

DIRECTORS' **Forum** for Directors, by Directors

Directors' Forum Co-operative Inc.

By-laws

Approved by the Membership on November 26, 2020

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SECTION 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) "Articles" are the articles of the Co-operative and has the same meaning as in the Act;
- (c) "Co-operative" means Directors' Forum Co-operative Inc.;
- (d) "Board" means the Board of Directors of the Co-operative;
- (e) "By-laws" means the by-laws of the Co-operative and all amendments in force and effect;
- (f) "Member" means person who has been approved as a member of the Co-operative;
- (g) "Meeting of members" means an annual meeting or a special meeting of members;
- (h) "Entity" means a body corporate, a trust, a partnership, a fund or an unincorporated organization;
- (i) Words importing persons include both individuals and corporations, a legal representative, and male and female, as the context requires;
- (j) "Recorded address" means, in the case of a member, the address (postal or electronic) of the member as recorded in the members' register, and in the case of a director, officer, auditor or member of a committee of the board, the latest address (postal or electronic) of such persons as recorded in the records of the Co-operative;
- (k) "Special Resolution" has the same meaning as in the Act, but for clarity means at least a 2/3rds vote of persons present at a meeting who are entitled to vote.

SECTION 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.

SECTION III - MEMBERSHIP

3.01 – Membership Qualifications

No person can become a member of the Co-operative unless that person:

- (a) If an individual, is at least 18 years of age;
- (b) Has submitted an application for membership that has been approved by the Board to approve membership applications;
- (c) Has paid a non-refundable membership fee in the amount of two dollars (\$2.00); and
- (d) Is currently or has been in the past a member of a credit union/caisse populaire Board of Directors in Canada.

3.02 – Membership Certificate

The Co-operative is not required to issue formal certificates for memberships. The Co-operative must, if requested by a member, provide a receipt for payment of a membership fee.

3.03 - Transfer of Membership

No transfer of a membership is allowed.

3.04 - Withdrawal of Membership

- (a) A member may withdraw their membership in the Co-operative by giving the Co-operative one hundred (100) day's notice to withdraw. The Board or a person authorized by the Board may, in writing, accept the member's withdrawal on shorter notice.
- (b) A member's membership is deemed to be withdrawn on their date of death.
- (c) No withdrawing Member will be entitled to receive a refund of any membership fee paid to the Co-operative.

3.05 - 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 By-laws, 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.

Within five (5) days of the date of the meeting of the Board, the Co-operative shall notify the member of the decision of the Board by registered letter addressed to the member at the member's latest known address.

- (b) No person whose membership has been terminated will be entitled to receive a refund of any fees paid to the Co-operative.

SECTION IV - MEETINGS OF THE CO-OPERATIVE

4.01 – Annual Meetings

Annual meetings of the members of the Co-operative will be held at such time and place in the province of Ontario as may be determined by the Board; provided that the Annual Meeting shall be held within fifteen (15) months of the preceding Annual Meeting.

The Annual Meeting is held for the purpose of considering the Board's annual report, the financial statements, the appointment of auditors or waiving of the audit requirement, the election of directors, and other business as permitted by the Act.

4.02 - 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 (5.0%) 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 4.03, 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.

4.03 - Notice of Meetings - Members

- (a) Notice of the Annual 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, at the last postal or electronic address as shown on the books of the Co-operative. The written 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.

4.04– Quorum

Subject to article 4.04 (b), the quorum at any meeting of the members of the Co-operative for a regular Annual or special meeting is the lesser of either the majority of members or fifteen (15) Members at the time of the record date of the meeting.

4.05 - Procedure at Meetings

The Chairperson of the meetings of members is the Chair or, in the Chair's absence the Vice-Chair. Where the Secretary is not present, the Chairperson may appoint another person to be Secretary for the meeting.

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.

4.06 - 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.
- (c) Members of the Co-operative may vote in person or by telephonic or electronic means.
- (d) If the number of candidates for election as directors of the Co-operative at a general meeting is the same or fewer than the number to be elected at that meeting, the Chair may declare the candidates to have been elected by acclamation.
- (e) A motion to exempt the Co-operative from an annual audit must be passed by at least two-thirds ($\frac{2}{3}$) of the votes cast as per the Act.

4.07 – Meetings

Meetings of the Co-operative may be held in person, or by telephonic or electronic means. The chairperson may exclude non-member attendees as they see fit.

SECTION V - BOARD OF DIRECTORS

5.01 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 6.
- (c) Directors will hold office for three years, with two (2) Directors terms ending each year. The term of office of a director expires at the close of the Annual Meeting.
- (d) After serving three consecutive three-year terms, a person shall be ineligible to be elected as a director. Such an individual shall be eligible to be appointed as a director by the board in the event of a resignation or vacant positions.
- (e) Democratic - A director may cast one vote per motion.

- (f) No more than two serving Directors of any Canadian Credit Union or Caisse populaire shall be elected to the Board of Directors. In the event of an amalgamation of credit unions or Caisse populaire the elected directors shall be allowed to remain until the end of their term.

5.02 – Directors’ Duties

Each director will perform the duties and exercise the care and due diligence required by the Act. They will not disclose confidential information about the affairs of the Co-operative, its members or employees.

5.03 – Officers’ Duties

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. They will not disclose confidential information about the affairs of the Co-operative, its members or employees.

The Board will appoint a Chair, a Vice-Chair, a Treasurer and a Secretary.

(a) 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. The Chair will also serve as the President of the co-operative. The Chair will be an ex-officio member of all committees.

(b) 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.

(c) 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.

(d) 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.

5.04 – Qualifications

No one 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) is mentally incompetent;
- (e) is not a member of the Co-operative, and
- (f) is not present at the meeting at which the election occurred and has not consented to act as a director before the meeting.

5.05 - 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.
- (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 directors 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 the Vice-Chair will take on the role. If no such Officer is present, the directors present will choose another Director to be the Chairperson.
- (g) Shall operate according to Roberts Rules of Order. These rules of order may be suspended at the discretion of the chair but shall be reinstated at the request of any Director.

5.06 - 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.

5.07 - Remuneration of Directors

Directors will serve without remuneration. Directors may be repaid reasonable expenses incurred while in office. Reasonable expenses shall include the cost of attending the annual conference and Annual General Meeting.

5.08 – 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.

5.09 – Indemnification of Directors and Officers

The Co-operative will indemnify all directors and officers, and their heirs and legal personal representatives.

5.10 – 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.

5.11 – Disclosure of Interest

As soon as any director and/or officer become aware that they have an interest in any 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.

SECTION VI - FINANCIAL MATTERS

6.01 - Financial Year

The financial year of the Co-operative ends on December 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.

6.02 – Auditor

The members, at each Annual Meeting, may appoint an auditor to audit the accounts of the Co-operative, or will vote on the waiving of the audit requirement. The auditor will hold office until the next Annual 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. Should the membership wish to waive the audit requirement this shall require a special resolution.

6.03 - Financial Statements

- (a) Prior to each Annual Meeting and in compliance with the Act, either the auditor or Treasurer, as applicable, 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) A 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 financial statements.

SECTION VII – GENERAL

7.01 - 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.

7.02 – 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.

7.03 – 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 distributed to one or more qualified donees as defined by the Income Tax Act (Canada) as the Members determine by resolution.

ARTICLE VIII – AMENDMENTS TO BY-LAWS

8.01 - Amendments

- (a) The Board will propose changes to the By-laws for consideration at the next Annual or Special 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 being passed by the directors and confirmed, with or without variation, by 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 26th day of November, 2020. Confirmed by at least 2/3 of votes cast at the meeting of the Members on November 26, 2020

Chair

Date