



Ontario Co-operative Association

Bylaws

June 15, 2007



Ontario Co-operative Association

BY-LAWS

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ARTICLE I - INTERPRETATION

In this by-law and all other By-laws of the Co-operative:

- (a) "Act" means the Ontario Co-operative Corporations Act, RSO, 1990 C.35 and the regulations pursuant thereto, as amended, and any Act and regulations passed in substitution thereof and unless the context otherwise indicates, all words and phrases used in these By-laws shall have the same meaning as in the Act;
- (b) "Co-operative" means Ontario Co-operative Association;
- (c) "Board" means the Board of Directors of the Co-operative;
- (d) "Member" means an entity that has been approved as a member of the Co-operative by the Board;
- (e) Words importing persons include both individuals and corporations, and male and female, as the context requires.
- (f) "Delegate" means a person elected or appointed by a Member to represent it at meetings of Members.

ARTICLE II – HEAD OFFICE

The head office of the Co-operative shall be located in the Province of Ontario and as determined by the Board of Directors.

ARTICLE III – STATEMENT OF PURPOSE

The business operations of the Co-operative will be carried on throughout Ontario. The purpose of the Co-operative is to be a primary resource and common voice for the development and enhancement of co-operatives and credit unions for the economic and social betterment of Member Co-operatives and through them, the communities and people of Ontario.

ARTICLE IV - MEMBERSHIP

4.01 – Membership

Members of the Ontario Co-operative Association shall be entities organized on a co-operative basis that operate in Ontario and that are approved for membership by the Board of Directors.

4.02 – Members Rights and Responsibilities

Members of the Co-operative have the following responsibilities:

- (a) Review and comment on the annual budget.
- (b) Review and approve membership dues and rates.
- (c) Review and comment on long-term planning documents.
- (d) Appoint the auditor for the next audit period.
- (e) Maintain their account with the Cooperative in good standing.

Members shall enjoy the following rights of membership:

- (a) The right to vote at annual and special meetings of Members; and
- (b) All rights of Members otherwise set out in the Act, the articles and the by-laws of the Co-operative.

4.03 - Membership Dues

- (a) Each Member of the Co-operative shall pay such dues as may be established from time to time, by the Board and approved by the membership.
- (b) The non-payment of dues will be cause for termination of membership. Membership dues must be paid within 3 months from the due date unless the Board and the Member have agreed to a payment schedule.

4.04 - Withdrawal from Membership

- (a) A Member may withdraw from membership on giving such notice as the Board determines, but the Board will not require a Member to give more than 180 days notice of such intended withdrawal.
- (b) No withdrawing Member will be entitled to receive a refund of any fee or dues paid to the Co-operative, nor will any such Member receive or participate in any of the assets of the Co-operative.

4.05 - Termination of Membership

- (a) If a Member's conduct is considered to be detrimental to the welfare of the Co-operative, or if a Member is in breach of its obligations to the Co-operative under the Co-operative's bylaws, or of any Membership Policy adopted by the Co-operative by special resolution from time to time, the

Board may, by resolution passed by a 2/3 vote at a meeting called to consider the resolution, terminate the membership of the Member.

The Member will receive at least 10 days' notice of the meeting at which the resolution is to be considered, together with a statement of the grounds upon which the membership of the Member is proposed to be terminated. The Member is entitled to appear, either personally or by or with an agent or counsel, to make submissions at the meeting before the resolution is considered.

The Board meeting cannot be held any later than 30 days prior to the AGM.

- (b) No entity whose membership has been terminated will be entitled to receive a refund of any fee or dues made or paid to the Co-operative nor will any such Member receive or participate in any of the assets of the Co-operative.

ARTICLE V - MEETINGS OF THE CO-OPERATIVE

5.01 – Delegates

A Member wishing to vote at a meeting of the Members must appoint under its corporate seal as its proxy one of its Directors or officers to attend and vote on its behalf, called a Delegate in this By-law.

5.02 - Annual Meetings

Annual meetings of the Members of the Co-operative will be held at such time and place as may be determined by the Board; provided that the Annual General Meeting shall be held within fifteen months of the preceding Annual General Meeting.

5.03 - Special Meetings

Special meetings of the Members of the Co-operative may be called in the manner prescribed by the Act:

- (a) At such time and place as may be determined by resolution of the Board respecting any business of which the general nature is specified in the notice of the meeting; and
- (b) A meeting of the Members of the Co-operative may be requisitioned by Members according to this procedure:
 - i. Five percent of the Members of the Co-operative may requisition the Directors to call a General Meeting of the Members for any purpose connected with the affairs of the Co-operative that is not inconsistent with the Act.

- ii. The requisition will state the general nature of the business to be presented at the meeting and will be signed by the requisitionists and deposited at the head office of the Co-operative and may consist of several documents in like form, each signed by one or more requisitionists.
- iii. Upon deposit of the requisition at the head office of the Co-operative, the Directors will call the meeting of the Members for the transaction of the business stated in the requisition, and the Secretary shall send the requisite notice of such a meeting to the Members of the Co-operative by these procedures specified in Article 5.03, of these By-laws.
- iv. When, within 30 days, from the date of deposit of the requisition, the Directors do not call and hold the meeting any of the requisitionists may call such meeting, which will be held within sixty days from the date of the deposit of the requisition.
- v. Any reasonable expense incurred by the requisitionists by reason of the failure of the Directors to call such meeting will be repaid to the requisitionists by the Co-operative unless, at the meeting, the Members by a majority of the votes cast reject the reimbursement of the requisitionists.

5.04 - Notice of Meetings - Members

- (a) Notice of the Annual General Meeting, and other meetings of Members shall be given not less than 10 days before the date of the meeting and not more than 50 days before the date of meeting to each Member of the Co-operative and to all persons that the Secretary has been advised have been appointed as Delegates to that meeting, at the last address as shown on the books of the Co-operative. The notice calling a meeting shall describe the general business to be transacted at the meeting.
- (b) Where notice is received by the persons generally entitled to attend a meeting of the Co-operative, an accidental omission to give notice of the record date of the meeting to, or the non-receipt of notice by, a Member will not invalidate the meeting or any resolution or any proceedings taken at the meeting will not prevent the holding of the meeting.

5.05 - Quorum

- (a) Subject to article 5.05 (b), the quorum at any meeting of the Members of the Co-operative for a regular, Annual General or special meeting is at least thirty-three percent of the Members at the time of the record date of the meeting.
- (b) Where a quorum is not present at a meeting, the meeting will be adjourned to a fixed time and place, and the Secretary will cause a notice of the adjourned meeting to be sent to all Members appointed for the meeting, which time shall not be more than 60 days from the date originally scheduled for the meeting, and upon the meeting being reconvened, the meeting will proceed, and the Members present through their Delegates shall constitute a quorum, but no business will be transacted at that meeting other than described in the original notice.

5.06 - Procedure at Meetings

Business to be brought before a meeting having a direct relationship to the Co-operative will take precedence over more general business, unless a two-thirds majority vote of the Members present decides otherwise.

5.07 - Voting

- (a) A Member will have one vote per motion at meetings of the Co-operative.
- (b) Any question coming before any meeting of the Members, except as otherwise required by the Act or these By-laws, will be decided by a majority of votes, and in the case of a tie, the motion will be declared lost.

ARTICLE VI - BOARD OF DIRECTORS

6.01 General

- (a) Powers of the Board - The Board will manage or supervise the business and affairs of the Co-operative.
- (b) Number of Directors - The number of Directors on the Board will be 9.
- (c) Directors will hold office for three years, except for the director with the qualifications in paragraph 6.01 (f), who shall serve for a term of one year. The term of office of a director expires at the close of the Annual General Meeting.
- (d) After serving two consecutive three-year terms, a person shall be ineligible to be elected as a director at the Annual General Meeting at which time that second term expires.
- (e) Democratic - A Director may cast one vote per motion.

- (f) One of the directors shall have the following qualifications:
 - i. he/she is less than 25 years of age at the time of his/her election, and
 - ii. is either an employee or member of a member co-operative, and
 - iii. have the understanding that they are to represent youth.
 - iv. A nominee's qualification to run for the board is not affected by his or her being a member or employee of a member mentioned in Section (g) below.
- (g) Five of the directors (or fewer, if fewer than five are so nominated) shall have the qualification that they have been nominated by a member paying \$25,000 or more annually in dues, with each such member being restricted to one nomination, with the exception of a member whose employee or member is running for election as a director under 6.01 (f)

6.02 – Nomination and Election of Directors

- (a) Nominating Committee - Prior to each Annual General Members meeting of the Co-operative, the Board will appoint one or more persons who are not presently Directors, and are not seeking election, to serve as a nominating committee. This committee will be charged with recruiting qualified and competent candidates who are willing to stand for election, at a minimum, for each Directorate position becoming vacant. In seeking qualified candidates, the nominating committee will consider the following factors:
 - i. geographic representation;
 - ii. sectoral representation of the Members;
 - iii. the diversity of Members and
 - iv. Board composition.
- (b) Not later than forty-five days prior to the Annual General Meeting, the Secretary will send to each member, an invitation to nominate candidates for director, setting out the number and term of positions to be filled.
- (c) The nomination committee will, not later than thirty days prior to the date set for the next Annual General Meeting of the Co-operative, advise the Secretary of the slate of candidates it recommends to be nominated at that meeting. The Secretary will include the names of the persons and a brief bio so nominated in the notice to Members for the Annual General Meeting.

- (d) At each Annual General Meeting the candidates put forward by the nominating committee, and any other person nominated at the meeting, provided they are eligible to be a director under the Act and the Bylaws, are entitled to stand for election as a director.
- (e) Returning Officer - The chair of the meeting shall ask for a motion to appoint a returning officer when there are more nominees than seats open. The Returning Officer will conduct the election by secret ballot pursuant to the election process of s. 91 of the Act and these By-laws.
- (f) Office Vacated - The office of a Director will be immediately vacated if that person:
 - i. resigns in writing;
 - ii. dies or becomes disqualified under the Act; or
 - iii. is removed at a special General Meeting called for that purpose by a resolution of the delegates passed by a majority vote.
- (g) Filling Vacancy - In the event a vacancy occurs, the Board has the option to appoint a Member to fill the position or may wait to call an election at the next General Members Meeting. At this meeting, the Members will elect a Director to fill that vacancy for the unexpired term of the Director whose office was vacated.
- (h) Consent - Candidates running for the Board election, if not present at the meeting at which she or he was elected or appointed, must consent in writing that they are willing to stand for election, before, or within 10 days after the meeting.

6.03 – Directors’ Duties

Each Director will perform the duties and exercise the care and due diligence required by the Act.

6.04 – Officers’ Duties

- a) Each officer will perform the duties required by these By-laws, the Act and the Board and exercise the care and due diligence required by the Act.
- b) The Board will appoint a Chair, a Vice-Chair, a Treasurer and a Secretary.
- c) The Chair or another person directed by the Board will preside at all meetings of the Co-operative and at meetings of the Board and will perform such other duties as incidental to the office of Chair.
- d) The Chair will be an ex-officio Member of all committees. In the absence or disability of the Chair, the Vice-Chair will perform the duties of the Chair

and assume such responsibilities and perform such duties as the Board may prescribe.

- e) The Treasurer will be responsible for the control of the financial records of the Co-operative and will perform such other duties and assume such other responsibilities as the Board may prescribe.
- f) The Secretary ensures that a complete record of all meetings of the Co-operative and of the Board are kept, serve notices required by law and these By-laws, keep the membership records and perform such other duties and assume such other responsibilities as the Board may prescribe.

6.05 – Qualifications

To be elected as a Director, a person must be a director, officer, shareholder, or member of a Member. No person shall be a Director if that person:

- (a) is less than 18 years of age;
- (b) has the status of an undischarged bankrupt;
- (c) is an employee of the Co-operative;
- (d) misses three consecutive meetings without leave of the Board.
- (e) is mentally incompetent, and
- (f) if not present at the meeting at which the election occurred, has not consented to act as a director before, or within ten days after, the meeting.

6.06 - Meetings of Directors

- (a) Regular meetings of the Board may be held at such times and places as may be determined by resolution of the Board. The Board of Directors will meet no fewer than three times between Annual General Meetings.
- (b) Special meetings of the Board may be held upon the call of the Chair or upon a written request signed by at least two Directors and filed with the Secretary; provided that a request so filed will state the purpose or purposes for which the meeting is to be called.
- (c) Except as required by these By-laws or the Act, all questions arising at any meeting of the Board will be decided upon by a majority of the votes cast on the question.
- (d) A Director may attend a meeting of Directors by the means of a telephone, electronic or other communication facility if it permits all persons participating in the meeting to communicate adequately with each other during the meeting.
- (e) A majority of the sitting Directors, or 40% of the number of Directors, whichever is greater, will constitute a quorum at any meeting of the Directors, and any questions coming before such meeting will be decided

by a majority of votes, unless otherwise provided. The Chair, as a Director, is entitled to exercise a vote on matters before the Board. Any tie vote is deemed a lost vote.

- (f) The Chairperson of any meeting of the Board will be the Chair, on his or her absence a Vice-Chair will take on the role. If no such Officer is present, the Directors present will choose another Director to be the Chairperson.

6.07 - Notice of Board Meetings

- a) Notice of any meeting of the Board specifying the time and place of the meeting will be given in writing or electronically not less than ten days before such meeting.
- b) Meetings of the Board may be held without formal notice if all the Directors are present or if those absent have signified their consent to such meeting or their consent to the business transacted on or before the meeting of the Board of Directors.
- c) In cases of emergency, the Chair, or the Vice-Chair acting in the absence of the Chair, may authorize a special meeting of the Board to be called upon forty-eight hours' notice.

6.08 - Remuneration of Directors

Directors will not be paid for serving as such.

6.09 – Committees

- (a) The Board has the power to constitute any committee that, in its discretion, is deemed necessary for the conduct of the business of the Co-operative.
- (b) The Board will delegate upon a committee such duties as it might, from time to time, determine.
- (c) Committees may be constituted from Directors or from representatives of Members of the Co-operative or such other expertise as the Board deems appropriate.

6.10 – Indemnification of Directors and Officers

Except as provided below, every Director and Officer of the Co-operative and their heirs, executors and administrators and other legal representatives, will from time to time and at all times, be indemnified and saved harmless, out of the funds of the Co-operative, from and against;

- (a) Any liability and all costs, charges and expenses that the Director and Officer sustains or incurs in respect of any action, suit or proceeding that is proposed or commenced against him/her for or in respect of anything done or permitted by him/her in respect of the execution of the duties of his or her office;
- (b) All other costs, charges and expenses which he/she sustains or incurs in respect of the affairs of the Co-operative.

No Director or officer of the Co-operative shall be indemnified by the Co-operative in respect of any liability, costs, charges or expenses that he or she sustains or incurs in or about any action, suit or other proceeding as a result of which the Director or officer is adjudged to be in breach of any duty or responsibility imposed upon him or her under the Act or under any other statute unless, in an action brought against the Director or officer in his or her capacity as Director or officer he or she has achieved complete or substantial success as a defendant.

6.11 – Directors and Officers Liability Insurance

Subject to the limitations contained in the Act, the Co-operative may purchase and maintain such insurance for the benefit of its Directors and Officers, as the Board may from time to time determine.

6.12 – Disclosure of Interest

As soon as any Director and/or Officer become aware that they have an interest in a contract or transaction which is required by the Act or by the By-laws to be disclosed, that may be the subject of a decision, this interest must be disclosed and recorded in the minutes of the meeting of the Board of Directors. When such an interest becomes apparent, it is incumbent upon the individual to declare that interest to the Board and have the declaration reported in the minutes of the first available meeting. The person having such interest will refrain from voting upon or in any way influencing or attempting to influence such decision.

When another party, Director, staff, or Member, perceives a conflict of interest, that party has the duty to present their case in writing to the Board either via the Chair, or via another Director. The Board will then assess and resolve the asserted conflict of interest.

ARTICLE VII - FINANCIAL MATTERS

7.01 - Financial Year

The financial year of the Co-operative ends on March 31 in each year or at such other date as determined by the Board of Directors. The Board shall notify the membership of any change to the fiscal year.

7.02 - Auditor

The Members, at each Annual General Meeting, will appoint an auditor to audit the accounts of the Co-operative. The auditor will hold office until the next Annual General Meeting, provided that the Board may fill any casual vacancy in the office of the auditor. No person will be appointed as an auditor of the Co-operative who is a person that is disqualified by the Act from being an auditor for the Co-operative.

7.03 - Audited Financial Statement

- a) Prior to each Annual General Meeting and in compliance with the Act, the Auditor will prepare financial statements showing the liabilities and assets of the Co-operative, together with a statement showing the receipts and disbursements and material changes in financial position of the Co-operative since the date of the previous financial statements.
- b) An audited copy of such set of statements will be provided to each of the Members of the Co-operative, normally with the Notice of the Meeting, and, in any case, not later than ten days before the meeting of the Co-operative.
- c) The Board will present its recommendation to the Members regarding its review of the draft audited financial statements.

ARTICLE VIII – GENERAL

8.01 - Signature and Certification of Documents

- (a) Contracts, documents or any instruments in writing requiring the signature of the Co-operative, that are adopted by the Board, will be signed by any two of the Chair, Vice-Chair, Treasurer, Secretary or other officer appointed by the Board.
- (b) The Board may, from time to time, appoint an Officer or Officers on behalf of the Co-operative either to sign contracts, documents and instruments in writing generally or to sign specific contracts, documents and instruments in writing.

8.02 – Borrowing

- (a) For the use and operations of the Co-operative, the Directors may from time to time;
 - i. Borrow money on the credit of the Co-operative; or
 - ii. Issue, sell or pledge debt obligations of the Co-operative; or
 - iii. Charge, mortgage, hypothecate or pledge all or any of the real or personal property of the Co-operative, including book debts, rights,

powers, franchises and undertakings to secure any debt obligations or any money borrowed, or other debt, or any other obligation of liability of the Co-operative.

- (b) The Directors may authorize any Director, Officer or employee of the Co-operative or any other person to make arrangements with reference to the money borrowed or to be borrowed as aforesaid and as to the terms and conditions of the loan thereof, and as to the securities to be given therefore, with power to vary or modify such arrangements, terms and conditions and to give such additional securities for any moneys borrowed or remaining due by the Co-operative as the Directors may authorize, and generally to manage, transact and settle the borrowing of money by the Co-operative.

8.03 – Dissolution of the Co-operative

In the event of a dissolution of the Co-operative, all decisions pertaining to the disposal of assets and the general winding up of the business is to be decided by the Members of the Co-operative by Resolution at a meeting called for that purpose. The net assets remaining after the discharge of all liabilities shall be given to non-profit co-operative and/or charitable organizations as the Members determine by resolution.

ARTICLE IX – AMENDMENTS TO BY-LAWS

9.01 - Amendments

- (a) The Board will propose changes to the By-laws for consideration at the next Annual General or Special General meeting, by submitting such proposed changes in writing to the Secretary at least forty-five days before the date of such meeting. The amendments must be passed by the Board and approved by the membership;
- (b) Notice of every proposed change to the By-laws shall be sent either by mail or electronically by the Secretary to each Member and to each Board Member, not less than thirty days before the date of the Annual or Special General meeting at which such proposed change is to be considered;
- (c) Motions to amend By-laws will require at least two-thirds of the votes cast in favour by Members of the Co-operative in attendance at a duly called General Meeting with quorum intact;
- (d) Amendments to the By-laws become effective immediately following the success of the motion at which the amendments were considered and approved by the Members with quorum present.

Passed by the Board of Directors on the 30th day of January 2003. Confirmed by at least 2/3 of votes cast at the meeting of the Members on the 25th day of February 2003.

Amended on the 23rd day of February 2005. **CONFIRMED** by a two-thirds majority vote of the members of the Co-operative at a General Meeting duly convened for this purpose this **23rd day of February, 2005**.

Amended on the 15th day of June 2007. CONFIRMED by a two-thirds majority vote of the members of the Co-operative at the Annual General Meeting held the 15th day of June, 2007.

Chair

Secretary