


AGNES MACPHAIL COMMUNITY CO-OP HOMES INC.


By-law No. [12]

AMENDMENT #1
THE TEMPORARY BOARD OF DIRECTORS
BY-LAW

Passed by the Board of Directors on September 17, 2014
Re-formatted and approved by the Board of Directors on December 15, 2016
Confirmed by the members on September 24, 2014



President ~~Treasurer~~



Corporate Secretary
VICE PRESIDENT

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Article 1: BASIS OF THIS BYLAW

1.1 Purpose of this Bylaw

- to bring the Co-op's business and operations into good order and resolve financial and operational problems identified by Niagara Regional Housing, through their operational reviews, year-end financial reconciliations, and on-going monitoring;
- to provide for a temporary Board of Directors that will include non-resident directors that will be able to accomplish the purpose stated above,
- to provide for a process of returning to an exclusive resident Board of Directors, as per Part 4 of this by-law.

1.2 Priority of this By-law

This Bylaw takes priority over all other By-laws of the Co-op, including the Organizational Bylaw (By-law No. 12). If there is any conflict or inconsistency, this By-law governs.

1.3 Effective of this Bylaw

The This By-law will become effective when it is confirmed by at least two thirds of the votes cast at a meeting of the members of the Co-op.

1.4 Termination of this Bylaw

This By-law will cease to be in effect at the discretion of Niagara Regional Housing, at which time the Board of Directors will return to an all resident Board of Directors as detailed in Part 4.

Article 2: CO-OPERATION WITH NIAGARA REGIONAL HOUSING

2.1 Cooperation with the Service Manager

The member shall at all times exercise care for the safety of others. All members are responsible for their guest's behaviour.

2.2 Deficit Reduction and Action Plan Agreement

The Board of Directors will assume the obligations and requirements of the *Deficit and Action Plan* executed between Agnes MacPhail and Niagara Regional Housing.

2.3 Authorization to borrow and sign agreements:

The Board of Directors is authorized on behalf of the Co-op to borrow money and receive loans, advances and other assistance from Niagara Regional Housing or any other party approved by the Niagara Regional Housing. The Board of Directors is authorized on behalf of the Co-op to enter into or sign agreements with, and to give security to, those parties. This can include charges, mortgages, pledges, security interests and any other kind of security over real property, personal property and any other assets of the Co-op. All barbeques (electric or otherwise) must be at least 3 feet or 1 meter away from any combustible material.

Article 3: RESIDENT AND NON-RESIDENT DIRECTORS

3.1 Board Composition

After this By-law becomes effective the Co-op will have resident and non-resident Directors as follows:

3 External Board Members (appointed by Niagara Regional Housing)

4 Resident Board Members (elected by the membership)

3.2 Qualifications to be a non-resident director

All directors must meet the qualifications required under the *Cooperative Corporations Act*. Other qualifications in the Co-op's By-laws will not apply to non-resident Directors.

3.3 Non-resident members:

Under the Co-operative Corporations Act all Directors must be members of the Co-op. The Board is authorized to admit as members up to 3 persons who are not intending to become residents of the Co-op, but who will serve as non-resident Directors. They will have all the rights of members except that they will not have the right to occupy a unit of housing of the Co-op and related rights. They will not have the obligations that are relevant to resident members of the Co-op, such as to pay housing charges. The non-resident members must be appointed by Niagara Regional Housing.

3.4 Eligibility to be a resident Director:

All resident members will be eligible for election to the resident Director positions regardless of how long they may have served on the Board in the past. All other qualifications in the Co-operative Corporations Act and the Co-op By-laws must be met.

3.5 Term of office:

The term of office for non-resident Directors will start of the effective date of this By-law and end at the discretion of Niagara Regional Housing and Part 4 of this by-law. The term of office of resident Directors will be two years. The Organizational By-law will govern eligibility of resident directors for re-election for additional terms.

Article 4: TRANSITION BACK TO RESIDENT BOARD

4.1 Two years after by-law is approved:

Two years after the effective date of this by-law, one of the non-resident Directors may be replaced by one resident Director, if it is determined by Niagara Regional Housing that sufficient progress has been made by the Board of Directors in the requirements of the Deficit Reduction & Action Plan, related to the governance and financial operations of the Co-operative.

4.2 Three years after by-law is approved:

Three years after the effective date of this by-law, the remaining two of the non-resident Directors may be replaced by two resident Director, if it is determined by Niagara Regional Housing that all requirements of the Deficit Reduction & Action Plan have been met, related to the governance and financial operations of the Co-operative.

4.3 Procedure:

The Board will decide the order in which non-resident Directors will cease to be Directors (unless there is a vacancy among the non-resident Directors). The new resident Directors will be elected by the members in advance of the deadlines stated in paragraph 12. Non-resident members admitted under this By-law will not be eligible to run for the resident Director positions. **If a non-resident Director is replaced by a resident Director, the resident Director will be elected by the members for a term in accordance with the Organizational By-law.**

4.4 Resignation of non-resident members:

The non-resident members admitted under this By-law will resign from the membership after they are no longer Directors, or their membership in the Co-op may be terminated under the Co-operatives Corporations Act.

Article 5: WHILE THERE IS A TEMPORARY BOARD

5.1 Vacancies:

If there are Board vacancies that are not filled as stated in Part 4, then this paragraph will apply. If the position of a resident Director is vacant, only a resident member is qualified to fill the vacancy. If the position of a non-resident Director is vacant, only a non-resident member, appointed by Niagara Regional Housing, is qualified to fill the vacancy. All vacancies can be filled by the Board. The Organizational By-law will apply.

5.2 Quorum:

A quorum of Directors for transaction of business will be four Directors; at least one of them must be a non-resident Director.

5.3 Signing officers:

At least one person signing any cheque or other document to be signed by the Co-op must be a non-resident Director.