



By-laws

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CERTIFICATION AND SIGNATURES

Article 1 – Name

Section 1.1 – Name

The name of the co-operative shall be the **Killick Coast North Seniors Co-operative** and shall hereafter be referred to in these By-laws as the Co-operative. As per Section 12(4) of the Act, this full name shall be used on all correspondence and documents such as contracts, invoices, negotiable instruments and orders for services and all publications and signs advertising its services issued by the Co-operative.

Section 1.2 – Use of Abbreviation "KCN Seniors"

Outside of the requirements expressed in Article 1.1, the abbreviation **KCN Seniors** may be used to reference the Co-operative.

Article 2 – Registered Office Address

Section 2.1 – Registered Office Address

In accordance with subsection 29(1) of the Co-operatives Act, the co-operative shall have a registered address within the province of Newfoundland and Labrador as required to be recorded on a form prescribed by the Registrar.

Section 2.2 – Change of Registered Office Address

In accordance with Section 29(2) of the Act, the Board may change the address of its registered office within the province by notifying the Registrar on a form provided by the Registrar.

Article 3 – Definitions

Section 3.1 – Definitions

- a. **"Act"** means the Co-operatives Act of the Province of Newfoundland Labrador.
- b. **"Ad-hoc committee"** refers to any committee temporarily established by the Board for a specific task or objective and dissolved upon completion of the task or achievement of the objective.
- c. **"Articles"** means the formal documents/forms submitted to the Government of Newfoundland and Labrador pursuant to Section 8 of the Act to legally document the creation of a co-operative. In the case of a co-

operative, that is Form 1 which includes the name of the co-operative, the place of business, relevant share capital information, minimum and maximum number of Directors, fiscal year, any restriction on business activities, any provisions to be contained in the By-laws, objects or purpose of the Co-operative, and the name, address and signatures of initial incorporators. In addition, Form 3 (Notice of Registered Office) and Form 7 (Notice of Directors) must be submitted. Once approved, a Certificate of Incorporation shall be issued, and the corporation comes legally into existence on the date shown on the certificate.

- d. **"Board"** means the Board of Directors of the **Killick Coast North Seniors Co-operative**.
- e. **"Bonding insurance"** or "bonding" refers to a way of insuring against financial loss caused by lack of competence or fraud or dishonesty by any official of the Co-operative. A director or employee who does not have a criminal record or is not a high risk to commit a criminal offence would be normally bondable. Bonding insurance ensures that the Co-operative will be reimbursed by the insurance company for any funds taken through fraud or embezzlement.
- f. **"By-laws"** refers to a legal document consisting of a set of governing rules for the Co-operative. Along with the Articles, these By-laws create the "constitution" of the Co-operative. Section 10 of the Act authorizes and prescribes a set of By-laws for a co-operative. Section 7 of the Act requires that a set of By-laws, not inconsistent with the Act and subscribed by the incorporators, be submitted as a prerequisite for incorporation. Section 80 of the Act further requires that any amendments to the By-laws must be properly approved (as per this Act and these By-laws) by the members of the co-operative and shall only take effect upon the approval of the Registrar of Co-operatives. By-laws are subordinate to the Act and the Articles.
- g. **"Compliance"** refers to the process of ensuring a Co-operative is following and abiding by all applicable laws (including organizational By-laws), regulations, standards, agreements and policies.
- h. **"Conflict of interest"** exists in any situation where there is a divergence between a Director's personal interests and their obligation to the Co-operative such that an independent observer would reasonably question whether the Director's behaviour or decisions are in any way motivated by considerations of personal interest, financial or otherwise. A conflict of interest may be real, perceived or potential. The conflict of interest can apply to an individual Director or to a person related to the Director by

blood or adoption or is or has been related to the Director by marriage or common-law marriage.

- i. **"Co-operative"** means the **Killick Coast North Seniors Co-operative**.
- j. **"Director"** means any member of the Board of Directors of the Co-operative.
- k. **"Dissolution"** refers to the termination of the legal existence of the Co-operative. Except in the case of bankruptcy or insolvency (as defined in *Bankruptcy and Insolvency Act* of Canada), the process of dissolution may be initiated by the members, by the Registrar, or by a court, the means of which are prescribed in Sections 113 – 118 of Part XV (DISSOLUTION AND LIQUIDATION) of the Act.
- l. **"Fiscal year"** sometimes called financial period or budget period, or fiscal year-end is the period or duration of time in which the Co-operative collects revenue, spends money and provides an accounting of all of its financial transactions to its membership.
- m. **"In-camera"** refers to, in the context of a board meeting, a meeting or a portion of a meeting, where one or more of the people normally in attendance are recused from participation in the discussions on the premise, they would not have the capacity to be objective as a result of their position and/or interest in the matter. Such meetings are typically held to deal with confidential and sensitive matters such as: litigation, employee relations, internal board matters, management performance and compensation. Persons most likely to be excused would be, the Executive Director and/or other senior staff, advisors, consultants and even a director who may be the subject of a termination or conflict of interest.
- n. **"Indemnification"** or **"to indemnify"** refers to the legal obligation to reimburse or pay any and all related costs of any actual or threatened legal proceedings arising from the actions or omissions of Directors and Officers of the Co-operative in the exercise of their duties and responsibilities of the Co-operative.
- o. **"Member"** means any member or as defined in Article 5 of the By-Laws.
- p. **"Ordinary Resolution"** refers to a resolution requiring a majority of at least 50% plus 1 of the votes cast in order to be adopted.
- q. **"Quorum"** refers to the minimal number of officers or members of the Co-operative or Board or committee (usually a majority) required to be present for the valid transaction of business.
- r. **"Registrar"** means the Registrar of Co-operatives as appointed under Section 16 of the Act and includes one or more Deputy Registrars.
- s. **"Resolution"** is a main motion formally expressed in writing, adopting an

official statement of opinion or authorizing or directing some action and normally used to address matters of importance and significance. Resolutions can be brought forward by the Board of Directors or the member of an organization and are typically done at an annual general meeting. They have two (2) parts: 1) the preamble, which is a list of reasons for adoption, with each reason in a separate paragraph beginning with the term "Whereas;" 2) the resolving clause(s), which outline the specific action(s) to be taken, beginning with the phrase "Be It Resolved."

- t. **"Seniors"** refers to all pensioners of any age, and all who choose to call themselves senior citizens regardless of age and all others who would like to associate themselves with the co-operative and help them in their purpose: Aging well at home.
- u. **"Special Resolution"** refers to a resolution requiring a majority of at least two-thirds (2/3) of the votes cast in order to be adopted.
- v. **"Standing Committee"** refers to any committee established by the Board through either a specific by-law or policy that operates on an ongoing and/or annual or biennial basis to deal with ongoing and major activities within the Co-operative.

Article 4 – Community Service Co-operative & Aims and Objectives

Section 4.1 – Community Service Co-operative

As provided in the Articles and as per Section 144 of the Act, this Co-operative shall be a "Community Service Co-operative" whose primary purpose is to undertake activities or provide services that are primarily for the benefit of members or the general welfare of the community. As required by Section 145 of the Act, this provision shall not be repealed or amended without the prior written consent of the Registrar.

Section 4.2 – Aims and Objectives

Within the context of the Co-operative Principles and Values and consistent with the Articles of Incorporation, the objectives of the Co-operative shall be:

- a. To provide goods and services to the general public and to members in the Killick Coast North region (as prescribed by the board) helping them age well at home and in their communities;
- b. To help overcome loneliness and isolation through building a sense of community and through co-creating a jointly owned and democratically-

- controlled social enterprise within a framework of gender equity, diversity, inclusion, belonging, and anti-racism;
- c. To provide related goods and services to members and the general public: the services are provided mainly by members and volunteers; they may include social and educational activities and services as well as support with transportation, light work in and out of the house, technology, and through vetted access to vendor services; and they may be provided based on a tiered fee structure as prescribed by the Board;
 - d. To conduct educational work among its members and volunteers in order to attain the above objectives; and
 - e. To engage in all other acts which may assist in the success of the Co-operative and its members and, in the attainment of all the preceding objects, provided such acts are in accordance with co-operative principles, the Co-operative Act, these By-laws and policies and procedures of the Co-operative.

Article 5 – Membership

Section 5.1 – Membership Eligibility

Membership in the Co-operative shall be open to individuals

- residing in the Killick Coast North region of Newfoundland and Labrador as prescribed by the Board,
- who subscribe to and support the values, beliefs, mandate and objectives of this Co-operative, and
- who are willing to abide by its Articles of Incorporation, By-laws and policies.

Section 5.2 – Application for Membership

Application for membership may be made in writing or on a form, prescribed from time to time by the Board, and shall be approved by the Board or by a membership committee as set up by the board. The Application Form shall include subscription options for services as per a tiered fee structure and as prescribed by the board. The Application Form shall also contain the allowable options for the disposal of shares and any other monies credited to the member, and the name, relationship and contact information of a beneficiary. Should this information not be indicated on the form, the Co-operative reserves the right to choose a representative of the member to consult on the disposal of shares or other monies owing to the member.

Section 5.3 – Share Purchase Requirements

Once approved as a member of the Co-operative, an individual must agree to purchase the required number of membership shares as set forth in Section 6.2. Any member that fails to purchase the required membership shares may have their membership revoked by a majority vote of the Board, as outlined in Section 5.5.

Section 5.4 – Withdrawal of Membership

In accordance with Section 84(1) of the Act and subject to these By-laws, a member may apply for withdrawal from the Co-operative by providing two (2) weeks written notice to the Secretary or Treasurer, of the intended date of withdrawal. The applicant's notice should include their preference for reimbursement or transfer of all of their membership shares.

Section 5.5 – Termination of Membership

As per Section 84(3) of the Act, a member may have their membership in the co-operative terminated by a majority vote of the Board for any of the reasons listed below. The said member shall be given at least ten (10) days' notice of the meeting at which their termination will be considered.

- a. Intentionally and/or repeatedly violated any provisions of the Articles of Incorporation, By-Laws or policies;
- b. Failure to purchase required membership share(s) as per these By-laws;
- c. Breached a membership Agreement or any other contract;
- d. Wilfully obstructed any lawful purpose or activity;
- e. Engaged in any actions that constitute a conflict of interest;
- f. For any other action that, in the opinion of the Board, constitutes the member not complying with the terms and conditions of membership or is deemed as no longer supporting the aims and objectives of the Co-operative.

Section 5.6 – Notification and Consequences of Termination

The terminated member shall be notified in writing by the Board, within fourteen (14) calendar days of their termination and that unless that termination is nullified in a subsequent appeal, such termination revokes all membership rights, privileges and benefits of membership.

Section 5.7 – Appeal of Termination

As per Section 85 of the Act, a member can appeal said termination (except for

matters related to failure to pay fees, assessments, or to fulfil other financial obligations to the co-operative) by requesting an appeal in writing. Written request for such an appeal must be in the hands of the Secretary or another Director, at least fourteen (14) calendar days prior to an Annual General Meeting (AGM) or Special Membership Meeting called for that purpose. The Board shall present the appeal to the membership present at the meeting outlining the reason for the revocation under question. The revoked member, or a designate, shall have the right to address the membership with respect to the basis of the appeal, at which point, a majority vote of the membership shall decide on whether the appeal is upheld or sustained.

Section 5.8 – Ceasing to be a Member

A member ceases to be a member upon:

- a. The submission of a letter/e-mail of resignation, as per Section 5.5 of these By-laws;
- b. The member being terminated as per Section 5.6 of these By-laws;
- c. The member's death.

Section 5.9 – On the Death of a Member

Subject to these By-laws and as per Section 87 of the Act, on the death of a member, the Board shall transfer (as per Section 6.6) the shares or pay the par value of any shares and other monies owing to the member to the person nominated as beneficiary on the most recently updated Application Form, or if no person is nominated, to such person or persons as may appear to the Board to be the legal personal representative of the deceased member. If the member, on the Application Form, opted to donate the share value and/or other monies owing to the member to the Co-operative, the total amount shall be credited to the Co-operative's general account.

Section 5.10 – Other Membership Categories

The Board may establish, from time to time, other non-voting membership categories such as Associate or Honorary membership along with any fees and conditions and privileges thereto.

Article 6 – Shares

Section 6.1 – Par Value of a Share

The par value of common shares of the Co-operative shall be \$10 (Ten Canadian Dollars) which shall never be withdrawn, transferred, repaid or otherwise disposed of at more than the par value.

Section 6.2 – Membership Share Requirements

In order to be considered a full member of the Co-operative with all the rights and privileges thereto, an approved member shall purchase one (1) share.

Section 6.3 – Payment of Share

The total amount owing \$10 (Ten Canadian Dollars) to fulfil the share purchase requirement for membership is payable within thirty (30) days of the date of membership approval.

Section 6.4 – Effect of Failure to Purchase Required Share

If an approved member does not purchase the required membership share within the thirty (30) days specified in Section 6.3 of these By-laws, the co-operative shall notify the member of being in arrears on their initial share purchase and shall be granted a 2nd thirty (30) day period to fulfil their share purchase obligation. Failure to purchase the required share(s) may result in the termination of the membership without appeal.

Section 6.5 – Purchase of Extra Shares

A member may, at their discretion, purchase more than the required number of membership shares subject to any limits that may be contained in the Articles of Incorporation. As per Section 8.1, purchasing extra shares shall not entitle the member to additional votes.

Section 6.6 – Transfer of Shares

Subject to Section 65 of the Act, a member (transferor) may transfer common membership shares to another member (transferee) upon the written request of the transferor and said request is approved by the Board. Both the transferor and transferee will be notified of the decision and the share register shall be amended as per Section 31(e) of the Act.

Section 6.7 – Purchase of Shares by the Co-operative

As per Section 59 of the Act and subject to these By-laws, the co-operative may purchase the common shares of the co-operative that are available for compulsory purchase through a withdrawal or termination of membership as outlined in Section 84 of the Act. The Co-operative shall pay the par value of the share. This said amount per share shall be paid within six (6) months of the date of withdrawal or, in the case of termination, within the date of termination approved by the Board or by the members upon appeal.

Section 6.8 – Share Purchase Restrictions

Notwithstanding Sections 59 and 84 of the Act and as directed by Section 60 of the Act, a co-operative shall not purchase its shares and may suspend the purchase or acquisition of shares for any of the conditions listed below. Such suspension, approved by directors, cannot exceed six (6) months without a special resolution approved by members.

- a. The Co-operative is insolvent;
- b. The proposed purchase or acquisition would render the co-operative insolvent;
- c. The proposed purchase or acquisition would, in the opinion of directors, adversely impact the financial well-being of the Co-operative;
- d. The result of the purchase or acquisition would reduce the number of members to less than the number required to incorporate the Co-operative under the Act (3 members).

Section 6.9 – No Interest Paid on Share Capital

In keeping with Section 4.1 of these By-laws and in compliance with Section 146(1) of the Act, the Co-operative shall not pay any dividends or interest on share capital to its members.

Section 6.10 – Membership Register

As per Section 31(e) of the Act, the Co-operative shall keep and maintain a register of its members setting forth the name, address and the number and class of shares of each member.

Article 7 – Surplus and Reserve Fund

Section 7.1 – Required Allocation of Surplus

As per Section 55(1)(a) of the Act, where the Co-operative has a surplus at the end of its fiscal year, it shall apply that surplus as follows:

- a. First, to pay income tax;
- b. Second, to retire all or part of a deficit it has previously incurred;
- c. Third, to maintain a reserve that the Co-operative is required to maintain under the Act and/or these By-laws.

Section 7.2 – Establishment of a Reserve Fund

As permitted by and in compliance with Section 55(1) of the Act, the co-operative shall, following the close of the fiscal year, allocate any remaining surpluses to a Reserve Fund established to strengthen and guarantee the financial stability of the Co-operative. Any and all payments from or charges to the Reserve Fund must be approved by ordinary resolution by the members at an annual or special membership meeting. The Board may develop other specific operational policies with respect to the Reserve Fund subject to approval by ordinary resolution by the members.

Article 8 – Member Voting Rights & Procedures

Section 8.1 – One Member, One Vote Principle

Each member is entitled to one (1) vote on all matters at any Annual General or Special Membership Meeting of the Co-operative.

Section 8.2 – Manner of Voting

Every question submitted to a vote at any AGM or Special Membership Meeting of the Co-operative shall be decided by voice or showing of hands unless, as per Section 78(7) of the Act, five (5) or more members, before or on the declaration of the result of a vote by show of hands, demand a vote by ballot, in which case the vote by ballot shall be the final decision of the members. The matter of voting in a virtual meeting will be addressed in Section 9.8 of these By-laws.

Section 8.3 – Proxy Voting Prohibited

As per Section 78(5) of the Act, voting by proxy is not permitted under any circumstance.

Section 8.4 – Effect of a Tie-Vote

Should the resulting vote on a question put forward at a general or special meeting of the Co-operative be a tie, the resolution/motion shall be considered lost.

Section 8.5 – Right of Chairperson to One Vote

As per Section 82(3) of the Act, the Chairperson of a meeting is entitled to vote on any matter before the meeting but is not entitled to vote a second time in the event of a tie-vote.

Article 9 – Annual & Other Membership Meetings

Section 9.1 – Inaugural General Membership Meeting

Subject to these By-laws and in accordance with Section 68(1) of the Act, the Interim Board (as constituted in Section 10.9 of these By-laws) of the Co-operative shall convene its first general membership meeting within four (4) months of the date of incorporation at which all members are entitled to be present and vote. As required by Section 68(3) of the Act, the agenda for this first meeting shall include adoption of the By-laws, election of the directors and appointment of the auditor.

Section 9.2 – Requirement of Annual General Meeting

As per Section 69(1) of the Act, the Board shall convene an annual meeting, called the Annual General Meeting (AGM), of the Co-operative within four (4) months of the end of the fiscal year of the Co-operative. The date, time and location of said meeting shall be determined by the Board. The purpose of the AGM is to receive and adopt the financial and other Board reports for the previous year, to elect the Board of Directors, and to conduct such other business related to the aims and objectives of the Co-operative that would ordinarily require the permission and/or direction of the membership.

Section 9.3 – Notice of AGM to Members

In accordance with Section 73(1) of the Act, notice with respect to the date, time and place of that AGM shall be sent to the membership via letter, e-mail or any other telephonic or electronic means that reasonably ensures each member receives said notice, at least ten (10) but not more than thirty (30) calendar days prior to the date of the meeting.

Section 9.4 – Quorum

The quorum for any AGM or other Special Membership Meeting of the Co-operative shall vary in relation to the number of members in the following manner: For twenty-five (25) members or less, the quorum shall be at least five (5) members; for twenty-six (26) to fifty (50) members, the quorum shall be at least ten (10) members; for fifty-one (51) to one-hundred (100) members, the quorum shall be at least fifteen (15) members; for one-hundred-one (101) to two-hundred (200) members, the quorum shall be at least twenty (20) members; two-hundred-one (201) or more members, the quorum shall be at least twenty-five (25) members. As per Section 75(4) of the Act, if no quorum is present, the Chair shall adjourn the meeting to a date within seven (7) days of the adjourned meeting and business transacted at that meeting shall be considered binding upon the members regardless of the number then present, provided notice of the adjourned meeting is provided to members.

Section 9.5 – Board Right to Convene Other Membership Meetings

The Board may convene other Membership Meetings for any purpose at any time it deems necessary and, in doing so, shall follow the rules and procedures with respect to notice and quorum as outlined in this Article for an AGM.

Section 9.6 – Right of Membership to Request Special Membership Meeting

As per Section 70(1) of the Act, the Board shall also convene a Special Membership Meeting at the signed written petition of: (i) the majority of the members where the co-operative's membership is less than or equal to fifty (50) OR (ii) no less than ten per cent (10%) of the members of the Co-operative where the Co-operative's membership is more than fifty (50). The petition shall clearly state the purpose of the meeting and only such business shall be transacted at the meeting as is specified in the petition. As per section 70(2) of the Act, upon receipt of the petition, the Board shall convene a Special Membership Meeting within twenty (20) calendar days of receipt of the written petition. All members shall be notified of said meeting including the date, time, place of said meeting, at least ten (10) days prior to the date of the meeting.

Section 9.7 – Right of Membership if Board Fails to Convene Special Membership Meeting

Should the Board fail to convene a Special Membership as per Section 9.5 of these By-laws, the members may, as provided by Section 71(1) of the Act, apply to the Registrar to convene a general meeting with an application by thirty percent (30%)

of the members entitled to vote at a meeting.

Section 9.8 – Board May Convene an Annual or Special Membership Meeting by Electronic Means

Subject to these By-laws and in accordance with Section 72.1 of the Act, the Board may convene an Annual General or Special Membership Meeting by telephone, electronic or other method of communication that permits all participants to communicate with each other during the meeting. Notice and quorum requirements shall be as outlined in Sections 9.2 and 9.3 in these By-laws still apply.

Section 9.9 – Certain Statutory Requirements to Conduct a Meeting by Electronic Means

In conducting a membership meeting by electronic means, as referenced in Article 9.8, there are certain requirements and conditions that shall apply:

- a. Meeting Matters. As per Sections 72.1(2) to 72.1(5) of the Act, the Co-operative must approve and make available the method of communication described in Section 9.8 of these By-laws by which members will be participating. The meeting may be held entirely by said electronic means, in which case, the official place of the meeting will be the location of the registered office of the co-operative. Any member participating in a meeting by electronic is to be considered present at that meeting.
- b. Voting Matters. As per Sections 82(5) and 82(6) of the Act, any member participating in a membership meeting by electronic means and entitled to vote shall be afforded the right to vote in a communications method that enables the vote to be gathered in a manner that permits subsequent verification, and, where the tallied votes are collected in a manner that does not allow the Co-operative to identify how members voted.

Article 10 – Board of Directors

Section 10.1 – Establishment of Board of Directors to Govern Co-operative

In between AGMs of the Co-operative and subject to these By-laws, the affairs of the Co-operative shall be governed by a Board of Directors consisting of seven (7) members who shall be elected by members participating in an AGM of the Co-operative. Where the number of nominees for Director exceeds the number Directors to be elected, the election of Directors shall be done by secret ballot.

Section 10.2 – Election of the Directors in a Staggered Board Manner

At the first General Meeting, as required by Section 68(1) of the Act, Directors shall be elected by members in such a manner that three (3) Directors are elected for a term of three (3) years, two (2) Directors are elected for a term of two (2) years and the remaining number of Directors are elected for a term of one (1) year. Thereafter, except where an election is held to fill the unexpired portion of a term, newly elected Directors shall be elected for a term of three (3) years. In the case of a Director being elected to fill an unexpired term, that Director shall serve for the duration of that term.

Section 10.3 – Process to Follow for Inaugural Application of Section 10.2

At the first General Meeting, as required by Section 68(1) of the Act and subject to these By-laws, after Section 10.2 has been approved, seven (7) Directors shall be elected. At the first Board meeting after that GM, the Directors shall decide by majority vote on a process to determine which Directors shall be designated as having three (3), two (2) and one (1) year terms. Thereafter, Section 10.2 shall take full effect.

Section 10.4 – Eligibility to be a Director

Any individual member of the Co-operative who is in good standing with the Co-operative, is not less than 19 years of age and attends an AGM or Special Membership Meeting or who provides a written letter of intent to offer themselves, is eligible for election to the Board.

Section 10.5 – Term Limits

A director may re-offer for a second term. If no letters of intent from new candidates for the Board have been provided a director may re-offer for an additional term regardless of the number of terms they have served.

Section 10.6 – Legal and Statutory Duties of Directors

Directors have both a civil law and statutory obligation to exercise their powers and discharge their duties in a particular manner. Section 41(1) of the Act demands that directors:

- a. Act honestly, in good faith and in the interest of the co-operative;
- b. Exercise the care, diligence and skill that a reasonably prudent person would exercise in a comparable circumstance; and
- c. Comply with this Act and the Articles and the By-laws of the Co-operative.

Section 10.7 – Removal of Directors

As per Section 49(1) of the Act, a Director may be removed from office by the members of a Co-operative with a resolution approved by a two-thirds (2/3) majority of the votes cast at a duly called general or special membership meeting and may fill that vacancy resulting from that removal in accordance with these By-laws and the Act.

Section 10.8 – Director Remuneration and Reimbursement for Expenses

As per Section 40(1) of the Act, directors and/or committee members are not entitled to remuneration for fulfilling their duties unless this by-law is amended to say otherwise or authorized by the members through an ordinary resolution at a membership meeting. However, as permitted by Section 40(2) of the Act, directors and committee members may be reimbursed for expenses incurred in the performance of their duties. In lieu of specified meal rates, the Board may develop and institute a "Per Diem" policy that would include current meal expense rates and a stipend for incidental travel expenses.

Section 10.9 – Filling of Vacancies

Where vacancy occurs in a Director position on the Board, said vacancy shall be filled as follows:

- a. In the case of death or resignation, the Board may appoint another member in good standing of the Co-operative to fill that vacancy until the next AGM where there shall be an election to fill the vacancy for the remainder of the term.
- b. In the case of removal as per Section 10.7, the vacancy shall be filled by the members through an election at the special membership meeting at which the said Director was removed. If the vacancy cannot be filled in this manner, the Board may fill the vacancy as per Section 10.9(a) above.

Section 10.10 – Ceasing to be a Director

A Director of the Co-operative ceases to hold office when said Director:

- a. Resigns which shall be done through a notice in writing with the effective date of resignation being the date of the notice or the date specified in the notice;
- b. Assumes the status of bankrupt;
- c. Dies;
- d. Removed for non-compliance or misconduct, as per Section 10.7 of these By-laws; or

- e. Ceases to be a member of the Co-operative as per Section 5.8 of these By-laws.

Section 10.11 – Incorporators to Act as Interim Board of Directors

As per Section 37.2 of the Act, the incorporators whose names appear on the Articles of Incorporation shall be considered to have the powers of and duties of the Board and shall hold office until the first general membership meeting of the Co-operative but shall not exceed four (4) months after the date of incorporation. This interim Board may elect officers for this period as per those outlined in Section 12.1 of these By-laws.

Section 10.12 – Appointment and Status of an Executive Director

The Board may, within the scope described in section 11.1 of these By-laws, appoint/hire an Executive Director of the Co-operative who shall be considered as an Officer of the Co-operative and who shall be responsible for the overall operation of the Co-operative, as delegated by the Board, related to the general management functions of planning, organizing, directing, coordinating, and controlling. The specific duties, responsibilities and working conditions of this position shall be specifically set out in policy and/or a comprehensive employment contract.

Article 11 – Powers of the Capacity of the Board

Section 11.1 – General Powers & Capacity of Board

In general, between AGMs, the Board has full power and authority to administer and direct the affairs of the Co-operative within the scope explicitly and implicitly prescribed by the Act, by other provincial and federal statutes and laws, by the Articles of Incorporation and By-Laws of the Co-operative, and by the direction and instruction given by the members of the Co-operative through duly approved resolutions or decisions from a AGM or Special Membership Meeting.

Section 11.2 – Specific Powers of Board

Specifically, the powers of the Board shall include, but not be limited to, the following:

- a. To issue shares of various classes as approved by the members, except as otherwise provided by law, by the Articles or by these By-laws;
- b. To borrow money on the credit of the Co-operative;
- c. To issue, reissue, sell or pledge debt obligations of the Co-operative;
- d. To mortgage, hypothecate (pledge property as security or collateral),

- pledge or otherwise create a security interest in a property of the Co-operative to secure a debt obligation of the Co-operative;
- e. To sell, lease or exchange property of the Co-operative in the ordinary course of conducting the business of the Co-operative, except to transact for a substantial portion of the assets of the Co-operative, including whole operational units, membership approval is required;
 - f. To hire and set the remuneration of paid managers and staff;
 - g. To delegate authority to manage the operations of the Co-operative in whole or in part;
 - h. To appoint various committees; and
 - i. To fill any vacancies on the Board as per these By-laws.

Article 12 – Officers of the Board

Section 12.1 – Officers of the Board

The officers of the Co-operative shall be a President, Vice-President, Treasurer and Secretary who shall be elected by a majority vote of the Directors at the first Board of Directors subsequent to the AGM at which they were elected.

Section 12.2 – Term of Office

The term of office for all elected officers shall be for a one (1) year term and shall be eligible to re-offer upon expiration of their term.

Section 12.3 – Duties of Officers

Subject to these By-Laws, the duties of the elected officers shall be the following:

- 1) **The President shall:**
 - a) Collaborate in the planning, calling and chairing all meetings of the Board;
 - b) Exercise a vote on all matters brought before the Board;
 - c) Collaborate as spokespersons for the Co-operative;
 - d) Develop cohesiveness and teamwork amongst the Board;
 - e) Direct and guide the Board in fulfilling its duties and responsibilities to ensure the Co-operative achieves its mandate;
 - f) Ensure the Board's compliance with all governance documents including Articles, By-Laws, Policies & Procedures, and agreements;
 - g) Generally, represent the Co-operative and sign all legal documents;
 - h) Be a signing officers along with the vice-president and treasurer on all accounts; and

- i) Assume all other duties that are normally incidental to the position of President or that, from time to time, may be assigned by the Board.
- j) The President, with the approval of the Board, share and/or delegate some of these duties with an appropriate staff person but, ultimately retains oversight responsibility for those duties.

2) **The Vice-President shall:**

- a) Collaborate in the planning, and calling of all meetings of the Board;
- b) Exercise a vote on all matters brought before the Board;
- c) Collaborate as spokespersons for the Co-operative;
- d) Develop cohesiveness and teamwork amongst the Board;
- e) Assist in the direction and guidance of the Board in its fulfilling of its duties and responsibilities in ensuring the Co-operative achieves its mandate;
- f) Ensure the Board's compliance with all governance documents including Articles, By-Laws, Policies & Procedures, and agreements;
- g) Generally, represent the Co-operative and sign all legal documents;
- h) Be a signing officer along with the president and treasurer on all accounts; and
- i) Assume all other duties that are normally incidental to the position of Vice-President or that, from time to time, may be assigned by the Board in the absence of the President.
- k) The Vice-President, with the approval of the Board, share and/or delegate some of these duties with an appropriate staff person but, ultimately retains oversight responsibility for those duties.

3) **The Secretary shall:**

- a) Ensure that a record is kept of the proceedings of all Board and membership meetings of the Co-operative;
- b) Be the custodian of all minutes, correspondence and other documents, except those kept by the Treasurer;
- c) Maintain a membership register as per Section 31(e) of the Act;
- d) Ensure that adequate notification is given for all general and special membership meetings and Board meetings; and
- e) Assume all other duties that are normally incidental to the position of Secretary or that, from time to time, may be assigned by the Board.
- l) The Secretary, with the approval of the Board, may share and/or delegate some of these duties with an appropriate staff person but ultimately retains oversight responsibility for those duties.

4) **The Treasurer shall:**

- a) Collect and deposit all monies in an account in a Bank or Credit Union;
- b) Verify and approve all expenses incurred by the Co-operative;
- f) Initiate and make all payments duly authorized by the Co-operative or the Board;
- g) Initiate and co-sign all authorized cheques over \$5,000;
- c) Maintain a record of all receipts and disbursements;
- d) Prepare and submit periodic financial reports as directed by the Board;
- e) Prepare and submit an annual financial report to be considered by the members at an AGM or other Special Membership Meeting called for that purpose;
- f) Initiate and oversee all audits and other financial procedures required under the Act or the By-laws or as requested, from time to time, by the Board;
- g) Sign and have custody of all financial documents of the Co-operative;
- h) Be a signing officer along with the president and treasurer on all accounts; and
- i) Assume all other duties that are normally incidental to the position of Treasurer or that, from time to time, may be assigned by the Board.
- j) The Treasurer, with the approval of the Board, share and/or delegate some of these duties with an appropriate staff person but, ultimately retains oversight responsibility for those duties.

Section 12.4 – Removal of Officers

At any time, the Board may, through a majority vote of the Directors present at a duly convened meeting of the Board, remove an officer at any time for any reason.

Section 12.5 – Filling of Vacancies of Officers

Subject to these By-laws, the Board may proceed to fill any officer vacancy.

Article 13 – Board of Directors Meetings

Section 13.1 – Minimum Requirement for Meetings

The Board shall meet at least four (4) times in every calendar year and, beyond that, as often as is required to properly conduct the affairs of the Co-operative.

Section 13.2 – Calling of Meetings

Meetings of the Board shall normally be at the call of the President or may be set, from time to time, by the Board.

Section 13.3 – Quorum

As per Section 50(3) of the Act, a simple majority (50% plus one) of the directors shall constitute a quorum for the conduct of business at any Board meeting. This majority quorum must be maintained throughout the meeting. At the point where a quorum no longer exists, the meeting is adjourned, and no further business can be transacted. In a case where a director cannot vote in a matter due to conflict of interest and his/her presence constitutes a quorum, Section 46(5) of the Act affirms that a decision of the directors shall not be considered invalid only by reason of the absence of that director.

Section 13.4 – Notice of Meeting

Subject to these By-laws and unless a schedule of board meetings has been set by the Board as per Section 13.2 of these By-laws, notice of a Board meeting shall be given by the Secretary or other designate via telephone, mail, e-mail or any other telephonic or electronic means that reasonably ensures each Director receives said notice, at least five (5) calendar days prior to the date of the meeting.

Section 13.5 – One Vote per Director

Each Director shall have one (1) vote at a Board of Directors meeting.

Section 13.6 – Voting by Proxy Prohibited

Directors shall not vote by proxy.

Section 13.7 – Effect of a Tie-Vote

Should the resulting vote on a question put forward at a Board meeting be a tie, the resolution/motion shall be considered lost.

Section 13.8 – Right of Chairperson to One Vote

The Chairperson of a Board meeting is entitled to vote on any matter before the meeting but is not entitled to vote a second time in the event of a tie-vote.

Section 13.9 – Meeting by Teleconference or Other Appropriate Communications Technology

Subject to these By-laws and as per Section 48(1) of the Act, a Board meeting may be convened via a telephone conference call or any other electronic telecommunications technology that will permit all persons participating in the meeting to be able to hear and communicate with each other.

Section 13.10 – *Board Meeting Requested by Directors*

Subject to these By-laws, a special meeting of the Board shall be convened subsequent to a written request by at least three (3) Directors. If a Board meeting is not convened within fourteen (14) calendar days of receipt of the written request, any member of the Board may convene the meeting. Any business transacted at such a duly constituted Board meeting shall be valid and binding.

Section 13.11 – *Board Right to Move a Meeting into In-Camera Mode*

Where it is deemed necessary, and in the spirit and intent of the definition contained in Section 3.1(m) of these By-laws, the Board has the right to move a meeting into in-camera mode. Moving a meeting both into and out of “in-camera” mode shall be decided by a majority vote of the directors present at a duly convened meeting. The board may make policies with respect to the purpose, protocols, recording and reporting of in-camera meetings.

Article 14 – Committees

Section 14.1 – *Capacity of Board to Appoint & Direct Standing Committees*

The Board may, from time to time, appoint any standing committee (such as Executive, Membership, Volunteering, Finance, Services, etc.) that it deems necessary to carry out the objectives of the Co-operative. The term of office of all standing committees shall be for 1 (one) year or less if so determined by majority vote of the Board. At the time of appointing, the Board shall establish a Terms of Reference to include but not be limited to: name of committee, composition, chairperson, specific function and duties, minimum meeting requirements, reporting requirements, power and authority, and required resources.

Section 14.2 – *Capacity of Board to Appoint & Direct Ad Hoc Committees*

The Board may, from time to time, appoint any ad-hoc committee (a committee formed for a specific task or objective and dissolved upon completion of the task or achievement of the objective) that it deems necessary to carry out the objectives

of the Co-operative. At the time of appointing, the Board shall establish a Terms of Reference to include but not be limited to: name of committee, detailed description of the task and/or objective to be undertaken, general timelines, composition, chairperson, minimum meeting requirements, reporting requirements, power and authority, any required resources, and budget.

Article 15 – Bonding and Indemnification

Section 15.1 – Right to Require Bonding of Directors and Staff

The Board will ensure that sufficient bonding insurance is secured annually for the Treasurer, all signing officers, and any individual who may be involved in the handling of funds of the Co-operative.

Section 15.2 – Requirement to Indemnify Directors

Subject to the provisions of Section 44 of the Act, every Director and Officer of the Co-operative, their heirs, executors, administrators, and estates and effects, respectively, shall at all times be indemnified and saved harmless out of the funds of the Co-operative, from and against:

- a) All costs, charges, and expenses whatever, that such Director or Officer sustains or incurs in or about any action, suit, or proceeding, that is brought, commenced, or prosecuted, against the Director or Officer, for, or in respect of any act, deed, omission, matter or thing whatever, made, done, or permitted, by the Director or officer, in or about the execution of the duties of their office; and
- b) All other costs, charges, and expenses, that the Director or Officer sustains or incurs in or about or in relation to the affairs of the Co-operative, except such costs, charges or expenses as are incurred as a result of a Director's or Officer's own willful neglect or default.

Section 15.3 – Right to Purchase Director & Officer Liability Insurance

To enhance and ensure the protection of Directors and Officers generally provided under Section 15.2 above, the Board will ensure that sufficient indemnification insurance (Director & Officer Liability Insurance) is secured annually.

Article 16 – Director Conflict of Interest

Section 16.1 – Requirement of Director to Declare Conflict of Interest

Any Director, who is aware they are in a position of conflict of interest, as defined in these By-laws, with any matter pending before the Board, will declare to the Board the conflict of interest and voluntarily recuse themselves and vacate their seat and shall not participate in any discussions or vote on the said matter.

Section 16.2 – Requirement of Director to Notify Board of Possibility of Conflict of Interest

Any Director who suspects that they may be in a position of conflict of interest, as defined in these By-laws, with respect to a matter pending before the Board, shall notify the Board of the potential conflict of interest giving the details and circumstances of said potential conflict. The Director shall then recuse themselves and vacate their seat and shall not participate in or be privy to any further discussions. Then, by majority vote, the remaining Directors shall come to a final determination on the validity of the potential conflict of interest situation.

Section 16.3 – Requirement of Director to Notify Board of a Fellow Director's Possible Conflict of Interest

Any Director who feels that a fellow Director may be in a position of conflict of interest, as defined by these By-laws, with respect to a matter pending before the Board, shall notify the President or their designate, of such potential conflict of interest. The President shall then notify the Director (in the position of potential conflict of interest) that they have been cited as being in a potential conflict of interest and that during the meeting at which the pending matter is to be discussed, they will be given an opportunity to address the question of conflict of interest. Once the matter of potential conflict of interest has been addressed by the Director in question, they shall be asked to vacate their seat and take leave of the meeting, at which point, the remaining Directors shall, by majority vote, come to a final determination of the validity of the potential conflict of interest. The vacated Director will be notified of the Board's decision at which point, depending on that decision, shall be re-admitted to the meeting or remain recused until the matter is dispensed with by the Board.

Section 16.4 – Standard to be used when Considering Matters of Conflict of Interest

When an individual Director and/or the Board is giving consideration to whether a

particular set of circumstances constitutes a conflict of interest, as defined by these By-laws, the commonly accepted standards and principles of conflict of interest for co-operative and/or non-profit directors of the time should be the context of that consideration.

Section 16.5 – Board Capacity to Make Policy Re Conflict of Interest of Management & Staff

The Board may from time to time, and within the definition and standards of these By-laws, develop and enact policies with respect to 'conflict of interest' guidelines of management and staff.

Article 17 – Resolutions

Section 17.1 – Sponsors of Resolutions

Subject to these By-laws, resolutions for consideration at an AGM or Special Membership Meeting may be submitted by the Board or by any member of the Co-operative.

Section 17.2 – Duty of Board to Issue Call for Resolutions & Notify Members of any Policies

Subject to these By-laws, the Board shall, at the time of the first AGM notice and to allow members' compliance with any by-law notices, issue a general call for resolutions and notify all appropriate members of all policies and procedures related to the format, submitting, processing and dispensing of said resolutions at an AGM or Special Membership Meeting.

Section 17.3 – Special Resolution Required to Amend Articles & Certain By-Laws

Subject to these By-laws and for matters that are fundamental and significant to the genesis and nature of the Co-operative, submission of a "Special Resolution" is required to consider amendments to certain Articles and By-laws. Approval for amendments to any of the items listed in these subsections shall require a two-thirds (2/3) vote of the voting members at an AGM or Special Membership Meeting

- a) **For the Articles:** Any information contained in Articles of Incorporation, Form 1 which includes: Name, Place of Business, Share Capital, Minimum & Maximum Number of Directors, Fiscal Year, Restrictions, and Objects & Purposes of the Co-operative.

- b) **For the By-Laws:** Any and all amendments related to the By-laws and their subsections listed here and certain other By-law Articles: Article 1 (Name); Article 4 (Mandate and Objectives); Article 5 (Membership); Article 6 (Share Capital); Article 18 (Fiscal Year); Article 19 (Rules of Procedure; and Article 21 (amendments).

Section 17.4 – Incidental Resolutions

Any resolution of an incidental nature, which does not affect policies, By-laws, or operations of the Corporation, may be introduced during the AGM without prior notice.

Section 17.5 – Board Capacity to Make Policy Re Resolutions

The Board may, from time to time, devise and enact such policies, procedures, and protocols as are necessary for the democratic, efficient and effective consideration and disposition of all resolutions.

Article 18 – Fiscal Year and Appointment of Auditor

Section 18.1 – Fiscal Year

The fiscal year of the Co-operative shall be a one-year period extending from January 1st to December 31st.

Section 18.2 – Appointment of Auditor

As per Section 91(1) of the Act, members of the Co-operative shall appoint the auditor to hold office until the close of the next Annual General Meeting.

Article 19 – Rules of Procedure

Section 19.1 – Rules of Procedure

The conduct and procedures of any meetings shall ultimately be governed by the most recent edition of *Robert's Rules of Order*. However, whenever reasonably possible, in accordance with the Co-operative's values, and as prescribed by meeting policies issued by the Board or as determined in the terms of reference for committees, decision-making in meetings and committees should aim for consent and follow *Martha's Rules* before immediately defaulting to majority voting and more formalized decision-making procedures as defined in *Robert's Rules of Order* (Minahan, Anne, ""Martha's Rules": An Alternative to Robert's Rules of Order" (1986). University of Nebraska-Lincoln, Sociology Department, Faculty Publications. 812. <https://digitalcommons.unl.edu/sociologyfacpub/812>).

Article 20 – Dissolution

Section 20.1 – Right of Members to Authorize the Dissolution of the Co-operative

As a co-operative with property and/or liabilities and not being bankrupt or insolvent within the meaning of the *Bankruptcy and Insolvency Act of Canada*, and as per Sections 115(1) and (2) of the Act, and in compliance with relevant sections of these By-laws, the members may authorize the dissolution of the co-operative by a majority vote on a special resolution (i.e.: 2/3 majority vote required) at a duly convened meeting of the Co-operative, provided said resolution empowers the directors to liquidate and dispose of the property and discharge liabilities.

Section 20.2 – Requirement of Directors to Distribute Any Surplus at Dissolution

Consistent with 115(5) of the Act, upon passing a special resolution, the Co-operative shall apply the funds of or derived from the liquidated property as follows:

1. First, to pay the debts and liabilities of the Co-operative;
2. Second, to pay members funds which they are entitled to including the return of original share capital; and
3. Third, to pay to
 - a) A non-profit corporation, society, organization or co-operative established for charitable or benevolent purposes
 - b) A co-operative established with similar objects, or
 - c) A fund to be used for the development of co-operative societies.

Section 20.3 – Duty of Directors to Comply with Dissolution Procedures Outlined in the Act

In initiating and executing the dissolution process, the directors shall follow and abide by all requirements outlined in the entirety of Section 115 of the Act and all other relevant sections of *Part XV (Dissolution and Liquidation)* of the Act.

Article 21 – Amendments to By-Laws

Section 21.1 – Voting Requirements for By-Law Amendments

Subject to Article 17 (Resolutions), these By-laws may be amended by Ordinary Resolution (50% + 1 vote), except for those specific matters listed in Sections 17(3)(a) and (b), in which case amendments require a Special Resolution (two-thirds (2/3) majority vote) of the members participating in an AGM or Special Membership Meeting.

Section 21.2 – Notice Requirements to Members for By-law Amendments

All members of the Co-operative shall be notified, by mail, e-mail or any other telephonic or electronic means that reasonably ensures each member receives said notice, of any proposed amendments within thirty (30) calendar days of the AGM or Special Membership Meeting at which the proposed amendment is to be considered.

CERTIFICATION AND SIGNATURES

As per Section 68(3)(a) of the Co-operatives Act, these inaugural set of By-Laws were **ADOPTED** and **ENACTED** as the By-Laws of the **Killick Coast North Seniors Co-operative** at a duly convened 1st general meeting of the members of the Co-operative held on the _____ day of _____, 2024.

Attested and signed by:

PRESIDENT OF THE BOARD

SECRETARY OF THE BOARD