

ALLIANCE HOUSING CO-OPERATIVE INC.

BY-LAW NO. 3

ORGANIZATIONAL BY-LAW

(repeals By-law No. 1)

Passed by the Board of Directors on the 8th day of January, 2019.

Confirmed by two-thirds majority of the Members on the 21st day of February, 2019.

BY-LAW NO. 3

Organizational By-law

This by-law contains the rules under which Alliance Housing Co-operative Inc. (the “Co-op”) is organized. The *Co-operative Corporations Act* (the “*Act*”) regulates the Co-op. Certain parts of the *Act* contain rules which are not included in this by-law. Members should refer to them when questions arise.

ARTICLE 1: ABOUT THIS BY-LAW

1.1 Priority of this by-law

- (a) This by-law repeals By-law No 1. Any future by-law can only amend this by-law if the future by-law states that it is doing so.
- (b) If there is a conflict between the documents, the documents will govern in the following order:
 - 1) the *Act*;
 - 2) the Articles of Incorporation;
 - 3) mandatory parts of the *Act* and other mandatory requirements of federal, provincial and municipal law;
 - 4) the rest of this by-law; and
 - 5) the Occupancy By-law of the Co-op, the other by-laws, and the legally adopted policies, rules and regulations of the Co-op.

The Co-op, Board, members and the office must follow this order of priority.

ARTICLE 2: MEMBERSHIP

2.1 Membership

To become members of the Co-op, applicants must be approved by the Board and become residents of the Co-op.

When considering applications, the Co-op must comply with the *Ontario Human Rights Code*.

2.2 Qualifications for Membership

To become members of the Co-op, applicants must be sixteen years or older.¹ The Co-op may have other by-laws stating qualifications that applicants must have.

2.3 Applying for Membership

- (a) Persons must apply for membership in writing on the form that the Co-op provides.
- (b) All members of an applicant's household who are eighteen years or older, and intend to live in the Co-op, must apply for membership or long-term guest status. If they do not, the Co-op will not consider the application.
- (c) New members must
 - sign the Occupancy Agreement;
 - pay the one-time membership fee of \$5.00 per member;
 - pay the member deposit; and
 - pay the first month's housing charge.
- (d) If long-term guests are permitted as part of an applicant's household, the long-term guests and the member must sign a Long-Term Guest Agreement as stated in the Occupancy By-law.

2.4 Transfers and Withdrawals

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

ARTICLE 3: BUDGETS

3.1 Purpose of Budget

(a) Operating budget

Each year the Board of Directors will submit an operating budget for the next fiscal year for approval of the members at a General Meeting. The operating budget must contain:

- the total expected cost of operating the Co-op;
- a breakdown of the total expected cost in detailed categories;
- the full monthly housing charges proposed for each unit or kind of unit; and

¹Persons aged 16 to 17 must have withdrawn from parental control. See *Children's Law Reform Act*, RSO 1990, c. C12, s. 65.

- the charges proposed for each service provided to members and charged separately.

(b) Capital budget

The Board must also prepare a multi-year capital budget for approval of the members if it is planning capital expenses. Preferably, it should be presented to the members at the same time as the operating budget. A capital budget must contain:

- the proposed capital expenses;
- the proposed source of funds;
- the effect of the proposed expenses on the Co-op's capital reserve;
- the effect of the proposed expenses on the Co-op's future operating budget; and
- the estimated timeline for the capital expenses.

(c) All capital expenses will be approved by the Board.

(d) Approval by members

Approval of an operating budget or capital budget by the members authorizes the Board to spend money as stated in the budget.

3.2 Notice of Proposed Budget

A General Meeting can consider a proposed budget and proposed housing charges only if the notice of the General Meeting states that a budget will be considered. The notice must be given as required by the *Co-operative Corporations Act* and the by-laws. A copy of the proposed budget must be delivered to each unit at least ten days before the Budget Meeting. This must include the full housing charges for each type of unit if changes are proposed.

ARTICLE 4: MEMBERS' MEETINGS

4.1 Annual Members' Meetings

The Co-op must hold an Annual Members' Meeting no later than:

- fifteen months after the last Annual Meeting; or
- six months from the end of the Co-op's fiscal year.

4.2 Regular Members' Meetings

The Board must call regular Members' Meetings at least three times a year. These meetings are in addition to the Annual Meeting.

4.3 Special Members' Meetings

The Board or the members at a proper meeting can call a special Members' Meeting. Members' Meetings can also be called as stated in this by-law.

4.4 Place of Meetings

Members' Meetings must be held in the City of Ottawa.

4.5 Notice of Members' Meetings

Notice of any Members' Meeting must be given to the members not less than ten days nor more than fifty days before the date of the meeting. Notice must include the time and place of the meeting. This by-law states rules for giving notice, it also states how to calculate the right date for giving notice.

The Board will try to set the schedule and give notice to the members of all General Meetings at the beginning of the fiscal year.

4.6 Meeting Agendas

- (a) The agenda for each Annual Meeting must include:
- approving the auditor's report;
 - approving the financial statement; and
 - appointing the auditor for the next year.

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

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

- (b) The Board sets the advance agenda for all regular Members' Meetings. The notice calling the meeting must either include the agenda or be sent with the agenda. The notice must state the general nature of the items that the members will consider.

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

Members can add items to the advance agenda as stated in this by-law. If proper notice is given, these items can be voted on at the meeting.

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

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

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

- (e) If the members do not give notice to the secretary in time, they can, at their own expense, give written notice directly to all members at least ten days before the date of the meeting.
- (f) A copy of a proposed by-law or budget does not have to be given with the agenda or notice of meeting. However, a copy must be given to each member as stated in this by-law at least five days before the meeting.

4.7 Continuing a Meeting on Another Date

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

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

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

4.8 Quorum at Members' Meetings

- (a) Quorum at Members' Meetings means the minimum number of members who must be present for the Co-op to hold a Members' Meeting and make decisions or transact any business.

If there is no quorum, anything discussed has no official status.

- (b) Twenty-five percent of the members make up a quorum. Directors shall be included in quorum.
- (c) A meeting must be called off if a quorum has not arrived thirty minutes after the meeting is scheduled to start. The members who are present can vote to continue the meeting on a date not less than five and not more than fifteen days later. There must be at least two days' notice of the continued meeting.

- (d) If a quorum has not arrived one hour after the continued meeting is scheduled to start, the quorum for that meeting will be ten percent of the members.
- (e) If members have requisitioned a meeting and there is no quorum present thirty minutes after the meeting was scheduled to start, the meeting must be called off. Those present do not have the right to continue the meeting at that time. The Board does not have to call another meeting in response to the requisition.

4.9 Attendance by Non-Members

Non-members do not have the right to attend and speak at Members' Meetings unless the members or Board decide otherwise. They cannot vote or make motions.

4.10 Record of Attendance

The secretary is responsible for recording the names of all persons who attend Members' Meetings.

4.11 Conduct of Members' Meetings

The Rules of Order are a part of this by-law and are attached as Annex A.

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

4.12 Voting

- (a) Every member of the Co-op has the right to one vote at any Members' Meeting. Anyone can vote who is a member at the time that the vote is held.
- (b) Only members who are present at the meeting can vote. Members cannot appoint someone else to vote for them.
- (c) A majority vote is needed to make any decision, unless a by-law, or the *Act*, states differently.
- (d) A two-thirds majority is needed to pass or amend by-laws.
- (e) An abstention is not counted as a vote. A tie vote defeats the motion.

ARTICLE 5: MEMBER CONTROL

5.1 Powers of Board and Members

- (a) The Board runs the business of the Co-op. The members do not do this directly. However, the powers of the members include:
 - electing directors;
 - removing directors;
 - approving the budget and housing charges;
 - requisitioning directors to act under this by-law; and
 - appointing the auditor each year under this by-law.
- (b) The *Act* allows members at a Members' Meeting to make decisions if:
 - the by-laws or the *Act* say that a Members' Meeting must decide something;
 - the by-laws or the *Act* give members the right to overrule a Board decision; or
 - members follow the procedures in the *Act* and this by-law.

5.2 Requisition for Passing a By-Law or Directors' Resolution

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

If the Board does not wish to comply with the notice, any of the members who requisitioned the meeting can call a Members' Meeting for that purpose. This Members' Meeting has the full power to pass the by-law or make the decision. This is the only way that members can adopt a by-law that the Board has not passed.

- (c) The rules for these requisitions are in section 70 of the *Act*.

5.3 Requisition to Put a Resolution on the Agenda of a Members' Meeting

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

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

It does allow members to remove a director under this by-law.

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

5.4 Requisition for a Members' Meeting

- (a) Five percent of the members can requisition the directors to call a meeting for any purpose that is:
 - connected with the business of the Co-op; and
 - is in agreement with the *Act*.

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

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

ARTICLE 6: BOARD OF DIRECTORS

6.1 Powers and Duties of the Board

- (a) The Board directs and conducts the business of the Co-op. It can use all the powers of the Co-op, unless the *Act* or the by-laws say that a Members' Meeting is needed to decide on a specific matter.
- (b) The Board can act only by a decision at a proper Board meeting.
- (c) The Board may delegate responsibilities to the office or Committee Chairs.

6.2 Number of Directors and Quorum

- (a) The Board is made up of seven directors.

- (b) Quorum at Board meetings means the minimum number of directors who must be present to hold a Board meeting and make decisions or transact any business.
- (c) Four directors make up a quorum to deal with the business of the Co-op.

6.3 Who Can Act as a Director

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

To be a director, a person must be eighteen years or older and a member of the Co-op.

A majority of directors must be Canadian citizens or landed immigrants. Anyone who is an undischarged bankrupt, in arrears with the Co-op or mentally incompetent cannot be a director.

- (b) Directors must be elected at a Members' Meeting. Members cannot be directors if they were present at a meeting and refused to accept the office. If absent, a person must agree in writing to be a director, in advance of the meeting. If not, there is a vacancy on the Board and the section on Vacancy of this by-law applies.

The Co-op can use the sample agreement form that is attached to this by-law as Annex B.

6.4 Election of Directors

- (a) Members elect the directors. Normally, elections take place at the Annual Meeting but they can be scheduled for another meeting. If vacancies occur, the Board appoints someone as stated in this by-law.
- (b) Sections 90 and 91 of the *Act* state the election procedures that the Co-op must follow.

The election is by secret ballot. Members must cast a number of votes equal to the number of positions to be filled. Any ballot which has more or less votes will not be counted. For example, if the meeting is electing five directors, then members must vote for five of the candidates. Members cannot vote more than once for a candidate. Members cannot appoint someone else to vote for them.

- (c) If the number of nominees is equal to the number to be elected, or less, the chair will cast a single vote in favour of all the candidates.
- (d) Members can vote only during a proper meeting. There must be a quorum present from the time the ballot boxes open until the final vote is cast. There does not have to be a quorum present while the votes are being counted and when the results of the vote are announced. If there is a tie and a quorum is no longer present, then the Board must call a new meeting to complete the election.

6.5 Election Officer or Committee

- (a) Before the meeting to elect directors, the Board can appoint an election officer or an Election Committee.

The election officer or Committee is responsible for:

- giving information about the election to the members, including educating members on the duties and responsibilities of the Board;
- getting candidates;
- making sure that the election follows the rules stated in the *Act* and the Co-op's by-laws; and
- supplying initialed ballots with a number of spaces equal to the number of directors to be elected.

- (b) The election officer or Committee should try to have more candidates than the number of directors to be elected.
- (c) If the election officer or Committee presents a list of candidates to the meeting, those candidates still have to be nominated. Members can nominate any other candidate.

6.6 Procedures for Elections

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

- (f) During the seven day period ten percent of the members can requisition a special Members' Meeting to recount the votes. If this happens, the ballots must be kept until the requisitioned meeting. There must be scrutineers present at the recount and detailed results must be announced. Until the recount, the results announced at the election meeting will stand.

6.7 Term of Office

- (a) The directors will have staggered terms. All directors will be elected to two-year terms.
- (b) Unless they resign or are removed, directors serve until the first Board meeting following the election of their successors.
- (c) No director can be elected for more than two consecutive terms.

6.8 Conduct of Individual Directors

Each director must:

- act honestly, in good faith and in the best interests of the Co-op at all times;
- attend all Board and Members' Meetings, unless excused by the Board;
- prepare for all meetings; and
- keep confidential any private information about the affairs of the Co-op, its members or the office.

6.9 Indemnification of Directors

- (a) The Co-op will indemnify all directors and officers, and their heirs and legal personal representatives, to the maximum extent permitted by section 110 of the *Act*. This includes paying for any judgment or costs against directors and officers less any costs that result from failing to comply with their duties to the Co-op. Attached as Annex B is a sample of the Agreement the Co-op must sign.
- (b) The Co-op must purchase insurance to cover this liability.

6.10 Resignation of a Director

A director can resign by giving written notice, delivered either to the president or to the Co-op office.

The resignation will not take effect until the Board accepts it. The Board must accept any resignation at the first meeting after it is received, unless it is withdrawn.

6.11 Removal of a Director

(a) Members can remove a director

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

(b) The Board can recommend removal

The Board can recommend that the members remove a director if the director:

- is absent from three consecutive Board meetings without permission or proper excuse;
- has broken the confidentiality rules of this by-law;
- has not carried out the other responsibilities of a director; or
- has not carried out the responsibilities of a member or has broken the Co-op's by-laws.

The Board must give written notice to the director of the Board meeting held to discuss the recommendation.

The notice must state:

- i. the time and place of the meeting; and
- ii. the reasons for the recommendation.

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

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

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

6.12 Vacancy

(a) When the members remove a director

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

(b) When vacancies occur for any other reason

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

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

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

- (c) The sections on filling vacancies of this by-law apply except that normally there is not an Election Committee.

6.13 Board Meetings

(a) **Place of meetings**

Board meetings must be held in the City of Ottawa.

(b) **Regular meetings**

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

(c) **Special meetings**

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

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

(d) **Emergency meetings**

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

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

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

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

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

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

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

(f) Giving up the right to a notice

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

(g) Chair

The chair of Board meetings can be either the president or another person chosen by the Board.

The chair can vote on all matters which come before Board meetings, but cannot vote a second time if there is a tie.

(h) Voting

A majority vote is needed to make a decision unless this by-law states differently.

(i) Procedures

This by-law's procedures for Members' Meetings and the Rules of Order also apply to Board meetings except when this by-law states differently. Procedures at Board meetings will be the same as Members' Meetings with all appropriate changes.

(j) Taking part in meetings

If none of the directors present at a meeting objects, any or all directors can participate in a Board meeting by telephone or other communication equipment. All the directors must be able to hear each other.

(k) Voting over email

In case of emergency, the Board can vote on issues and confirm a decision by email provided that all the directors are included in the entire discussion about the issues. The decision must be read into the minutes at the next Board meeting.

6.14 Members at Board Meetings

Members have the right to attend Board meetings except when the Board makes a decision stating that some or all of the business of the meeting is confidential. Persons who are not directors can speak with the Board's permission, but they cannot make motions or vote.

6.15 Minutes of Board Meetings

- (a) The minutes, or brief summaries, of all Board meetings should be made available to members in a timely manner.

For example, this can be done by publishing them in the Co-op newsletter, sending them to members' units, or putting them up in a prominent location in the Co-op.

A copy of the Board minutes must be available to members in the Co-op office by appointment.

- (b) Confidential minutes must only be available to Board members unless the Board decides otherwise.

ARTICLE 7: OFFICERS

7.1 Meaning of “Officers”

Unless this by-law or the *Act* states differently, the word “officers” means only the officers as stated in this article. It does not refer to the office.

7.2 Election of Officers

- (a) The Board elects the following officers annually, or more often as needed:

- president;
- vice-president;
- chair, if the Board wishes to have one;
- secretary; and
- treasurer.

All officers will be elected at the first meeting after the Board’s election. The Board can fill vacancies as necessary. The Board can elect any other officers and give them any authority and duties. The Board can appoint directors to other positions such as Committee liaisons.

- (b) All officers must be members of the Co-op. Only the president and vice-president must be directors.

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

7.3 Removal of Officers

This section deals with removing an officer.

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

7.4 Resignation of Officers

This section deals with the resignation of an officer.

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

7.5 The President and Vice-President

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

7.6 The Secretary

- (a) The secretary must ensure that:
 - all required notices of Board and Members' Meetings are given;
 - all the necessary documents for Board and Members' Meetings are provided;
 - the minute book of the Co-op is kept up to date;
 - all legally required notices are given, such as the notice of meetings;
 - all necessary notices are filed with the Ministry of Financial Institutions;
 - complete minutes of all Board and Members' Meetings are kept and distributed before the next meeting; and
 - a copy of all new by-laws is given to the members as soon as possible after they are confirmed.
- (b) The secretary will not personally perform these duties if they are part of the office duties. The office must see that all the office duties are done and that legal requirements are met.

7.7 Recording Secretary and Corporate Secretary

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

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

7.8 The Treasurer

The treasurer must understand and review the Co-op's finances and report on them to the Board, the Finance Committee, if any, and the members. The office is responsible for the day-to-day record-keeping of the Co-op.

ARTICLE 8: THE OFFICE

8.1 The Office

- (a) The office is responsible for the corporation's central record-keeping. The Board can delegate any responsibilities to the office.
- (b) The Board should provide a job description for the office position where appropriate. The job description states the responsibilities and authority of the position.
- (c) Anyone that is paid for services cannot live in the Co-op.

ARTICLE 9: COMMITTEES

9.1 Creating Committees

There are two ways to create a Committee.

- (a) The Board can create a Committee. It must define the terms of reference of this Committee. The Board appoints the Committee Chair and can appoint the Committee's members.
- (b) Members at a Members' Meeting can create a Committee. The members at a Members' Meeting can decide on the duties of this Committee and appoint the Committee's members. These duties are limited by this by-law. If the members at the Members' Meeting do not decide on the duties, the Board can do so.

9.2 Role of Committees

- (a) Each Committee reports to the Board at least quarterly.
- (b) Committees must take minutes of their meetings and forward a copy to the office.
- (c) A Committee must have the authority from a motion passed by the Board to:
 - spend any money;
 - authorize any expense;
 - enter into any contract; or
 - commit the Co-op to any action.

ARTICLE 10: DIRECTORS IN ARREARS

10.1 Directors' Arrears Policy

If directors are in arrears, it:

- undermines the Co-op's governance;
- weakens the Co-op's financial management; and
- sends the wrong message to members of the Co-op and to government.

10.2 No director arrears

A director must not owe any money to the Co-op other than future payments for a member deposit. A director must have a signed Payment Agreement for these payments.

10.3 Procedure for director arrears

If a director is in arrears, the office will follow the same procedure as with any other member. The office will also report to the Board of Directors on the director's arrears at the next Board meeting if the arrears are not paid in full by that time. If still in arrears, the director will automatically cease to be a member of the Board at the beginning of the meeting.

If there is any dispute about whether there are arrears, the director must state it in writing and deliver it to the office before the next Board meeting. In that case the director will still be on the Board at the beginning of the meeting and can explain the dispute. The Board will decide the dispute. The Board decision is final. If the Board decides the director is in arrears, then the director will automatically cease to be a member of the Board as soon as the decision is made. If the Board does not make a decision, the director will automatically cease to be a member of the Board at the end of the meeting.

10.4 Arrears Payment Agreements

Directors can sign Arrears Payment Agreements like other members, but they will cease to be directors when they sign an Arrears Payment Agreement. This does not apply to Member Deposit Payment Agreements.

ARTICLE 11: CONFLICT OF INTEREST

11.1 Carrying Out Duties

All officers, directors, Committee members and the office must carry out their duties honestly, in good faith and in the best interests of the Co-op rather than in their own interest.

11.2 Payment of Directors and Officers

Directors and officers serve without payment of any kind. However, they have the right to be paid for travelling or other expenses while doing business for the Co-op as long as the expenses are reasonable. The Board must authorize these expenses. These expenses must meet the guidelines and limits set by the Board. Directors and officers cannot receive compensation for lost income while doing business for the Co-op.

Directors and officers 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.

11.3 Types of Conflict of Interest

- (a) A conflict of interest is when someone benefits personally in any way from a decision of the Co-op. This Article covers conflicts of interest of officers, directors, Committee members and the office. It also covers all persons in their households and relatives.
- (b) A conflict of interest can happen when someone living in the Co-op:
 - makes or takes part in a decision affecting the Co-op's affairs; and
 - has a financial or other interest in, or gets a benefit from, the result of that decision which the rest of the Co-op members do not have, or which only a few other members have.
- (c) Examples of conflicts of interest are:
 - the Co-op signs a contract with someone living in the Co-op or a company in which they, their household members or relatives, have a financial interest or any stock; and
 - someone living in the Co-op is personally involved in a disciplinary procedure where they made the complaint or where a household member, friend or relative is being disciplined.

There are other types of conflict of interest. The Co-op should deal with them by using the principles contained in this Article.

11.4 Deciding whether there is a Conflict of Interest

The facts of each case are different, and careful judgment is needed to decide whether or not there is a conflict of interest. Members should follow the procedures below.

11.5 Procedures when there is a Conflict of Interest

- (a) When a director has or may have a conflict of interest:

- i. The director must declare the conflict of interest at the Board meeting considering the matter;
 - ii. If a director does not declare a conflict of interest, but another director is aware of one, the other director must bring it up at a meeting;
 - iii. The Board then decides whether there is a conflict of interest; and
 - iv. If there is a conflict of interest, the director cannot vote on the matter and must not be present during any of the meetings discussing the matter.
- (b) **When a Committee member has or may have a conflict of interest**
If a Committee member has or may have a conflict of interest, the Committee must follow the same procedure as used for the Board. If there is a dispute, the matter can be appealed to the Board. The Board decision is final.
- (d) **All other conflicts of interest**
If any member or officer acting for the Co-op has or may have a conflict of interest they must report it to the Board. The Board must decide on the matter.

11.6 Personal Relationships

Sometimes decisions have to be made which affect the friends or relatives of officers, directors and Committee members. If the relationship is close enough, there may be a conflict of interest.

For example, there might be a decision of the Board to evict a friend of a director. If there is a close relationship, it might influence the director's decision and the director should declare a conflict of interest.

11.7 Members' Conflict of Interest

At Members' Meetings, all members can take part in discussions and vote as they wish, even if they have a conflict of interest. However, members must declare the conflict of interest before taking part in the discussion. Members can vote even if they have a conflict of interest. They should try to act in the best interests of the Co-op as a whole.

ARTICLE 12: PERSONAL INFORMATION PROTECTION AND CONFIDENTIALITY

12.1 Access to Members' Files and Accounts

Members have the right to see their own personal files and financial accounts and must make an appointment with the office. If any member believes that there is an error in their personal

file or accounts, the office should try to correct the problem. If the office does not think there is a mistake, they should explain the record to the member. If the member is still not satisfied, the member can take the matter to the Board by sending a letter to the Board or going to a Board meeting.

Members can put written statements in their files.

12.2 Confidentiality of Board and Committee Business

- (a) Sometimes directors or Committees discuss confidential matters. All directors and Committee members must keep these matters secret, even after they are no longer directors, members of the Committee, or members of the Co-op.

Confidential matters are:

- personal and financial information about members and other residents;
- personal information about Co-op contractors; and
- information about Co-op business which should be kept secret to protect the Co-op.

- (b) Officers, the office or members sometimes learn confidential information. They must keep that information confidential and not pass it on to anyone else.
- (c) When the Board discusses confidential matters, the minutes of these discussions must be kept in a separate section of the minute book. Only Board members can see the confidential minutes.
- (d) Directors must decide which items are confidential. They should remember that members have the right to be fully informed about the Co-op's business. They must have a good reason for keeping something confidential.
- (e) Confidential or other personal information may be made available to the Board as stated in the Occupancy By-law.
- (f) Directors must sign a Confidentiality Agreement. The Co-op can use the sample agreement form that is attached to this by-law as Annex B.

12.3 Personal Information Protection

(a) General

- (i) The Co-op shall only collect the personal information that it requires to ensure sound management of the Co-op and to fulfil its obligations to its members and the government.
- (ii) The Co-op shall use and share personal information only with the agreement of the individuals concerned.

- (iii) The Co-op will store personal information securely to prevent unauthorized use.
The Co-op will destroy personal information when the Co-op no longer needs it.

(b) Complaints Process

If you have a complaint about how the Co-op deals with personal information:

- (i) Talk to the Board to find out if the *Personal Information Protection and Electronic Documents Act* (PIPED Act) covers the subject of your complaint.
 - (ii) If it appears that the Co-op has not followed the PIPED Act, send your complaint to the Board in writing. Wait ten business days' time for a response.
 - (iii) If you are not satisfied with the response, you can take your complaint to the federal Privacy Commissioner.
- (c)** If the Board receives a complaint about how the Co-op deals with personal information, it shall:
- (i) Ask for the complaint in writing. If this is difficult for the person complaining, write the complaint for them and read it back. If the complaint is written for them them, have them sign the complaint to show that they agree with what has been written.
 - (ii) Check into the details of the complaint to find out if it is valid and if it is about something that the PIPED Act covers.
 - If the Act covers the situation, verify if there was a problem with the collection, use, or sharing of personal information.
 - If it is not covered, explain this to the person who is making the complaint. Help them to understand what the Act does and does not cover.
 - (iii) If the complaint is valid, the Board will try to correct the situation. This may mean proposing a change to a Co-op by-law, policy or procedure. The Board will discuss the change at their next meeting.
 - (iv) Contact the person who complained and let them know, both verbally and in writing, what the Board found out during their investigation.
 - (v) If it was a valid complaint, let them know what the Co-op is doing to correct the situation.
 - (vi) Let the person know that they can take their case to the federal Privacy Commissioner. They can do this if they are not satisfied with:
 - The Co-op's action to correct the problem, or
 - The Board's decision that their complaint was not valid.

ARTICLE 13: FINANCIAL

13.1 Fiscal Year

The fiscal year of the Co-op starts May 1 and ends April 30 of the following year.

13.2 Auditor

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

13.3 Auditor's Report

The auditor reports at the annual Members' Meeting on the financial statement of the Co-op.

13.4 Signing Officers

- (a) The president, vice president, secretary and the treasurer will be signing officers.
- (b) All cheques or other negotiable documents must be signed by two signing officers. Officers must never sign a blank cheque. Before signing a cheque or other negotiable document, the officers must make sure that the expense has been properly approved.
- (c) All other documents must be signed by two signing officers. This includes any written commitment of the Co-op such as a contract for work to be done. Before signing a document, the officers must make sure that the document has been properly approved. The Board can make a specific decision to appoint any officer, director or the office to sign documents, or any class of documents, for the Co-op.
- (d) Signing officers must have Board approval before making any commitments, or entering into contracts or obligations, for the Co-op.

- (e) When authorizing a document, the Board can decide its exact form. If it does not, the signing officers can approve the final document.
- (f) Anyone who has the authority to sign documents can also put the corporate seal on a document.

13.5 Power to Borrow

- (a) The Board cannot:
 - borrow money on the credit of the Co-op;
 - issue, sell or pledge securities of the Co-op; and
 - use the property of the Co-op as security for a loan or payment of a debt.
- (b) The Board must pass a special resolution to obtain any new mortgage. The Board does not have to pass a special resolution if it is renewing or refinancing an existing loan without increasing the principal.

13.6 Investment of Co-op Funds

- (a) The Board can invest Co-op funds in government bonds, treasury bills or other securities backed by the governments of Canada or Ontario. The Board can deposit funds with a:
 - credit union;
 - chartered bank;
 - trust company; or
 - Province of Ontario Savings Office.

The Board must not invest Co-op funds in any investment or security other than those mentioned above without the approval of the members.

- (b) If there are any reserve or special funds, money earned on them will be put back into the funds.
- (c) When investing funds, the Board must comply with any limitations in the Co-op's agreements with funding authorities, if any.

13.7 Other Obligations

The Board will follow any requirements in accordance with our Land Lease with the City of Ottawa or any obligations under other Agreements, as per their terms.

ARTICLE 14: NOTICE

14.1 Defects in Notice

A minor error or omission in any notice will not affect any decision made by the Board or members. This includes accidentally failing to give notice to a person entitled to it. It also includes a person's not receiving a notice that has been sent.

14.2 Delivery of Notice

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

Any notice or other document can be:

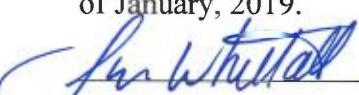
- handed personally to the member;
- left with an adult in the member's unit;
- left in the mail box;
- taped to the door; or
- delivered in any other manner to the member's unit.

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

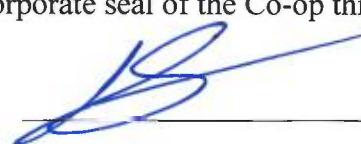
14.3 Calculating Time for Notices

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

PASSED by the Board of Directors and sealed with the corporate seal of the Co-op this 8th day of January, 2019.

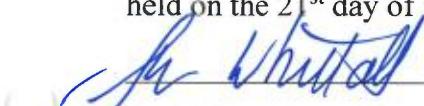


Sue Whittall, President

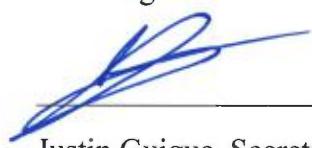


Justin Guigue, Secretary

CONFIRMED by a vote of two-thirds of the members present at a general meeting of members held on the 21st day of February, 2019.



Sue Whittall, President



Justin Guigue, Secretary

Annex A

Rules of Order for Members' Meetings

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

1. Chair

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

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

2. Motions

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

The way items get on the agenda is stated in the Organizational By-law.

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

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

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

3. Speaking

Comment: All those who want to speak should raise their hands. The chair may keep a speaker’s list and call members to speak in order. The chair may rule speakers “out of order” if their comments are off the point.

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

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

4. Amendments

Comment: The chair must make sure that members know which amendment is being discussed. Members can easily become confused if there are several amendments being discussed at once.

Members cannot amend a motion by moving a whole new motion, or by an amendment that is directly against the meaning of the main motion. Members who want to oppose a motion may:

- speak against the motion outline a new motion to be proposed if the current motion is defeated
- ask the mover to withdraw the main motion
- ask the members to defeat the main motion so that they can move a new motion

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

An amendment can:

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

An amendment cannot:

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

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

(a) Friendly Amendments

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

(b) More Than One Amendment

The chair can accept more than one amendment if:

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

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

(c) Order of Voting on Amendments

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

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

(d) Majority of Votes

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

5. Withdrawing a Motion

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

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

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

6. Voting

Comment: Normally, members will vote by a show of hands. The chair asks first for those in favour, then for those against, then for abstentions.

However, the meeting may decide, by a simple majority, to vote by secret ballot. Usually a vote by ballot is better if the item is a sensitive one.

A simple majority is not always fifty percent of the votes plus one. If there are 49 votes cast, a simple majority would be 25 not 26.

(a) Majority

Motions are decided by simple majority unless the *Act* or the Co-op's by-laws say otherwise.

A simple majority vote is more than half of the votes cast, without counting abstentions. A two-thirds majority is two-thirds of the votes cast without counting abstentions. If the Co-op votes by ballot, a spoiled ballot will not be considered a vote cast.

(b) Chair

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

7. Motions About Procedure

Comment: A motion to call the question is an attempt to stop further discussion. It should be used when members seem to be ready to vote and when speakers are not saying anything new. However, it should be used carefully as it may take away someone's right to speak.

(a) Calling the Question

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

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

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

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

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

Comment: To table the motion means to set aside the business for an indefinite period. It is usually used when members don't want to discuss, or express their opinions. At

another time, or at a later meeting, members may pass a motion (by a simple majority) “to take the motion from the table”. They can then continue discussion.

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

Motion to defer the question

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

Motion to refer the question

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

Motion to table the motion

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

(c) Motions that Waste Time

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

8. Interruptions

Comments:

Members may raise a point of order if they think that the meeting is following an incorrect procedure, or there is not a quorum. A point of order should not be used to continue a debate.

A point of information should always be brief and should not be used as debate. Members who wish to raise points of order or points of information should stand up and politely say that they have a point of order or information.

The chair does not have to resign if an appeal is supported by a majority of members. Members have the right to

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

- a point of order;
- a point of information;
- an appeal against the chair's ruling; or
- a question of privilege.

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

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

Members can raise a **point of information** if they have:

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

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.

A member who feels that there is a risk to the rights, safety or comfort of the members (or of one member) may raise a question of privilege. It may be a simple matter, such as the need for better ventilation, or for the use of a microphone. There is no need of a seconder or discussion. The chair gives a ruling on the question of privilege.

Members can **appeal** when they think a ruling of the chair is not correct. The appeal needs a seconder, and is not discussed. Both the chair and the member who makes the appeal can give their reasons. The question: “Do we confirm the decision of the chair?” is put to the vote. The chair does not vote. If the vote is tied, the chair’s ruling is confirmed.

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

Annex B

Director Agreements The Alliance Housing Co-operative Inc.

I agree to be a Director of the Co-op.

I agree that any Director can participate in a Board meeting by telephone or other communication equipment as long as all persons in the meeting can hear each other.

Confidentiality

Confidential information is:

- personal and financial information about members; and
- information about Co-op business which should be kept secret to protect the Co-op.

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

Name:

Signature:

Date:

Director's Indemnity

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

Alliance Housing Co-operative Inc.

Date: _____ Name: _____