

Service companies and others who are not employees have to follow the same requirements as property management companies under (a).

(c) **Declaration by Office Administrator**

If the office administrator 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, the office administrator has to give a written report and explanation to the president as soon as possible. This has to be presented to the board at the next meeting.

(d) **Declaration by another employee(s)**

Other co-op employees who have a conflict of interest, or are involved in situations that could become conflicts of interest, have to report it to the office administrator immediately. The office administrator will give all immediate directions that are needed and give a written report and explanation to the president 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.

18.9 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 the conflict of interest before taking part in the discussion. Members should try to act in the best interests of the co-op as a whole.

18.10 Proof

(a) When required

The board can ask someone for evidence to prove that there is or is not conflict of interest and that the conflict of interest rules have been followed.

(b) Response

Members and employee(s) 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
- Failure to provide proof can be evidence of non-compliance with conflict of interest requirements

Article 19: Confidential Information

19.1 Co-op Confidentiality Policy

The co-op has information about co-op members and the members themselves deal with and control that information while carrying out duties for the co-op.

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.

19.2 Kinds of Information

(a) Confidential information

Confidential information is

- personal information
- financial information
- confidential co-op information
- confidential employee(s) 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) Financial information

This concerns any details of the financial status, banking information, through the submission and use of a person's Income Tax Assessments.

(d) Confidential co-op information

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

(e) Confidential employee(s) information

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

19.3 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 that is needed for the co-op's operations.
- Personal information will only be kept as long as it is legally needed or

still relevant.

- Members and employee(s) 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.

19.4 Limiting Collection

The co-op will only collect personal information that is necessary to perform 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 subsidy and any other information needed under government requirements
- household composition information for all members in order to know who is living in a unit and to enforce the co-op by-laws
- information about the structural and internal 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 employee

19.5 Limiting Disclosure

(a) **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 employee(s) must follow the requirements of this By-law and the Occupancy By-law about disclosing confidential information. It does not matter how the confidential information was obtained.. It could be by serving on the board or a committee, by 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 obtained the information or even after they are no longer members or co-op employee(s).

(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
- who received it
- the damage or injury that could be the result of the disclosure

19.6 Access to Personal Files and Accounts

(a) **Right to see file**

Members have the right to see their own personal files and financial accounts during co-op office hours. Members must have to make an appointment with the office administrator

(b) **Notes and copies**

Members who look at their files can take notes. They can make photocopies of materials in the file. They must pay any photocopying charge normally charged by the co-op for personal photocopies. The office administrator may decide to make the photocopies for them.

(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 that are not part of a member's personal file. These are kept in a separate legal file.
- The same applies to electronic information, if there is any issue about whether a member can see these items, **the co-op will get legal advice.**

(d) **Written statements by members**

Members can put written statements in their files.

(e) **Errors**

If a member believes that, there is a factual or other error in their personal file or accounts, the Office Administrator should try to correct the problem. If the member is still not satisfied, the member can make a complaint under Article 22 (Confidential Information Complaints).

19.7 Employee(s) Access to Personnel Files

Co-op employee(s) will have the right to see their personnel files as stated in their contracts with the co-op. Access that is not dealt within an employee(s) contract will be decided by the board. The board will be guided by the principles applicable to members' access in this Article.

Article 20: Confidentiality Situations

20.1 Confidentiality of Minutes

(a) Record of attendance

The record of attendance 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 must record all motions passed or rejected. They can also include names of movers and seconders and information on the discussions. This applies to members' meetings, board and committee meetings. At the request of any director, minutes of board meetings should state whether that director voted for or against something. Minutes should record the number of votes for, against, and any abstentions from voting. Any member who votes or abstains from voting must be asked if they wish to have their name recorded. This also applies to board and committee meetings.

(c) **Confidential board minutes**

When the board discusses things involving 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 and employee(s) can see the confidential minutes unless the board decides to let someone else see them. 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 kept fully informed about the co-op's business. The board must have a good reason for keeping something confidential.

(e) **Committee business**

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

20.2 No Taping 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, and also members and guests. It applies whether the people are present in person or by conference call, electronically or photographing.

(b) **Board authorization**

The board can authorize taping or recording of meetings to help in 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.

20.3 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**

The installation of 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 relocation of a security camera.

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

Live monitors, computer or television screens that show images from security cameras will be placed so that only authorized employee(s) 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 as necessary by authorized employee(s). 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 office administrator 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 office administrator believes the records could be relevant.
- The office administrator feels the records could be relevant in a legal proceeding.
- The office administrator has received an indication that the records should be kept as evidence.

20.4 Incidents

(a) **Use of records**

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

(b) **Disputes between members**

Paper, electronic and other records may be requested by someone who is having a dispute with someone else. The following apply:

- The records will be kept if the office administrator is given notice

that they may be needed.

- If the records show information about someone not related to the matter, they will not be shown without that person's written consent.
- If both sides consent in writing, records may be reviewed by those involved or their lawyers or representatives.
- A member can submit to the board a written request to see the records. If the board decides to permit this, the records will be available to people on both sides of the dispute.
- Despite the above, the records will be shown or delivered in obedience 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.

Article 21: Ensuring Privacy

21.1 Privacy Officer/PIP Officer

The president will be the co-op's privacy officer unless the board chooses someone else. The name, business address and business telephone number of the privacy officer will be made available on request.

21.2 Duties of the Privacy Officer

The privacy officer will work with the office administrator to review the co-op's confidential information procedures and consult with the office administrator on specific situations, concerns and issues raised by the office administrator including

the ones in Article 20 (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 on any specific situation and on any recommendations for improvements in the co-op's Confidential Information Practices and Procedures.

21.3 Limits on Privacy Officer

The privacy officer will not have authority to give directions or orders to employee(s), the board, 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 if there is any disagreement, the privacy officer can report the situation to the board. The board's decision will be final.

Article 22: Confidential Information Complaints

22.1 Making Complaints

Any member, employee(s) or other person can make a complaint to the privacy officer about confidential information. Complaints should be in writing 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.

22.2 Informal Action

Depending on the nature of the complaint, the privacy officer may try to resolve the situation informally, by consulting with the member and employee(s) and assisting them to come to an agreement on the issue.

22.3 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 an employee is involved, or if legal advice is needed.

22.4 Investigating Complaints

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

22.5 Board Report

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

22.6 Board Action

The board will decide what steps to take as a result of the report.

22.7 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 given an opportunity to comment. The board may decide to permit the person who complained or the person they complained about, to see the report and to 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 parties involved.

Article 23: Financial

23.1 Major Commitments

(a) When member approval is needed

The following actions are called “**Major Commitments**” in this By-law. They can be taken by the board of directors on behalf of the co-op, but only if they have been authorized by the members under or are within the exceptions located in section 23.1 (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 23.3(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 more than ten years or where the other party can renew the term so the total is more than ten 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 ten years or less (including renewals)
- renewing or extending non-residential leases or signing new non-residential leases of the same space.

(c) **Optional member approval**

The board can request approval from the members for any action that is 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 By-law and Spending By-law. That can be requested at the same members' meeting or another members' meeting.

23.2 Approval Process

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

Member approval for Major Commitments has to be given by special resolution. The board must pass a resolution and the members must approve it, with or without changes, by a two-thirds majority vote at a members' meeting. Member approval is needed for the action, but not necessarily to the specific documents required for the action.

(b) **Board approval process**

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

(c) **Requesting member approval**

When requesting member approval, the board must give a report to the members. The report must include a summary of the proposal and a letter from the co-op's lawyer or auditor commenting on it. The actual documents must be available for members to review before the meeting. If any parts of the report or documents have to be kept confidential or are not yet available, they must be explained orally at the members' meeting.

(d) **Optional approval process**

If the board requests approval under section 23.1(c) (Major Commitments – Optional member approval), two-thirds for a 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.

23.3 Investment of Co-op Money

(a) Government requirements

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

(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

If the co-op has a separate Investment By-law, the board can invest co-op money in other investments that are 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 there are any reserve or special funds, money earned on them will be put back into the funds.

23.4 Financial Year

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

23.5 Auditor

(a) Appointed by members

The members appoint an auditor at each *Annual General Members'* meeting, (*AGM*). The auditor can be either a chartered professional accountant or a chartered professional accountant firm. The auditor stays in office until another

auditor is appointed as stated in the *Co-operative Corporation Act*. The *Act* states how to remove an auditor and appoint a different auditor. The board will arrange for payment of the auditor.

(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 employee(s) must give any information or explanations that the auditor requests.

23.6 Indemnification

(a) **Obligation to indemnify**

The coop will indemnify all directors and officers, and their heirs and legal personal representatives, to the maximum extent permitted by the *Co-operative Corporation Act*.

(b) **Insurance**

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

Article 24: Signing on Behalf of the Co-op

24.1 Committing the Co-op

This Article governs committing the co-op. This includes ordering anything, writing any cheques, 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.

24.2 Board Approval

Board approval must be given before anyone is authorized to commit the co-op to anything or to sign any document. Member approval may also be needed as stated in section 23.1 (Major Commitments). Whoever signs any document must be sure that these approvals have been given.

24.3 Signing

(a) Signing officers

The president, vice-president, secretary and treasurer will be 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. For security and legal reasons, two executive board officers must sign all documents. The board can authorize other board members for signature.

(c) Form of documents

When authorizing a document, the board can decide its exact form. If it does not, the signers can approve the final document.

(d) Kinds of documents

The board can authorize one or more officers, directors, manager/office administrator to sign specific kinds of documents for the co-op.

(e) Cheques

Two 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 make sure that the expense has been properly approved.

24.4 Employee(s) Authority

Employee(s) contracts can give spending and signing authority to the employee(s). This includes employment contracts and property management contracts. When the board approves the employee(s) contract, it is also approving the spending and signing authority stated in it and no additional approval is needed unless approval of the members is required.

24.5 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 25: Giving Notices

25.1 Scope of this Article

“Notices” in this Article includes documents. Notices relating to an eviction are governed by the Occupancy By-law. This Article is about other kinds of notices.

25.2 Notices

(a) Number of notices

Only one notice or one copy of a document needs to 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 hotbox
- slid under the unit door or through a mail slot in the door
- delivered in any other way to the member’s unit

(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 that are sent by mail are considered delivered on the fifth day after the day of mailing.

(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. Notices and documents by e-mail are considered delivered at the time of sending. Members can change their e-mail address by notice to the co-op. Members can also cancel their consent to receive e-mail notices.

25.3 Notices to Co-op

(a) Delivery

Notices and documents can be given to the co-op by delivery to the 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 that are sent by mail are considered delivered on the fifth day after the day of mailing.

(c) Electronic mail

If the co-op has arranged for e-mail notices, members can give notices and documents to the co-op by e-mail at an address set by the co-op. Notices and documents by e-mail are considered delivered at the time of sending.

25.4 Defects in Notice

Minor errors or omissions 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 a member(s). It also includes a member(s) not receiving a notice or document that has been delivered or sent.

SSCHEDULES

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**. There are also comments that explain the meaning of some of the rules. The comments are part of the rules.

Rule 1: Chairperson

The "chairperson" means the person chairing the meeting at the time that the rule applies.

1. **Choosing the chairperson:** The chairperson is chosen as stated in section 5.1 of the By-law (Chairperson).
2. **Role of chairperson:**
 - The chairperson makes sure that meetings run smoothly.
 - The chairperson 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.
3. **Participation by chairperson:** The chairperson 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 chairperson is a member or non-member.
4. **Voting by chairperson:** Section 5.3(d) of the By-law (Voting – Voting by chairperson) states when the chairperson can vote.
5. **Chairperson:** The chairperson will state that at the beginning of every meeting there will be zero tolerance for aggressive and unruly behavior.

Rule 2: Motions

1. **How to deal with items:** 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 chairperson 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 chairperson decides if a motion is needed. If so, the chairperson 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.

Note: A main motion tells members what the proposal is. It is helpful if the motion can be written and sent to members before the meeting. If possible, get motions written, given to the chairperson, 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 chairperson controls the discussion. Members speak as follows:
 - They can ask questions for information. The chairperson or the member who moved the motion can answer the questions.
 - They can speak for or against the motion.
 - They speak to the chairperson.
 - Each speaker speaks for 3 minutes or less. The chairperson can set a longer or shorter time limit.
 - Members can speak more than once on an item only after all others who want to speak have done so. The chairperson can make exceptions.

Note: All those who want to speak should raise their hands. The chairperson or the designate must keep a speakers' list and call members to speak in order if they have not already spoken. The chairperson 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 is speaking, 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 chairperson:
 - be unrelated to the main motion; or
 - be contrary to the meaning of the main motion

Note: Members cannot amend a motion by moving a completely new motion, or by an amendment that is 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 any members still

want to vote on the motion, they can move and second the same motion themselves.

Note: 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 chairperson or the designate will keep a separate speakers' list for the discussion on 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:** Only one motion to amend can be on the floor at one time. After the meeting deals with that amendment, members can move other amendments if they wish.
4. **Chairperson can authorize more than one:** Despite the above, the chairperson 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.

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

Rule 6: Voting

1. **When to vote:** The chairperson 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-operative Corporation Act* or the co-op's by-laws say that a vote will be by secret ballot.

Note: A vote by ballot may be better if the item is a sensitive one. However, it often takes a lot of time.

3. **Counting:** The chairperson or the designate counts the votes and rules on whether or not the motion has passed unless the co-op's by-laws say something different.
4. **Recount:** For 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 results that were originally announced 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 support the request, there must be an immediate recount with scrutineers.

5. **Majority:** Motions are decided by simple majority unless the *Co-operative Corporation Act* or the co-op's by-laws say something else.

Note: 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 votes
 - 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 votes
 - 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: Motion 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 chairperson will immediately ask the members to vote on whether they want to finish the discussion at this point. 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 then vote on the main motion or amendment.
 - If the motion to call the question is defeated, members can continue the discussion.

Note: A motion to call the question should be used when members seem to be ready to vote and when speakers are not saying anything new. It should be used carefully because it may take away 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 motion to postpone.
 - (a) **Defer the motion:** This means to put off discussion to another time. The motion can be discussed before voting on it. The motion must state the time or how the time will be decided.
 - 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 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 do not 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 chairperson can rule a motion out of order on the grounds that it is not applicable to the meeting.

Rule 8: Interruptions

1. **Limits:** Members cannot interrupt another speaker or speak out of turn and acknowledged by the chairperson, except in a specific situation. 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 state their name and 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 chairperson 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 chairperson 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 chairperson:** Members can appeal when they think a ruling of the chairperson is not correct. The appeal must be made immediately after the ruling. There must be a seconder. Both the member who appealed and the chairperson can give their reasons. There is no other debate or discussion. The chairperson does not step down. The question: “Do we confirm the decision of the chairperson?” is put to the vote. The chairperson does not vote. If the vote is tied, the chairperson ruling is confirmed.

Note: The chairperson 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 meeting.

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 by vote of the members present. There is no discussion or debate. A simple majority is needed.
2. **With or without motion:** The chairperson can put the question to the members without a motion. A motion can also be made by anyone who is speaking on a motion or amendment, but only if the chairperson permits it. The motion needs a seconder.
3. **Refusing to leave meeting:** If a member does not leave the meeting after a motion has been passed to eject the member, 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 chairperson of the meeting may take any other measures that are appropriate to remove the member from the meeting.
4. The commencement of the meeting it must be stated that there will be ZERO tolerance for any unacceptable, unruly, or threatening behaviour, in any form.

Schedule B: Confidentiality and Conflict of Interest Agreement

TO: Daly Co-operative Inc.

I am signing this Agreement as a director, officer, committee member or employee(s) member of the co-op.

CONFIDENTIALITY

1. I understand that this Agreement applies to
 - (a) Personal information about co-op members and applicants.
 - (b) Confidential information about co-op employee(s).
 - (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 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, 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 conflict of interest that is prohibited.
 - **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 in writing the situation to the board, or any committee that I am on, and they will decide if it is a conflict of interest.

Examples

- Co-op contracts
 - Business or proposed business as soon as it is tabled
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 do not understand.
 15. I also agree to abide by any legal and government requirements about conflict of interest that are not included in co-op by-laws.
 16. Director's Code of Conduct
 17. Code of Ethics
 18. 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.

Daly Co-operative Inc.

Signature:

Date:

Schedule C: Director's Ethical Conduct Agreement

TO: Daly Co-operative Inc.

I agree to be a director of the Daly Co-operative Inc. and to do my best to continue with the objectives of the co-op.

BOARD PROCEDURES

1. I agree that any director can participate in a board meeting by conference, telephone or other communication equipment where all the directors are able to hear each other.
2. **CHECK 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 personal 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. When I am no longer on the board, I will return all co-op papers and property to the co-op.
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 authority to do something, such as to sign a document on the board's behalf.
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 and if I discover I cannot follow these objectives, I shall resign from the board.
16. I will never make statements, which in any way harm, put down or show a lack of respect for other directors, members or employee(s).
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 employee(s) 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 employee(s) as they carry out their duties and not say or do anything that might cause them to lose respect among the membership or other employee(s).

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.

Daly Co-operative Inc.

Signature:

Date:

Schedule D: Co-signer Agreement

To: **Daly Co-operative Inc.**

From Co-signer(s): _____

Applicant: _____

I wish to assist the applicant to obtain housing at the Co-op. My relationship to the applicant is: _____

I understand that the Co-op may accept the Applicant as a member if I agree to be responsible for the Applicant's financial obligations.

In consideration for the Co-op accepting the Applicant as a member and permitting the Applicant to live at the Co-op, I agree to pay all housing charges and other financial obligations of the Applicant to the Co-op when due.

I understand and agree to the following points:

- I am directly and principally responsible for these obligations. I am not merely a guarantor or surety.

The Co-op cannot do any of the following things without notice or consent to:

- change the terms of the membership or occupancy of the Applicant
- allow the Applicant to move to a different unit with a different housing charge
- change the amount payable by the Applicant because of changes in the housing charges for the Applicant's unit
- change the amount payable by the Applicant because of changes in the Applicant's income if the Applicant receives geared-to-income assistance or subsidy
- extend time to the Applicant for payment or performance of obligations take or not take steps to enforce payment of money or performance of obligations by the Applicant

The Co-op does not have to bring legal action or exercise other remedies against the Applicant or any other person before requiring payment of money or performance of obligations by me. I will remain responsible both before and after the Co-op does this.

I cannot cancel or revoke the obligations I have agreed to in this document.

I agree that the co-op can receive, through its employees or agents, credit information about me from any credit agency or other source.

DALY CO-OPERATIVE INCORPORATED

POLICY MANUAL – PER DIEM

These guidelines are intended to ensure that directors and other volunteers are compensated for expenses incurred while fulfilling their responsibilities on behalf of DALY CO-OPERATIVE INC., and to keep expenses within budgeted amounts.

A. Accommodation

It is expected that directors and other volunteers will exercise discretion in selecting suitable hotel accommodation of a reasonable standard.

Whenever possible, DALY CO-OP employees will arrange hotel accommodations making use of all available discounts.

B. Meals

For each day or part day spent travelling on DALY CO-OP business, directors, and other volunteers are entitled to a meal allowance for each breakfast, lunch and dinner when applicable, provided the meal was not provided free of cost or as part of the transportation cost. When this allowance is paid, no additional amount may be claimed for meals or for gratuities associated with meals. The amount of the meal allowance shall be set each January 1st at the then current Treasury Board of Canada rate applicable to the Federal Public Service.

C. Incidentals

Directors and other volunteers are entitled to an allowance for incidental expenses incurred while travelling on DALY CO-OP business.

Incidental expenses include such items as gratuities (other than those related to meals and taxi use), laundry, dry cleaning, depreciation of luggage, and other personal supplies and services, the cost of which can be attributed to a period in travel status, but for which no other reimbursement or allowance is provided.

The incidental expense allowance will be calculated as 15% of the full daily meal allowance.

An incidental expense allowance shall be paid for each day, or part day in travel status where overnight accommodation is authorized.

D. Transportation

DALY CO-OP will reimburse directors and other volunteers for reasonable and necessary transportation expenses actually incurred in the performance of their duties, excepting travel between their normal place of work and home, as follows:

- (a) where the director or volunteer uses his or her own car, kilometrage at a rate established from time to time by the Board of Directors of DALY CO-OP;
- (b) the cost of air, rail or bus travel, as appropriate;
- (c) taxi or parking costs;
- (d) car rental costs.

Special reduced airfares should be obtained whenever possible. Economy class airfare will be paid when reduced rates are unavailable. Trains or buses should be considered for shorter distances when time permits.

E. Entertainment and Promotion

Unless specifically authorized by the Board of Directors, funds for entertainment and promotion will not be paid to directors and other volunteers.

F. Telephone

A director or other volunteer who is required to travel out of town on DALY CO-OP business is entitled to make reasonable telephone calls home at DALY CO-OP expense.

G. Internet

A director or other volunteer who is required to travel out of town on DALY CO-OP business will be reimbursed for high-speed internet access if access is not already included in the cost of the hotel accommodations.

H. Child-care Reasonable and necessary child-care expenses beyond the claimant's normal child-care expenses and incurred while attending DALY CO-OP meetings shall be reimbursed, upon presentation of receipts, as follows:

- (a) where child-care is provided for one child in the child's or the parent's city of residence, the actual child-care expense incurred, to a maximum of
 - \$50 for each full day's absence for children of pre-school age
 - \$25 for each full day's absence for school-aged children
 - \$70 for each full night's absence
 - \$120 where both daytime and overnight care are required;

- (b) where child-care is provided for more than one child in the children's or the parent's city of residence, the actual child-care expense incurred;

- (c) where the child or children accompany the claimant out of town, the actual childcare expense incurred.

DALY CO-OP will not reimburse travel and hotel expenses for accompanying children above the claimant's own reasonable and necessary expenses.

I. Care for Sick Dependents

Reasonable expenses associated with care for sick dependents, beyond the claimant's normal expenses associated with this care, while attending DALY CO-OP meetings shall be reimbursed upon presentation of receipts. For purposes of this policy, the definition of dependent is as follows:

- any child for whom the director or other volunteer is legally responsible who is under the age of sixteen (16)
- any child for whom the director or other volunteer is legally responsible who is between the ages of sixteen (16) and twenty-five (25) and lives full-time with the director or other volunteer
- any chronically ill or fully disabled relative who lives full-time with the director or other volunteer
- any parent or parent-in-law of the director or other volunteer who is dependent on the director or other volunteer for assistance

J. Loss of Income

Directors and Council members who suffer a loss of income as a result of their attendance at meetings of the DALY CO-OP BOARD, the Ontario Council or the Executive Committee are entitled to be reimbursed for lost income.

Officers who, at DALY CO-OP'S specific request, perform a special assignment for DALY CO-OP in their capacity as officers and who suffer a loss of income as a result may also claim reimbursement for lost income.

Only an actual loss of income will be reimbursed up to the daily maximum. Directors, Council members and officers must provide documentation from their employer of the amount of income lost, or other evidence satisfactory to DALY CO-OP.

The amounts that may be claimed are

- for 2013, up to a maximum of \$145 per day;

- for 2014 and all subsequent years, the maximum amount will be the amount for the prior year adjusted for inflation by applying the change in the national all-item Consumer Price Index over the 12-month period ending July 31 of the prior year. Should CPI for that period be negative, the loss of wages per diem will remain unchanged from the prior-year amount;

- effective January 1, 2017, a minimum of \$90 per day will be paid, regardless of the actual daily wages lost, the minimum rate will not be adjusted for inflation, but will be examined and reset as appropriate, when a routine review of the policy is undertaken.

Self-employed Directors and Council members, when work schedules cannot be re-arranged to accommodate DALY CO-OP meetings or events as described above, may submit a signed letter requesting reimbursement at the minimum daily rate.

K. Filing of Expense Reports

All expense claims, except for meal allowances and public transit expenses, must be substantiated by receipts and must indicate the nature of the activity carried out on DALY CO-OP'S behalf.

Expenses must be claimed within one (1) month of the end of the month in which they were incurred. DALY CO-OP is not obligated to honour late claims.

L. Accountable Advances A director or volunteer who is required to travel out of town on DALY CO-OP business may request an accountable advance prior to travelling, in order to defray expected travel expenses. A full accounting of expenses charged against the advance must be returned to DALY CO-OP along with any unspent funds within one (1) month of the end of the calendar month in which the travel was completed. No further advances will be issued while an advance remains unaccounted for.