

BY-LAW NO. 4 ORGANIZATIONAL BY-LAW

A by-law relating generally to the
transaction of the affairs of
COOPERATIVE D'HABITATION ST. GEORGES HOUSING CO-OPERATIVE INC.

BE IT ENACTED as a By-law of COOPERATIVE D'HABITATION ST.
GEORGES HOUSING CO-OPERATIVE INC., (the "Co-op") as follows:

ARTICLE I

GENERAL

1.01 AIMS AND OBJECTIVES

The Co-op will be carried on for the purpose of providing housing to its members on a co-operative basis, and for the furtherance of co-operative principles and the betterment of society, and without the purpose of gain for its members.

1.02 CO-OPERATIVE CORPORATIONS ACT

The affairs of the Co-op will be governed by and conducted in accordance with the Co-operative Corporations Act of Ontario (the "Act"). Certain provisions of that Act relate to various matters not dealt with in the by-laws of the Co-op and should be consulted where appropriate.

ARTICLE 2

MEMBERSHIP

2.01 MEMBERSHIP

No person will be a member of the Co-op unless that person has been admitted to membership by the Board of Directors (the "Board") or was among the original applicants for incorporation of the Co-op and becomes a resident of the Co-op.

2.02 APPLICATION FOR MEMBERSHIP

Applicants for membership must submit a written application in the form required by the Board. No application for membership may be considered unless all members of the applicant's household who are sixteen years of age or over and who intend to occupy a unit of housing in the Co-op have applied for membership or for long-term guest status in accordance with the Co-op's Occupancy By-law. No application for membership in the Co-op may be withdrawn after the applicant has taken occupancy of a unit of housing in the Co-op.

2.03 QUALIFICATIONS FOR MEMBERSHIP

- (a) The Board may accept for membership those persons who are sixteen years of age or over and who have the qualifications set forth in the Act and in the Co-op's Member Selection and Unit Allocation By-law.
- (b) Unless otherwise decided by resolution of the Board, persons accepted for membership by the Board shall not become members until they have become residents and taken occupancy of a unit of housing in the Co-op. Prior to or simultaneously with taking occupancy, each such person must sign the Occupancy Agreement, pay the lifetime membership fee, the Last Month's Housing Charge, the Maintenance Guarantee, and the first month's Housing Charge and satisfy any other financial requirement of the Co-op and any requirement imposed by the Board in connection with approval of the application. Failure to complete any of these requirements will not prevent the person from becoming a member on taking occupancy, but will be grounds for termination of occupancy rights.

2.04 TRANSFERS AND WITHDRAWALS

Membership in the Co-op will not be transferrable and will terminate on death. Members may withdraw from the Co-op in accordance with the Act and will be deemed to have withdrawn as provided for in the Co-op's Occupancy By-law.

ARTICLE 3

MEETINGS OF MEMBERS

3.01 ANNUAL GENERAL MEETINGS

The Co-op will hold an annual meeting of the members not more than eighteen months after incorporation and subsequently not more than fifteen months after the holding of the last preceding annual meeting and not more than six months after the end of the immediately preceding fiscal year of the Co-op. The agenda for each annual meeting will include the approval of the financial statements and the auditor's report and the appointment of an auditor and may include the election of directors and the receiving of annual reports from the Board, committees, employees and/or management firm.

3.02 REGULAR GENERAL MEETINGS

In addition to the annual general meeting, three other general meetings of the members will be called by the Board during each year. As nearly as convenient, the annual meeting and the three regular meetings of the members will be spaced at regular intervals through the year.

3.03 SPECIAL GENERAL MEETINGS

Special general meetings may be called by the Board or by any duly constituted meeting of the members.

3.04 PLACE OF MEETINGS

Meetings of members will be held at a place within the Regional Municipality of Ottawa-Carleton or at any other place within the Province of Ontario if the Board or members so authorize.

3.05 NOTICE AND AGENDA OF GENERAL MEETINGS

- (a) Notice of each annual or other general meeting of members will be given to the members not less than ten or more than thirty days prior to the date of the

meeting. In computing the time for the giving of notice, the day of giving the notice will not be counted and the day of the meeting will be counted.

- (b) The notice will specify the time and place of the meeting and will set out or be accompanied by a statement of the business to be considered or transacted at the meeting. In the case of the Annual Meeting, such notice will be accompanied by a copy of the financial statement and auditor's report for the previous fiscal year.
- (c) If passage of a by-law or the annual budget is on the agenda for a general meeting, a copy of the proposed by-law or budget will be given to each member at least three days before the meeting.
- (d) Members will be entitled to have a matter put on the agenda for any members' meeting and sent out with notice of the meeting, provided they give the Secretary written notice of the matter they want included at least five days in advance of the last day for sending out notice of the meeting. If they do not give notice in time for the matter to be included with the regular notice of the meeting, they may themselves, at their own expense, give notice to all members at least three days prior to the date of the members' meeting. Any items added to the agenda by members will be placed at the end of the agenda unless the members at the meeting decide to alter the order of the agenda.
- (e) No business may be transacted, and no resolution or by-law adopted or confirmed by the members, unless the general nature of that item of business was set out in or with the notices mentioned above, or in the case of adoption of a by-law or budget, a copy of the by-law or budget was given to the members in accordance with 3.05(c). Where the previous sentence has been complied with, the members may adopt any resolution or version of the by-law or budget even if the version adopted substantially changes or is contrary to the original proposed.
- (f) Notwithstanding any lack of notice, any matter for which proper notice has not been given in accordance with this by-law, may still be discussed by the members present, at a general meeting so long as no decision is made with respect to that matter.

- (g) The record date for notice of meetings will be the day before the last day for giving notice under 3.05(a). Notice will be given to all persons who at the close of business on the record date, are shown or are entitled to be shown on the register of members, kept under 7.08 (Secretary), as members of the Co-op, and notice will be given in accordance with 14.01 (Notice).
- (h) When notice of a meeting or copies of documents referred to in 3.05(b) or 3.05(c) are received generally by the members, the accidental omission to give notice to any member or non-receipt of notice by any member, or any error in the register of members as of the record date, will not invalidate any motions or resolutions passed or any proceedings taken at the meeting.
- (i) The members at a meeting may, by a majority of the votes cast, pass a resolution adjourning the meeting to a specific date, or a date to be determined in accordance with the resolution, for the transaction of any business not completed at the meeting. Such an adjourned meeting will be deemed to be a continuation of the original meeting and the agenda for the original meeting will be followed unless the members otherwise decide. If the resolution sets out a specific date for the resumed meeting, no notice of the resumed meeting need be given to the members. If the resolution does not set out a specific date, then a notice of the meeting must be given in the manner as set out in the resolution, and if the resolution does not deal with notice, then in accordance with (11.01) of this By-law. Any decision made at an adjourned meeting will be as effective as if made at the original meeting.

3.06 CHAIRPERSON OF GENERAL MEETINGS

The President or another person appointed by the Board will preside as Chairperson at meetings of members subject to any contrary decision by the members at the meeting. If the Chairperson wishes to make a motion or participate substantively in discussion of a matter being considered by the meeting, the Chairperson will leave the Chair until the voting on the motion is over, or discussion of the matter has been completed. During such absence from the Chair, the Vice-President or an other

person approved by the members will act as Chairperson. The

person acting as Chairperson at the time of a vote will not vote unless the Chairperson's vote would make or break a tie or unless the vote is by ballot. In no event will the Chairperson have a second or casting vote. In the case of a tie, the motion is defeated.

3.07 QUORUM AT GENERAL MEETINGS

No business will be transacted or motion or resolution adopted at any meeting of members unless a quorum of members is present. A quorum will consist of twenty-five percent of the members entitled to vote at the meeting. If a quorum is not present within thirty minutes of the time for which the meeting was called, the members present may adjourn the meeting to a date not less than five and not more than fifteen days later. At least two days notice of the adjourned meeting will be given in the manner provided in (3.05). If a quorum is not present at the adjourned meeting within one hour of the time for which the meeting was called, then the quorum for the adjourned meeting will be reduced to ten percent of the members entitled to vote and the business and motions to be considered by the meeting will be limited to those referred to in the notice given under 3.05. Notwithstanding the above, if the meeting was called upon requisition (under 4.04) and if no quorum is present within thirty minutes of the time for which the meeting was called, the meeting will be dissolved and there will be no obligation on the Board to call another meeting relating to the same subject matter, unless another requisition is properly filed in accordance with the Act.

3.08 VOTING

- (a) Every member of the Co-op has the right to one vote at any meeting of members. All persons who are members at the time of the vote are entitled to vote, even though they may not have been members at the time notice of the meeting was given.
- (b) Only members present in person may vote and vote by proxy will not be permitted.
- (c) Unless otherwise specifically provided in this By-law or in the Act, all decisions will be made by a majority

of the votes cast. An abstention will not be considered a vote cast.

3.09 ATTENDANCE BY NON-MEMBERS

- (a) Non-member residents of the Co-op and other non-members, other than employees or personnel of a management firm retained by the Co-op, may attend or speak at meetings of members only with the prior permission of the Chairperson or of the meeting, and may not propose motions or vote.
- (b) Employees of the Co-op and personnel of a management firm retained by the Co-op, if they are not members, will be entitled to attend and speak at meetings of members, unless excluded by a decision of the meeting. They will not be entitled to vote.

3.10 RECORD OF ATTENDANCE

The Secretary will cause the names of all persons attending members' meetings to be recorded and will ensure that only members make motions or vote.

3.11 PROCEDURE AT GENERAL MEETINGS

The procedure at meetings of members will be that set out in the Rules of Order attached to this By-law as Schedule "A". Any question as to the interpretation of the Rules of Order at meetings of members or any procedural matter not dealt with in the Rules of Order will be decided by the Chairperson, subject to the right of members to appeal the Chairperson's ruling under paragraph 7 of Schedule "A".

ARTICLE 4

MEMBER CONTROL

4.01 RIGHT OF MEMBERS TO REQUISITION ACTION

Under the provisions of the Act and paragraph (6.01) (Power and Duties of the Board) of this By-law, the business of

the Co-op is under the management and direction of the Board. Ultimate control of the Co-op is in the hands of the members through their ability to choose and remove the board and through their ability to control the budget and various other aspects of decision-making in the Co-op. However, the Act permits the members to adopt resolutions or take decisions dealing with the day-to-day management of the Co-op only in compliance with certain precise formalities. The Act provides three specific methods by which members may make their will govern in the specific circumstances as set out in this Article. Paragraphs 4.02 to 4.04 of this Article describe these three methods.

4.02 REQUISITION FOR PASSING BY-LAW OR DIRECTORS' REGULATIONS

Under section 70 of the Act; ten percent of the members may requisition the directors to call a meeting of the directors for the purpose of passing any by-law or resolution. If the directors do not call the meeting and pass the by-law or resolution, then any of the requisitionists may call a members' meeting for the same purpose. Such a members' meeting has the full power to pass the by-law or resolution, even though it has not been passed by the directors. This is the only circumstance under which a by-law can be adopted by the members without it having first been passed by the Board. No requisition for a meeting in respect of a by-law or resolution may be made for a period of two years after a meeting of members has failed to pass or confirm a similar by-law or resolution arising out of an earlier requisition.

4.03 REQUISITION TO PLACE RESOLUTION ON AGENDA FOR MEMBERS' MEETING

Under section 71 of the Act, five percent of the members may requisition the directors to give notice of a particular resolution to be moved at the next members' meeting and to circulate an explanatory statement. This procedure does not permit a by-law to be passed by the members unless the Board has already passed it. This procedure does not permit any resolution to be adopted unless the membership would have had the authority to adopt it without a requisition.

4.04 REQUISITION FOR MEMBERS' MEETING

Under section 79 of the Act, five percent of the

members may requisition the Board to call a members' meeting for any specific purpose. This does not necessarily require a separate meeting, since the meeting referred to in the requisition could be part of any annual, regular or special meeting that is scheduled within the time periods mentioned in section 79 of the Act. This procedure does not permit a by-law to be passed unless the Board has already passed it, but only permits the membership to take such actions at the meeting as they have the authority to take. This procedure is designed to deal with a case where the Board is not calling meetings of members as frequently as it should.

4.05 PROCEDURES FOR MEMBERS' REQUISITIONS

The procedures and further details governing exercise of the members' rights referred to in this Article are those set out in the relevant section of the Act.

ARTICLE 5

BY-LAWS, POLICIES AND STANDING RESOLUTIONS

5.01 BY-LAWS

By-laws are intended to set out significant aspects of the organization or operation of the Co-op. By-laws and amendments to existing by-laws must be passed by the Board and will not be effective until confirmed, with or without variation, by at least two-thirds of the votes cast at a general meeting of the members.

5.02 STANDING RESOLUTIONS OR POLICIES OF BOARD

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The Board acts in areas within its authority by virtue of Board resolutions. The Board may adopt continuing or standing resolutions to codify how the Board will deal with recurring matters. These standing resolutions may be used to adopt Board policies in areas of the Co-op's operations not dealt with in the by-laws, or may establish the procedural details of how the by-laws will be implemented. The Board may, for ease of reference, title as "Policies" certain standing resolutions. The Board will distribute or otherwise publicize standing resolutions or policies which affect the members generally.

5.03 PRIORITY

Insofar as possible, by-laws of the Co-op and standing resolutions and Policies of the Board shall not conflict with each other or with the Act and the Articles of Incorporation of the Co-op. In the event of conflict, the order of priority will be first the Act, second the Articles of Incorporation, third by-laws and fourth standing resolutions and policies. All the foregoing will be binding on the Co-op, Board, members, employees and personnel of a management firm retained by the Co-op..

ARTICLE 6

BOARD OF DIRECTORS

6.01 POWERS AND DUTIES OF THE BOARD

- (a) The business of the Co-op will be under the management and direction of the Board, which will exercise all the powers of the Co-op unless the by-laws or the Act expressly require any act to be done or decision to be made by meetings of the members. The members will not be entitled to substitute their decision for that of the Board unless the procedure set out in Section 70 of the Act and Article 4 (Member Control) of this By-law are followed, or unless the by-laws or the Act require any act to be done or any decision to be made by a meeting of the members or authorize an appeal from a decision of the Board.
- (b) The Board will, at all times, act in accordance with the Act, the Articles of Incorporation, the by-laws and standing resolutions and Policies of the Co-op.
- (c) The Board may act only by the decision of a duly constituted Board meeting.
- (d) The Board's responsibilities will include, but not be limited to, the following:
 - (1) ensuring that by-laws and standing resolutions setting out the management policies of the Co-op are established and regularly reviewed;
 - (2) ensuring that a management plan for the Co-op is established annually;

- (3) ensuring that an effective organizational structure is established and that division of responsibility within the structure is clearly defined;
- (4) ensuring adequate performance of all legal obligations and agreements of the Co-op;
- (5) ensuring that the Co-op's property is adequately maintained;
- (6) supervising and monitoring the financial affairs of the Co-op and making prudent financial decisions in the interest of the members;
- (7) ensuring that the Co-op maintains an adequate level of insurance coverage;
- (8) ensuring that there is provision for the education of members and employees in matters relating to the operations of the Co-op and the practice of co-operation;
- (9) ensuring that the by-laws concerning the selection and housing of members are followed;
- (10) approving or rejecting membership applications;
- (11) directing and co-ordinating the reports and activities of all committees;
- (12) determining the agenda for all general meetings of members and reporting on its activities to the members;
- (13) hiring, dismissing and directing employees and fixing their remuneration, and/or retaining or dismissing a management firm;
- (14) ensuring that the social and community needs of the Co-op are addressed; and
- (15) ensuring the participation of the Co-op in the broader co-operative movement.

6.02 NUMBER OF DIRECTORS AND QUORUM

The Board will consist of seven members of whom four

will constitute a quorum for the transaction of business.

6.03 QUALIFICATIONS TO ACT AS A DIRECTOR

- (a) No person will act as a director of the Co-op unless that person is eighteen years of age and is a member of the Co-op. A majority of directors must be Canadian citizens or landed immigrants. No undischarged bankrupt or mentally incompetent person will be a director.
- (b) A person who is elected a director is not a director unless that person is present at the meeting when he/she is elected and does not refuse at the meeting to act as director, or where that person is not present at the meeting, he/she consents in writing to act as director before the election or within ten days thereafter.
- (c) A person who is not a resident of the Co-op may not be elected a director at any election by members held after a majority of the housing units to be provided under the Co-op's initial development arrangements are turned over to the Co-op.
- (d) No more than one person from any unit of housing in the Co-op will serve on the Board of Directors at the same time.

6.04 ELECTION OF DIRECTORS

- (a) Directors will be elected by the members. The election will normally take place at the annual meeting but may take place at a general meeting of members called for the purpose.
- (b) The election will be by ballot. Members must, on their ballot, cast a number of votes equal to the number of directors to be elected. Any ballot that does not have such number of votes on it will be void. Members may distribute their votes among the candidates in any way they see fit, but no candidate may receive more than one vote from any member. In the event of an acclamation, the Secretary will cast a single ballot for the directors who have been nominated.
- (c) All votes must be cast during a duly constituted

general meeting and quorum must be maintained until all the ballots have been cast. No member may vote by proxy.

6.05 NOMINATIONS

The Board will normally strike an Election Committee or appoint an Election officer prior to the election of directors to publicize the upcoming election and to seek candidates and educate members in the duties and responsibilities of the Board. The Committee will endeavour to ensure that there are more candidates than the number of directors to be elected. At the election meeting, any member may nominate additional candidates who qualify under 6.03 (Qualifications to Act as a Director).

6.06 PROCEDURE FOR ELECTIONS

- (a) In the case of any election for directors, the candidates receiving the greatest number of votes will be declared elected. In the event of a tie for the final position on the Board or for the final position for a two year term at the election referred to in 6.07(b), a second election will be held immediately, involving only the candidates receiving the same number of votes for the final position. The second election will be held by ballot in accordance with the provisions of this paragraph.
- (b) Following any election, there will be an immediate recount of votes cast, on the request of at least five members present at the meeting.
- (c) Following the election, unless the meeting passes a motion to destroy the ballots immediately, the cast ballots will be returned to the ballot box, which will be sealed and kept in the Co-op office for forty-eight hours before the ballots are destroyed. During the forty-eight hour period, any member may, in accordance with Article 4 (Member Control) requisition a general members' meeting for the purpose of recounting the votes. If such a meeting is called, the ballots will be kept until the date of the meeting. Notwithstanding any such recount or meeting, the decision as announced at the meeting where the election was held will continue in effect pending any further recount.
- (d) An Election Officer and assistant, neither of whom need

be members of the Co-op, will be appointed by the Board prior to the election meeting. The Election Officer will be responsible for ensuring that the election is conducted in accordance with the Co-op's by-laws and the Act, for providing a list of nominated candidates, and for supplying initialled ballots with a number of spaces equal to the number of directors to be elected. The Election Officer and assistant will count the votes and announce the results at the meeting (but not the number of votes cast for each candidate). The Election Officer will be responsible for insuring that the ballots are kept and destroyed in accordance with 6.06(c).

6.07 TERM OF OFFICE

- (a) The term of office for a director will be approximately two years except as provided in 6.07(b). Directors will serve until the first Board meeting following the election of their successors unless a director resigns or is dismissed under 6.11(Termination of Directorships). No director may serve for more than two consecutive full terms (other than terms, any part of which were served before initial occupancy of the first housing units of the Co-op).
- (b) At the first election of directors after a majority of the Co-op's housing units are occupied by members, the four candidates receiving the largest number of votes will serve for a two year term and the other three candidates elected will serve for a one year term. After that, each director will be elected for a two year term. In the event of an acclamation, unless the parties acclaimed agree as to who will fill the two year terms and five or more members do not object, there will be an election for the four candidates to fill the two year terms, to be held in accordance with 6.06 with all necessary changes.

6.08 VACANCY

- (a) Where a vacancy exists on the Board and a quorum of directors remains in office, the directors may appoint

a qualified person to fill the vacancy until the next general election of directors. Consideration of the election of a director so appointed will be placed on the next agenda that is being delivered under 3.05(a) for a members' meeting. At that meeting, the members may, notwithstanding 6.11(Termination of Directorships), without further notice or proceedings, remove the director who has been appointed and may, by a majority of the votes cast at the meeting, elect any qualified person in that director's place for the remainder of the term.

- (b) If no quorum of directors remains in office, then the remaining directors will call a meeting of members at which sufficient directors will be elected to fill any vacancies for the balance of the original terms. No person will be appointed under this or 6.11(Termination of Directorships), if that person would have been ineligible for election originally to fill the position by virtue of 6.07(a), which limits the number of consecutive terms that a director may serve.

6.09 RESPONSIBILITIES OF INDIVIDUAL DIRECTORS

In addition to any responsibilities any director may have as an officer, the responsibilities of each director will be as follows:

- (1) To attend all meetings of the Board and of members, unless excused by the Board;
- (2) To prepare for all meetings by reading the relevant reports;
- (3) To act honestly, in good faith and in the best interests of the Co-op at all times and to place this duty before the director's personal interest;
- (4) To be familiar with the Articles of Incorporation, by-laws, and standing resolutions of the Co-op;
- (5) To respect the confidentiality of matters considered by the Board or coming to their notice or attention as directors that are of a confidential or private nature; and
- (6) To perform any specific duties that may be assigned by the Board.

6.10 INDEMNIFICATION OF DIRECTORS AND OFFICERS

- (a) The Directors and officers of the Co-op and each of them, and their respective heirs, executors, administrators and other legal personal representatives, will, from time to time and at all times be indemnified and saved harmless by the Co-op from and against any liability and all costs, charges and expenses that are sustained or incurred in respect of any action, suit or proceeding that is proposed or commenced against them for or in respect of anything done or permitted by them in respect of the execution of the duties of their offices.
- (b) Notwithstanding the above, no directors or officers of the Co-op will be indemnified by it in respect of any liabilities, costs, charges or expenses that are sustained or incurred in or about any action, suit or other proceeding as a result of which they, or any of them, are judged to be in breach of any duty or responsibility imposed under the Act or under any other statute unless, in an action brought against them in their capacities as directors or officers, they have achieved complete or substantial success as defendants.
- (c) The Co-op will enter into an Agreement with all directors and officers indemnifying them and saving them harmless in accordance with the provisions of this paragraph. This Agreement will be substantially in the form attached to this By-law as Schedule "C".
- (d) The Co-op may purchase and maintain any insurance for the benefit of its directors and officers as the Board may from time to time determine, except insurance against a liability, cost, charge or expense of a director or officer incurred as a result of a contravention of Section 108 of the Act. The directors and officers may also obtain additional insurance, which may be provided for in the same insurance policy as referred to above.

6.11 TERMINATION OF DIRECTORSHIPS

- (a) A director may resign by notice in writing delivered to the President or to the office of the Co-op. The resignation will be effective on acceptance by the Board. The Board must accept any resignation at the

meeting following its receipt unless the resignation is withdrawn before acceptance. If and only if the procedure described herein is rendered inoperative by a situation such as that described in 6.08(b), a director's resignation shall be deemed accepted upon delivery of the written notice to the Co-op's office.

(b) The members may, by resolution passed by a majority of the votes cast at a general meeting, remove any director from office before the expiry of the director's term, provided notice of the intention to propose such resolution was included with the notice of the meeting. The members may, by majority of the votes cast at the meeting, elect any qualified person to fill the vacancy so created for the remainder of the term.

(c) The Board may recommend the removal of a director from office if the director is absent from three consecutive meetings of the Board without leave or adequate excuse, for breach of confidentiality as set out in paragraph 11.02 (Confidentiality of Board and Committee Proceedings), or for other serious dereliction of duty as a director or as a member. The Board may, by a majority vote, decide to initiate proceedings to remove a director from office on such grounds. Following such vote, a written notice stating the grounds for removal must be sent to the director at least seven days in advance of the Board meeting where the removal will be discussed. The director will be given an opportunity to appear and be heard at that Board meeting. Final consideration of the recommendation and voting on the matter will take place without the director in question present. The resolution to recommend removal of a director from office will be effective only if passed by two-thirds of the votes cast at the meeting of the Board.

(d) Where the Board recommends removal of a director from office under 6.11(c), a resolution will be presented to the next general meeting of members under 6.11(b).

6.12 REMUNERATION OF DIRECTORS

Directors will receive no remuneration for serving as directors, but will be reimbursed their reasonable, duly authorized, out-of-pocket expenses incurred in carrying out their duties.

6.13 MEETINGS OF DIRECTORS

- (a) Meetings will take place at the head office of the Co-op or at such other place within the Regional Municipality of Ottawa-Carleton as the Board may determine.
- (b) The Board will hold regular monthly meetings on a day set at the previous meeting, or at a regular day or time of the month, determined by resolution of the Board. No notice of these meetings will be required.
- (c) The Board may hold special meetings at times other than as set out in 6.13(b). Such a meeting may be called by resolution of the Board, or by the President, Vice-President, or a quorum of directors outside of a Board meeting. At least three days notice of such a meeting will be given to each director in the manner provided in Article 14(Notice). The Notice will set out the general nature of the business that is to be conducted at the meeting.
- (d) A meeting of the Board may be called on less than three days notice in case of emergency provided a quorum of directors is present at the meeting and those present consent to holding the meeting without the normal notice. It is understood that meetings will be called under this sub-paragraph only in very unusual circumstances as it is important to the orderly operation of the Co-op that all directors have an adequate opportunity to be present at all meetings. In the case of a meeting under this subparagraph, written notice must be delivered in accordance with Article 14(Notice) and, in addition, each director will be given notice by telephone, if possible. Any decisions taken at an emergency meeting will be reported to the next regular directors' meeting.
- (e) Where possible, an agenda will be distributed in advance of a Board meeting specifying the items to be considered at the meeting. However, at a regular meeting called under (b) of this paragraph, the Board may consider or adopt any motion regardless of the fact that no notice of the item was given. At a meeting called under (c) and (d) of this paragraph, the Board may only pass motions related to business that was specified in the notice calling the meeting or an agenda accompanying the notice.

- (f) In addition, all the directors may at any time waive any requirement for notice.
- (g) Where all the directors present at a meeting have consented, any director may participate in a meeting of the Board by means of a conference telephone or other communication equipment where all persons participating in the meeting can hear each other.
- (h) The President, or such other person as may be determined by the Board, will serve as Chairperson of meetings of the Board.
- (i) All resolutions of the Board or decisions made by the Board will be by a majority of the votes cast unless otherwise provided in this By-law.
- (j) The Chairperson, provided such chairperson is a director, will be entitled to vote on all matters coming before meetings of the Board, but will not have a second or casting vote in the case of a tie vote.
- (k) Except as set out in this By-law, the provisions of this By-law dealing with procedure at meetings of members will apply, with all necessary changes, to meetings of the Board.

6.14 MEMBERS' AND EMPLOYEES' PARTICIPATION

- (a) All members, employees of the Co-op and personnel of management firms retained by the Co-op will be entitled to attend meetings of the Board, except where the Board by resolution determines that the nature of the business to be considered is confidential. Non-directors may speak with the permission of the Board, but will not be permitted to make motions or vote.
- (b) The minutes of all Board meetings, or a brief summary, will be published, as soon as practicable after each meeting, in the Co-op newsletter, if any, or circulated to all the members, or posted in a prominent location at the Co-op's premises. Members may at any time during regular office hours, examine Board minutes, except those parts of the minutes referred to in 11.02(c).

ARTICLE 7

OFFICERS

7.01 APPLICATION OF ARTICLE 7

References to officers in this Article will refer only to officers elected under this Article and not to employees of the Co-op or personnel of a management firm retained by the Co-op.

7.02 ELECTION OF OFFICERS

- (a) The Board will elect a President, Vice-President, Secretary, Treasurer, and will appoint delegates to the Ottawa Federation of Housing Co-operatives and to the Co-operative Housing Federation of Canada ("CHF") annually, or more often as may be required. The Board may, from time to time, elect any other officers as it considers necessary, who will have such authority and perform such duties as the Board may from time to time prescribe.
- (b) No person may hold more than one of the above offices.
- (c) All officers must be members of the Co-op. The President, Vice-President and Treasurer must be directors, but the other officers need not be directors.

7.03 REMOVAL OF OFFICERS

The Board may, by resolution, remove any officer from office. Notice of intention to propose such a resolution will be given to all directors in accordance with 6.13 (Meetings of Directors), and notwithstanding the provisions of 6.13(e) no such resolution may be considered unless such notice was given. Such notice will also be given to the officer concerned who will be entitled to attend the meeting of the Board and to make representations. The directors may immediately fill any office rendered vacant under this paragraph.

7.04 OTHER VACANCIES

- (a) Any officer may resign by notice in writing delivered to the President or the office of the Co-op and such resignation will be effective on acceptance by the Board. The Board will accept any resignation at the meeting following its receipt unless the resignation is withdrawn before acceptance. If and only if the procedure described herein is rendered inoperative by a situation such as that described in 6.08(b), an officer's resignation shall be deemed accepted upon delivery of the written notice to the Co-op's office.
- (b) When the President, Vice-President or Treasurer ceases to be a director, she/he will at the same time cease to occupy the office held.

7.05 REMUNERATION

Officers will receive no remuneration for serving as officers, but may be reimbursed for any reasonable duty authorized, out-of-pocket expenses incurred in carrying out their duties. Officers engaged to perform duties for the Co-op for remuneration will resign their office.

7.06 PRESIDENT

The President will, subject to (3.06) and 6.13(h), preside at all meetings of members and the Board. The President will be responsible for the efficient management of the affairs of the Co-op, subject always to the instructions of the Board and the members given through duly passed resolutions.

7.07 VICE-PRESIDENT

The Vice-President may, subject to (3.06) and 6.13(h), preside at meetings of members and the Board. If the President is unable or unwilling to act with respect to any other duties of the office of President, the Vice-President will perform such duties.

7.08 SECRETARY

- (a) The Secretary will issue or cause to be issued all required notices of meetings of the members and the

Board and any documents required to be given in connection with the business to be conducted at such meeting. The Secretary will ensure that the books and records of the Co-op (other than those for which the Treasurer is responsible) are maintained. The Secretary will ensure that all legally required notices and filings are duly given or done. The Secretary will cause to be kept accurate and complete minutes of all meetings of the members and the Board and will cause them to be distributed before the next meeting of the Board or members in such manner as the members or the Board may direct. The Secretary will cause to be distributed to members a copy of all by-laws within a reasonable time of their adoption.

- (b) The Secretary will keep or cause to be kept a minute book which will include the following:
- (1) a copy of the Co-op's Certificate and Articles of Incorporation and any Articles of Amendment;
 - (2) all by-laws;
 - (3) all Special Resolutions of the Co-op;
 - (4) all standing resolutions of the Board;
 - (5) a register of members that sets out alphabetically the names of all persons who are or have been within ten years registered as members of the Co-op and their addresses while members;
 - (6) a register of directors showing the names and the residence addresses while directors of all directors and the names of all persons who are or have been directors, with the dates on which each of them became or ceased to be a director;
 - (7) minutes of all meetings of members and of the Board and copies of any reports distributed for consideration at meetings of the Board and members; and
 - (8) confidential appendices to the minutes of Board meetings.
- (c) The Board may, at its discretion, create the separate offices of Recording Secretary, who will be responsible for taking and distributing minutes of meetings of the members and the Board, and Corporate Secretary, who

will be responsible for all the other duties of the Secretary.

7.09 TREASURER

The Treasurer will be responsible for generally overseeing the financial management and affairs of the Co-op. The Treasurer will cause all funds and securities of the Co-op to be deposited with such credit union, bank, or trust company as the Board may direct. The Treasurer will cause to be kept proper accounting records including records of all sums of money received and disbursed by the Co-op and the manner in which the receipt and disbursement took place, all purchases by the Co-op, all rentals, housing charges and other amounts received by or owing to the Co-op, the assets and liabilities of the Co-op and all other transactions affecting the financial position of the Co-op. The Treasurer will ensure that the Board receives monthly financial statements including a balance sheet and statement of income and expense.

7.10 DELEGATE TO CO-OPERATIVE HOUSING FEDERATION OF CANADA

By yearly special resolution, the Co-op may designate a delegate to CHF-C who will represent the Co-op at annual and special general meetings of CHF-C. The delegate will keep the Board and members informed of the activities of CHF-C and will inform CHF-C of the views and concerns of the Co-op, and will vote at CHF-C meetings in accordance with any directives of the Board.

7.11 DELEGATE TO THE CO-OPERATIVE HOUSING FEDERATION OF EASTERN ONTARIO

By yearly special resolution, the Co-op will designate a delegate to CHFEO who will represent the Co-op at annual and special general meetings of CHFEO. The delegate will keep the

Board and members informed of the activities of CHFEO and will inform CHFEO of the views and concerns of the Co-op, and will vote at CHFEO meetings in accordance with any directives of the Board.

7.12 GENERAL DUTIES OF OFFICERS

The officers will perform their duties in accordance with resolutions passed by or directions given at meetings of the Board. The officers will perform such additional duties as may be assigned to them by the members or the Board and will act as signing officers where set out in this By-law.

ARTICLE 8

STAFF

8.01 EMPLOYMENT OF STAFF OR RETAINING A MANAGEMENT FIRM

- (a) The Board will, from time to time, engage employees or a non-profit management firm. Each employee or the non-profit management firm will have such responsibility and authority as is set out in a job description and/or contract, subject to the by-laws of the Co-op. The Board may delegate any responsibility or authority to any employee or non-profit management firm with such limits and guidelines as it deems appropriate. Any decision by the Board to retain a private for-profit management firm will require approval from the members in the form of a by-law or Special Resolution.
- (b) Administrative employees or personnel of a management firm retained by the Co-op will not be a member of the Co-op.

8.02 SUPERVISION OF STAFF OR MANAGEMENT FIRM

- (a) The Board will supervise, direct and fix the rate of remuneration of the Co-op's employees or management firm.
- (b) The employees or management firm will, at all times, be

subject to instructions of the Board. The employees or management firm will, at all reasonable times, give to the Board and meetings of members any information requested regarding the affairs of the Co-op.

- (c) Where any duties of the officers of the Co-op referred to in Article 7 have been given to employees or a management firm, they will liaise with the relevant officers with respect to those duties.

ARTICLE 9

COMMITTEES

9.01 CREATION OF COMMITTEES

- (a) The Board may create such committees as it deems necessary and, when determining to strike a committee, will prescribe the duties of the committee, its composition and manner of operation. The Board will appoint all members to each committee, fill all vacancies and terminate appointments. The members of a committee need not be directors. Unless otherwise determined by the Board, volunteers for each committee will be solicited from among the members of the Co-op. Any resignation from a committee will be reported to the Board. Each committee will report to the Board from time to time, as requested, and representatives of the committee may appear at meetings of the Board. No committee may raise or spend any money, authorize any expenditure, enter into any contract or commit the Co-op to any action whatsoever unless specifically authorized by a by-law or by the Board. The Board will appoint the committee's Chairperson. If the Board does not appoint a Chairperson, each committee will elect a Chairperson from among its members, subject to ratification by the Board. The Chairperson will coordinate the business of the committee. In addition, each committee will appoint a Secretary who from among its members will keep minutes of all meetings and will make the minutes available to the Board and members, as requested, subject to the guidelines respecting confidentiality established in 11.02. Notwithstanding any interpretation of 11.02, the Board will have access to all minutes of all committee meetings as it deems necessary or appropriate.

- (b) A meeting of members may determine that a committee should be created to deal with any matter, in which event, unless the members have done so, the Board will determine the duties of the committee and appoint members to it in the same manner as set out above.

ARTICLE 10

CONFLICT OF INTEREST

10.01 FIDUCIARY DUTIES

Persons who accept a position within or on behalf of the Co-op have an obligation to act honestly, in good faith and in the best interests of the Co-op, rather than in their personal interest. Such obligations are called "fiduciary duties" and such persons are called "Fiduciaries" for the purpose of this Article. The category of Fiduciaries includes all directors, officers, committee members, employees of the Co-op and personnel of a management firm retained by the Co-op.

10.02 TYPES OF CONFLICT OF INTEREST

For the purposes of this by-law, a conflict of interest arises where a Fiduciary is required to make or participate in a decision related to the Co-op's affairs, and the Fiduciary has an interest in the result of the decision that is not common with the rest of the Co-op members. Types of situations in which conflicts of interest arise include:

- i) the Co-op is contracting with the Fiduciary or a company or group in which the Fiduciary has an interest;
- ii) the Co-op is dealing with a decision that affects different groups within the Co-op differently and the Fiduciary belongs to one of these groups; and
- iii) a Fiduciary has a predisposition or bias with respect to a disciplinary proceeding or other matter because of the Fiduciary's personal relations with the member or other party involved.

These types of conflict of interest, and the paragraphs dealing with them set out below, are not intended to be exhaustive. Other types of conflict of interest may arise and

should be dealt with in a manner consistent with the principles set out in this Article. The definition of conflict of interest used herein is somewhat broader than that which might be applied in a court of law. This is intended to protect the Co-op, to whatever extent possible, from litigation where the point of law in question may be something other than conflict of interest, and to provide for the fair and equitable management of the Co-op. In the application of 10.03 and 10.07, the definition of conflict of interest set out in this by-law will be operative, notwithstanding any narrower definition which might be enforced by the courts.

10.03 DETERMINING WHETHER A CONFLICT OF INTEREST EXISTS

The facts of each case are different and a careful judgement will often have to be made as to whether a conflict of interest exists, particularly in the type of situation referred to in 10.05 and 10.06 below. In such cases, the matter should be referred to the Board and the Board (excluding any director involved) will decide whether or not, in its opinion, a conflict of interest exists.

10.04 DEALINGS IN WHICH A FIDUCIARY HAS AN INTEREST (10.02(i))

Where a Fiduciary has an interest of the type mentioned in 10.02(i), a conflict of interest exists no matter how great or small the interest of the Fiduciary is. This would include, for example, a case where it is a relative of the Fiduciary with whom the Co-op is dealing, or who might have an interest in a company or group with which the Co-op is dealing, no matter how remote. If there is any question at all as to whether the degree of interest of the Fiduciary is sufficient to be considered a conflict of interest, it should be assumed that there is a conflict of interest.

10.05 DECISIONS AFFECTING DIFFERENT GROUPS WITHIN THE CO-OP (10.02(ii))

Decisions are often required by the Board and other Fiduciaries that affect different members of the Co-op differently as referred to in 10.02(ii). This is different from the type of conflict mentioned in 10.02(i) in that it does not relate to the Fiduciary's personal outside interest, but rather to the Fiduciary's interest as a member of the Co-op. If an issue arose which affected only two or three units, a Fiduciary

who lived in one of the units would have a conflict of interest. On the other hand, if many units were involved, the Fiduciary might not have a conflict of interest.

10.06 PERSONAL BIASES (10.02(iii))

Decisions are often required that affect members or other persons with whom Fiduciaries have personal relations. These are cases where the Fiduciary has no direct personal interest of the type referred to in 10.02(i), or where the matter does not affect groups of members, as referred to in 10.02(ii), but may be a situation such as an eviction proceeding where the member involved is a friend of the Fiduciary. In the event that there is a close relationship that might be likely to predispose the view of the Fiduciary, then it should be considered that the Fiduciary has a conflict of interest. If the member is merely a casual acquaintance of the Fiduciary, then there would probably not be a conflict of interest.

10.07 PROCEDURES IN CASE OF CONFLICT OF INTEREST

- (a) Where a matter comes before the Board and a Fiduciary who is a member of the Board has, or may have, a conflict at the meeting at which the matter is to be considered, the Board will make a determination under paragraph 10.03 as to whether there is a conflict. Both the disclosure and the Board's resulting determination will be recorded in the minutes of the meeting. If there is a conflict, the Fiduciary will refrain from voting on the question or participating generally in the discussion. However, the Fiduciary may remain present during the discussion and answer any questions, unless the Board otherwise decides. Where a Fiduciary has disclosed a conflict of interest and is not voting, the Fiduciary will be considered absent for the purpose of determining whether a quorum is present.
- (b) In the case of a conflict of interest or possible conflict of interest of a committee member, the committee will act in the same manner as the Board under (a) of this paragraph.
- (c) In the case of a conflict of interest or possible conflict of interest of an employee, the employee must report the matter to his or her supervisor before taking any action with respect to the matter and will

act in accordance with the directions of the supervisor. If the senior employee is involved in the conflict of interest, the matter must be reported to the Staff Liaison Officer (or President if there is no Staff Liaison Officer) who will report it to the Board. The senior employee must act in accordance with any directions of the Board.

- (d) In the case of a conflict of interest or possible conflict of interest of personnel of a management firm retained by the Co-op, or the management firm itself, the matter will be referred to the Board. The management firm must act in accordance with any directions of the Board.
- (e) In the case of a conflict of interest or possible conflict of interest of an officer or other Fiduciary not mentioned above, the matter will be referred to the Board.

10.08 MEMBERS' CONFLICT OF INTEREST

The rules set out above relating to conflict of interest apply to persons who are within the category of Fiduciaries, as described in 10.01, and are acting in the course of their fiduciary duties. The fiduciary obligations do not apply to consideration of matters by members' meetings, whether or not any particular member is a Fiduciary. Accordingly, at members' meetings, members may participate in discussion and vote as they wish, whether or not they have a conflict of interest. However, in the event a conflict of interest relating to a contract of the Co-op in which the member may have a direct or indirect interest, the member must declare and disclose the conflict of interest, if he or she wishes to participate in the discussion. Although members are legally permitted to vote in whatever way they wish at a members' meeting, even though they have a conflict of interest, it is desirable for members to attempt to act in the best interests of the Co-op as a whole.

10.09 BREACH OF DUTY

In the event of a breach of duty by a director relating to conflict of interest, then the provisions of Section 98 of the Act will apply. In the event of a breach of duty relating to conflict of interest by any other Fiduciary, then the provisions of section 98 of the Act will apply with all necessary changes.

Such provisions are incorporated into this By-law by reference and are intended to be in addition to any other rights which the Co-op may have.

ARTICLE 11

ACCESS TO INFORMATION AND CONFIDENTIALITY

11.01 ACCESS TO MEMBER'S FILE AND FINANCIAL ACCOUNTS

Members will be entitled to access to their personal file and personal financial accounts at any time during Co-op office hours. If any member feels that there is any inaccuracy in such file, the member will bring the matter to the attention of the Co-op's staff, a management firm retained by the Co-op, or designated volunteer, who will attempt to resolve the matter with the member. The member may bring the matter to the attention of the Board if it cannot be resolved in this way. If the member wishes, a written statement by the member will be inserted in the file.

11.02 CONFIDENTIALITY OF BOARD PROCEEDINGS

- (a) All directors will keep confidential all matters considered by the Board or their committees or coming to their notice or attention that are of a confidential or private nature. Such matters will be limited to personal and financial information on individual members, information relating to the business of the Co-op where secrecy is appropriate to preserve the Co-op's position against third parties and personnel information relating to Co-op employees. Such confidentiality obligations will continue even after individuals cease to be directors, members of their committee or members of the Co-op.
- (b) If any officer, employee, personnel of a management firm retained by the Co-op or other member of the Co-op is present at a meeting of the Board or a committee where confidential matters are considered, or in any other way becomes aware of confidential information, such person will have the obligation to keep such information confidential and not to communicate it to anyone else as provided in 11.02(a).

- (c) Confidential matters considered at Board meetings will be recorded in a confidential appendix to the minutes, which will be referred to but not included in the copies of the minutes circulated to members or posted in a public place. Confidential appendices will be kept in a separate section of the minute book and will not be available for examination by members without the consent of the Board.
- (d) In determining whether matters are confidential, directors will keep in mind that the members have a right to be fully informed about all aspects of the Co-op's business unless there is a strong reason for confidentiality in a particular case.

ARTICLE 12

FINANCIAL

12.01 FISCAL YEAR

The fiscal year of the Co-op will commence on the first day of January of each year and end on the thirty-first day of December.

12.02 BONDING OF OFFICERS, EMPLOYEES AND PERSONNEL OF A MANAGEMENT FIRM RETAINED BY THE CO-OP

Every officer, employee of the Co-op or personnel of a management firm retained by the Co-op who has charge of or handles money or securities belonging to the Co-op, and every signing officer, and any other officers, employees or personnel of a management firm retained by the Co-op prescribed by the Board, will be bonded with a surety company selected by the Board, for such an amount and in such form as the Board may from time to time determine.

12.03 AUDITOR

- (a) The members at each annual general meeting will appoint an Auditor who is a chartered accountant or a chartered accountant firm familiar with accounting for co-operative housing corporations. The Auditor will hold office until a successor is appointed. Remuneration of the Auditor will be fixed by the Board.
- (b) If it is proposed to remove an auditor or to appoint a different auditor, the procedure set out in Sections 124 and 125 of the Act will be followed.
- (c) The Auditor will, at all reasonable times, have access to the books, accounts and vouchers of the Co-op, and the directors, officers, employees or personnel of a management firm retained by the Co-op will provide such information and explanations as may be necessary for the performance of the Auditor's duties.

12.04 AUDITOR'S REPORT

The Auditor will make a report to the members concerning the financial statement of the Co-op which will be laid before the Co-op at each annual general meeting during the Auditor's term of office. The report will state whether, in the Auditor's opinion, the financial statement presents fairly the financial position of the Co-op and the results of its operations for the period under review in accordance with generally accepted accounting principles applied on a basis consistent with that of the previous period, if any. Where the report does not contain the unqualified opinion above, the Auditor will state in the report the reasons. The Auditor's report and financial statement will be prepared in accordance with the relevant provisions of the Act.

12.05 EXECUTION OF DOCUMENTS

- (a) The Board will appoint four signing officers for the signing of the cheques, two of whom will be the President and the Treasurer and the remainder of whom will be directors. All cheques will be signed by two signing officers. Persons signing cheques will satisfy themselves that the expenditure has been duly authorized in accordance with any by-laws.

- (b) Except as provided in (c) of this paragraph, all other documents (including any written commitment on behalf of the Co-op) requiring the signature of the Co-op will be signed by any two directors of whom at least one will be the President or Corporate Secretary.
- (c) The Board may, by resolution, appoint any officer, director, employee or other person, or more than one of them, to sign documents or classes of documents (other than cheques) on behalf of the Co-op instead of or in addition to those provided in b) of this paragraph.
- (d) All persons authorized to sign a document are authorized by this paragraph to affix the corporate seal.
- (e) The authority to sign documents as set out above will not confer on any of the officers, directors or other persons referred to above any authority to make commitments or enter into contracts or obligations on behalf of the Co-op except where the Board has expressly delegated such authority. Such persons are only authorized by (b) to (d) of this paragraph to execute documents that have been authorized under the provisions of the Co-op's by-laws.
- (f) All persons signing any document referred to in (b) and (c) of this paragraph will have power to approve the form of the document and minor changes not affecting the substance thereof.
- (g) The execution of any document in the manner set out in this paragraph will be deemed in favour of third parties to be conclusive evidence that the execution and delivery of such document was duly authorized by the Co-op.

12.06

BORROWING POWERS

The directors will have only the specific borrowing powers that follow (or as set out in any later by-law):

- (i) Except as provided in clause (ii) of this paragraph, the directors may borrow money on the credit of the Co-op, and may mortgage, pledge or charge any of the assets of the Co-op as security for monies so borrowed. In taking any of the actions referred to in this paragraph, the Board will consider any contractual

obligations of the Co-op to Canada Mortgage and Housing Corporation, the Province of Ontario or others. The Board will, when appropriate, consult the members on any borrowing decision.

- (ii) The total of all such indebtedness will not at any time exceed \$25,000 unless specifically authorized by a Special Resolution of the members.
- (iii) Notwithstanding clause (ii) above, where a transaction has been authorized, either specifically or generally, under this By-law or any prior by-law of the Co-op, the directors may, without a Special Resolution, authorize any specific documents as they deem necessary or desirable to complete the transaction. This will include any documents that are required to renew an existing loan with the same lender where any change in the interest rate or payments will not affect the net amount payable by the Co-op after receipt of assistance under its arrangements with Canada Mortgage and Housing Corporation or the Province of Ontario or any agency thereof. If a loan is to be repaid and the monies borrowed from the new lender, then a Special Resolution will be required in the circumstances set out in clause (ii) of this paragraph.
- (iv) A certificate signed by an officer of the Co-op under the Co-op's corporate seal stating that this By-law has been complied with shall be deemed in favour of a party lending money to the Co-op to be conclusive evidence of compliance with this By-law.

12.07

INVESTMENT OF SURPLUS FUNDS

- (a) The Board may invest surplus funds of the Co-op in government bonds, or interest-bearing deposits or other interest-bearing securities with a credit union, chartered bank, trust company, or Province of Ontario Savings Office, or with a financial institution or investment fund organized and/or controlled by a second or third level co-operative housing sector organization of which the Co-op is a member. Surplus funds will be invested in a manner that achieves a reasonable rate of return but does not jeopardize the financial stability or interfere with the normal operation of the Co-op. The Board will not invest any funds of the Co-op in any security or investment other than as mentioned above or any security having a maturity date of longer than one

- year from the time of the investment without the authority of a resolution of the members.
- (b) When investing the funds of the Co-op, preference will be given to investments with credit unions and other co-operative financial institutions if the terms of such investments are reasonably comparable to or better than those generally available.
- (c) The Board will invest all reserve funds in accordance with (a) of this paragraph. The interest earned on reserve funds will be used to increase the reserve and will not be considered operating revenue..

12.08 DISSOLUTION OF THE CO-OP

On dissolution of the Co-op, after payment of all its debts and liabilities, the remaining property of the Co-op will be distributed or disposed of to or for charitable organizations whose activities are carried on solely within Canada.

ARTICLE 13

SECTOR SUPPORT

13.01 MEMBERSHIP IN SECTOR ORGANIZATIONS

The Board may apply for, and the Co-op may hold membership in, such second or third level co-operatives involved in the support or promotion of co-operative housing, or such other co-operative organizations as the Board deems advisable. The Co-op will make reasonable arrangement for the payment of all or an appropriate part of the expenses of members duly appointed to attend the functions of such organizations.

ARTICLE 14

NOTICE

14.01 NOTICE

- (a) No minor defect in procedure or notice given with respect to any matter dealt with in this By-law or any

of the by-laws of the Co-op will invalidate any decision made or step taken if there has been substantial compliance with the requirements of the by-law. Any member may waive, in writing or by conduct, any minor defect in procedure or notice with respect to any matter.

- (b) All notices or copies of documents required to be given pursuant to this By-law or other by-laws of the Co-op will, unless the contrary is explicitly stated, be in writing and may be sufficiently given if handed personally to or left with the member or an apparently adult person in the member's unit, or left in the mail box, slipped under the door, taped to the door, or otherwise delivered to the member's unit. A notice or other document sent by mail by the Co-op will be deemed to have been given or delivered on the third day after mailing, except where there is a recognized disruption in postal service. If more than one member occupies a unit, it will be sufficient delivery to all members occupying the unit if one notice and one copy of any document is delivered to the unit or to one of the members occupying the unit. The date on which the notice is delivered will be deemed to be the date of giving of the notice and the date on which any document is delivered will be deemed to be the date of service or delivery of the document.
- (c) In addition to the copy of a notice or document given in the manner referred to in (b), the Board may, where it feels circumstances warrant it, give an additional copy of the notice or document by other means. Examples might include delivering audio-taped notices to visually impaired members or notices in other languages to members whose primary language is not English. The Board will be under no obligation to deliver any notices in such a fashion. In the event of any discrepancy between any notice so given and the notice given under (b), the notice under (b) will govern.

ARTICLE 15

COMING INTO FORCE

15.01

COMING INTO FORCE

This By-law will come into force as soon as it is adopted in accordance with paragraph 5.01 of this By-law. At such time, all provisions of the preliminary Organizational By-law (By-law No.1), and the provisions of any previous by-law which may conflict with this By-law will be repealed.

PASSED by the Board of Directors and sealed with the corporate seal of the Co-operative this _____ day of _____, 1991.

Secretary

c/s

President

CONFIRMED by at least two-thirds of the votes cast at a general meeting of members, this _____ day of _____, 1991.

Secretary

c/s

President

**COOPÉRATIVE D'HABITATION ST. GEORGES
HOUSING CO-OPERATIVE INC.**

10 avenue Henderson Avenue
Ottawa, Ontario
K1N 7P1

565-0105 Fax: 565-3003

BE IT RESOLVED THAT the following sentence be added to The Organizational By-Law #4, Article 12.05, Section (a):

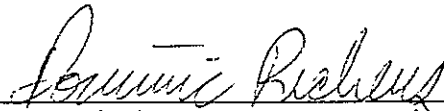
The provision stated in the following paragraph shall prevail over any other By-Laws.

This resolution authorizing the amendment was confirmed by the members of the Co-operative on October 6, 1994.

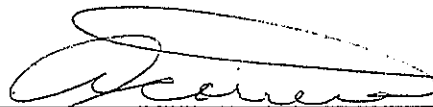
CERTIFIED

: COOPÉRATIVE D'HABITATION ST. GEORGES
HOUSING CO-OPERATIVE INC.

BY:



Dominic Richens, president



Adelaide Correia, secretary