

## BY-LAW NO. 1

(as amended April 11, 2013)

A by-law relating generally to the conduct of the business and affairs of  
GRAVENHURST FARMERS' MARKET CO-OPERATIVE INC.  
(herein called the "Co-op")

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BE IT ENACTED as a By-law of the Co-op as follows:

#### DEFINITIONS

"BOARD" means the Board of Directors of the Co-op.

"MARKET" means the farmers' market operated seasonally by the Co-op

"MEMBER" means a person who is a member of the Co-op pursuant to the provisions of the Co-operative Corporations Act or the articles and by-laws of the co-operative governing membership.

"MINISTER" means the Minister of Finance or such other member of the Executive Council to whom the administration of the Act may be assigned.

"SPECIAL RESOLUTION" means a resolution that is not effective until it is,

(a) passed by the directors of the Co-op; and

(b) confirmed, with or without variation, by at least two-thirds of the votes cast at a general meeting of the members of the Co-op duly called for that purpose, or such greater proportion of the votes cast as the articles provide.

ARTICLE 1: GENERAL1.01 CO-OPERATIVE CORPORATIONS ACT

The affairs of the Co-op will be governed by and conducted in accordance with the Co-operative Corporations Act, R.S.O. 1990, Chapter C.35, as amended from time to time (the "Act"). Certain provisions of the Act relate to matters not dealt with in the by-laws of the Co-op and should be consulted where applicable.

1.02 HEAD OFFICE

The head office of the Co-op shall be located at 830 Bay Street, Gravenhurst, Ontario, P1P 1G7 and at such place therein as the Board may from time to time determine.

1.03 CORPORATE SEAL

The corporate seal of the Co-op shall have inscribed thereon the words "Gravenhurst Farmers' Market Co-operative Inc." and the seal impressed in the margin of these by-laws is hereby adopted as the corporate seal of the Co-op.

1.04 OBJECTIVES

- a) To promote fresh Ontario produce with special emphasis on locally grown Muskoka farm products. To provide an avenue for selected primary and secondary producers, local artisans and craftspeople to promote and sell their goods while retaining the integrity and feel of a true Farmers Market.
- b) The Co-op's activities shall be carried on without the purpose of financial gain for its members.
- c) On the dissolution of the Co-op and after the payment of its debts and liabilities, the remaining property of the Co-op shall be given to charitable organizations, co-operatives or other farmers' markets if permitted by the Ministry, with similar objects carrying on their activities solely within Canada.

1.05 BY-LAWS

- a) Subject to this Act and the Articles of Incorporation or restated Articles of Incorporation of the Co-op, the Board may pass by-laws that regulate the business and affairs of the Co-op.
- b) No by-law is effective until it is:
  - 1) passed by the directors of the Co-op;
  - 2) and confirmed, with or without variation, by at least two-thirds of the votes cast by members in good standing at a general meeting of the members of the Co-op duly called for that purpose.

1.06 AMENDING THE ARTICLES OF INCORPORATION

The Co-op may amend its Articles of Incorporation in accordance with s. 151 of the Act by special resolution of the members, except that the Co-op shall not amend its Articles of Incorporation so that it is no longer a non-profit community co-operative, and no attempt to do so shall be effective.

ARTICLE 2: MEMBERSHIP

2.01 MINIMUM NUMBER OF MEMBERS

The Co-op shall have at all times five or more members. Any member who is aware that the Co-op exercised its corporate powers following the date which is six months after the number of members of the Co-op have been reduced to less than five, may become personally liable for the debts of the Co-op in accordance with s. 145(1) of the Act.

2.02 MEMBERSHIP FEE

- a. Each new applicant for membership in the Co-op shall pay a one time Co-Op Initiation Fee of ten dollars (\$10.00) at the time their Co-op Membership Application is submitted to the Board.
- b. In accordance with the Co-op By-laws and Articles of Incorporation, to be a member in good standing during any given year a member shall also pay an annual Co-op Membership Fee for that year of ten dollars (\$10.00).
- c. Co-op Initiation fees and Co-op Membership fees are non-refundable.

2.03 MEMBERSHIP

- (a) Co-op members are all persons who are at least 16 years of age, and whose signed application for membership in the Co-op has been approved by the Board and the applicant has fully complied with the by-laws governing the admission of members.
- (b) Memberships are limited to one per business.
- (c) A joint membership may be shared between two or more family members or business partners, provided however:

- (i) only one of the persons sharing the joint membership is eligible for election to the Board. the person eligible for election must be designated in writing to the Board, in default of which the person whose name is listed first in the application for joint membership will be eligible for election.

- (ii) only one of the persons sharing the joint membership is eligible to propose a motion at a general meeting,
- (iii) only one of the persons sharing the joint memberships is eligible to vote only one vote on behalf of the joint membership, as the occasion arises, and
- (iv) only one of the persons sharing the joint membership is eligible to speak on behalf of the joint membership at general meetings, except with special permission of the chair of the meeting.

#### 2.04 TRANSFERRING OF MEMBERSHIP

Membership in the Co-op shall not be transferable and shall terminate with death.

#### 2.05 APPROVAL OF MEMBERSHIP APPLICATION

- (a) The Board may in their discretion approve or refuse to approve any application for membership in the Co-op and shall not be obligated to give, nor shall any applicant be entitled to receive, written or other reasons for the refusal.
- (b) When considering an application for membership in the Co-op the Board shall take into account the following factors, among other factors at the Board's discretion:
  - (i) the applicant must be approved as a Vendor by the Board;
  - (ii) the applicant must have completed three full years as a full time Vendor;
  - (iii) a "full time Vendor" for these purposes is a Vendor who has paid for the full year and attended the majority of the markets that year or at least each market when their produce is available; and
  - (iv) during the three year period as a full time Vendor, the applicant should have contributed to the market by way of volunteer work and being a positive influence to the market as a whole and to its other vendors.

#### 2.06 WITHDRAWAL FROM MEMBERSHIP

A member may withdraw from membership in the Co-op, at any time, by giving written notice to the Secretary. A member who has failed during a complete calendar year to pay his or her annual membership fee is deemed to have elected to withdraw and that membership is automatically terminated as of December 31 of that year.

## 2.07 TERMINATION OF MEMBERSHIP

- a) A member may be expelled from membership in the Co-op, for cause, by resolution passed by a majority of the Board at a meeting duly called for the purpose, not later than thirty days before the date set for the Annual General Meeting of the Co-op.
- b) The procedure governing the expulsion and all proceedings prior and subsequent thereto, including the right to appeal, shall be governed by the provisions of the Co-operative Corporations Act.

## ARTICLE 2.1: VENDORS

### 2.1.01 CATEGORIES OF VENDORS

- (a) “Vendor” included Regular, Specialty, Guest and Charitable Group Vendors
- (b) “Regular Vendor” includes Producers, Producer/Re-sellers, Secondary Producers, and Artisans.
- (c) “Producer” means a farmer who sells only produce, 100% of which he or she has grown or raised him or herself.
- (d) “Producer/Re-Seller” means a farmer who sells produce which he or she has grown or raised him or herself and in addition sells agricultural products grown in Ontario which he or she has purchased for resale.
- (e) “Secondary Producer” means a Vendor who sells food items that he or she has personally made.
- (f) “Artisan” means an artisan or craft person who sells works of art or hand crafted items that he or she has made him or herself.
- (g) “Specialty Vendor” means a Vendor not included in the categories of Producer, Producer/Re-seller, Secondary Producer or Artisan as set out above,
- (h) “Guest Vendor” means a Vendor whom the Board feels would be an asset to the Market but who, due to space or demand limitations, is not acceptable as a Regular Vendor,
- (i) “Charitable Group Vendor” means a charitable organization wishing to raise monies for a non-profit or charitable activity.

### 2.1.02 RESTRICTIONS ON VENDORS

- (a) No Producer or Secondary Producer may sell produce or food items that he or she has purchased for resale.
- (b) No Artisan may sell items that he or she has purchased for resale unless that item has had additional creative work done to it by the Vendor.
- (c) A 50% surcharge will be applied to stall fees for Producer/Re-Sellers and Specialty Vendors.
- (d) Producers from within or outside of the District of Muskoka, if accepted, will be allowed to bring all approved, self grown products. The acceptance of any secondary products, such as baking, preserves, sauces etc, regardless of whether or not the Producer grows the fruit or vegetables that go into those products, is strictly at the discretion of the board, based on the market's current supply and demand. The acceptance by the Board of a Producer shall not be considered approval for the Producer to sell secondary products.

### 2.1.03 STATUS AS VENDOR

- (a) Upon application, the Board may grant to a person status as a Vendor in one of the categories of Vendor set out above.
- (b) All Vendors must be at least 16 years of age.
- (c) Status as a Regular Vendor and Specialty Vendor lasts from the date of acceptance of the Vendor's Application through to December 31 of that year. Status as a Guest Vendor and a Charitable Group Vendor lasts only for the designated day or days approved by the Board.
- (d) Any member in good standing or non-member may apply in any year to the Board for status as a Regular, Specialty or Guest Vendor.
- (e) Any charitable organization wishing to raise monies for a non-profit or charitable activity may apply for a designated day or days to operate a stall at the Market.

#### 2.1.04 VENDOR APPLICATIONS

- (a) Any person wishing to have a stall at the Market must submit to the Board a properly completed vendor application form.
- (b) The Board will decide stall fees on an annual basis. Stall fees for applications that are not approved shall be immediately returned.
- (c) An application for status as a Regular or Specialty Vendor must be accompanied by a stall fee as determined by the Board. An application for status as a Guest Vendor need not be accompanied by a stall fee, but an approved Guest Vendor must pay the stall fee as determined by the Board prior to operating at the Market on the day or days approved.
- (d) The Board, in its discretion, will decide on the number of Vendors permitted to sell similar products each year, and shall base its decision on current supply and demand among other factors.
- (e) Vendors who are not members of the Co-op are required to pay an annual Administration Fee as determined by the Board on an annual basis.

#### 2.1.05 VENDOR APPROVALS AND PRIORITIES

- (a) The Board may, in its discretion, approve or refuse to approve any application for status as a Vendor and shall not be obligated to give, nor shall the applicant be entitled to receive, written or other reasons for the decision.
- (b) Properly completed applications to be Producers from members in good standing or non-members located within the District of Muskoka will be given priority over all other applicants.
- (c) Properly completed applications from all other Regular Vendors who are members in good standing or non-members located within the District of Muskoka will be given the next priority, subject to the Market's current supply and demand or the product or items being offered for sale.
- (d) Properly completed applications from any Regular Vendors who are members in good standing or non-members located outside the District of Muskoka but within 40 km of the District boundaries will be given the next priority, subject to the Market's current supply and demand or the product or items being offered for sale.
- (e) Properly completed applications from any Regular Vendors who are members in good standing or non-members located more than 40 km outside the boundaries of the District of Muskoka will be considered only if the Market is still showing a demand for the product or items being offered for sale.
- (f) The acceptance of applications of Specialty Vendors, Guest Vendors and Charitable Group Vendors, and if applicable the frequency such a Vendor may have access to a stall, is at the discretion of the Board.
- (g) For greater certainty, approval by the Board of an application to become a Vendor shall not be considered approval of that applicant as a member of the Co-op.

### 2.1.06 TRANSFERRING OF VENDOR STATUS

Status as a Vendor shall not be transferrable and shall terminate with death.

### 2.1.07 REVOCATION OF VENDOR STATUS

- (a) All Vendors must adhere to the By-laws, Policies and Procedures of the Co-op and the terms and conditions agreed upon in their signed vendor application form. Any one who fails to do so, or acts in a rude, disruptive or offensive manner may have his or her status as a Vendor revoked for the balance of the year by the Board.
- (b) Vendors will be given a verbal warning for a first offense and a written warning for a second offense. For a third offense, the Vendor will be asked to leave the Market immediately and will be given written notice of the revocation of their status as a Vendor. Stall fees will not be reimbursed to a Vendor whose status has been revoked.

## ARTICLE 3: MEETINGS OF MEMBERS

### 3.01 ANNUAL GENERAL MEETINGS

The Co-op shall hold an Annual General Meeting of the members not later than eighteen months after incorporation, and subsequently not more than *f i f t e e n* months after the last preceding Annual General Meeting and not more than six months after the previous fiscal year of the Co-op. The agenda for each Annual Meeting shall include the election of directors, the approval of financial statements, the appointment of an auditor (if necessary), the receiving of annual reports from the Board, committees, and staff, and any other matters relevant to the affairs and business of the Co-op.

### 3.02 SPECIAL GENERAL MEETINGS

Special general meetings may be called by the President, Vice-President or the Board at any time.

### 3.03 REQUISITION FOR GENERAL MEETING

- a) Ten per cent of the members of the Co-op may, provided that each of them is in good standing, requisition the Board to call a general meeting of the members for any purpose that is connected with the affairs of the Co-op and that is not inconsistent with the *Co-operative Corporations Act*.
- b)The requisition shall state the general nature of the business to be presented at the meeting and shall be signed by the requisitionists and deposited at the Head Office of the Co-op.
- c)Upon deposit of the requisition, the Board shall call a meeting of the members for the transaction of the business stated in the requisition.



d) Subject to subsection (g), if the Board does not call the meeting within five days from the date of deposit of the requisition, or hold the meeting within thirty days of the date of the deposit, any of the requisitionists may call the meeting within sixty days from the date of the deposit of the requisition.

e) A meeting called under this section shall be called in the same manner as meetings called under sections 3.05 to 3.11.

f) The Co-op shall reimburse the requisitionists for any reasonable expenses incurred by them because of the action taken under subsection (d) unless, at the meeting, the members, by a majority of votes, reject the reimbursement of the requisitionists, or unless a quorum of members is not present at the meeting.

g) The Board shall not be obligated to call a general meeting of the members, if an annual, regular or special meeting is scheduled within the thirty day period mentioned in subsection (d).

#### 3.04 NOTICE OF MEETINGS OF MEMBERS

a) Notice of each general meeting of members shall be sent to each member at their most recent recorded address not less than ten or more than fifty calendar days prior to the date of the meeting. In computing time for the giving of notice, the day of giving the notice shall not be counted and the day of the meeting shall be counted.

b) The notice shall specify the time and place of the meeting and shall set out or be accompanied by a statement of the business to be considered or transacted at the meeting in reasonable detail. Any member shall be entitled to have a matter put on the agenda for any general meeting and sent out with notice of the meeting, provided she or he gives the Secretary written notice of such matter sufficiently in advance of when notices of the meeting are being sent out to permit it to be included. If she or he does not give notice in time for inclusion with the regular notice of the meeting, she or he may herself or himself at her or his own expense give notice to all members at least five days prior to the date of the members' meeting.

c) 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. If at the beginning of the meeting, all members present consent to discuss and decide upon any other matter then it shall be included in the agenda.

d) The record date for being entitled to receive notice of meetings of members shall be the day before the last date for giving notice under subsection (a).

e) When notice of a meeting is received generally by the members, the accidental omission to give notice to any member or the non-receipt of notice by any member, or any error in the register of members as of the record date, shall not invalidate any motions or resolutions passed or any proceedings taken at the meeting.

### 3.05 PLACE OF MEETINGS

Meetings of members shall be held at a place within the District of Muskoka unless two-thirds of the membership authorize the holding of a meeting of members at any other place within the Province of Ontario.

### 3.06 QUORUM

No business shall be transacted or motions or resolutions adopted at any meeting of members unless a quorum of members is present. A quorum shall consist of the lesser of ten members or twenty per cent of the members entitled to vote at the meeting. If a quorum is not present within forty-five 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 thereafter, and the decisions of the subsequent meeting shall be binding regardless of the number of members who attend.

At least two days' notice of the subsequent meeting shall be given in the same manner as provided in section 3.04 (using the original record date for notice).

### 3.07 CHAIR AT MEETINGS

The President, or in the absence of the President, the Vice-President, shall preside as Chair at meetings of members, unless the members at the meeting choose different person to be Chair. If the Chair wishes to make a motion or participate in discussion of a matter before the meeting, the Chair shall leave the Chair until the voting on such motion is over, or discussion of such matter has been completed. During her/his absence from the Chair, the Vice-President or some other person approved by the members, shall act as Chair. The person acting as Chair at the time of a vote shall not vote, unless the vote is by ballot, or unless the Chair's vote would break a tie.

### 3.08 VOTING

Each member of the Co-op shall have only one vote at any meeting of members. Where two or more persons hold a joint membership, any one of such persons present, at meeting of members, has the right in the absence of the others to vote, but if two or more such persons are present only one may vote. Only members who are in good standing and present in person may vote. Proxies shall not be permitted. Unless otherwise specifically provided herein, or in the Co-operative Corporations Act, all decisions shall be made by a majority of the votes cast. For greater certainty, Vendors who are not members of the Co-op shall not be entitled to receive notice of, attend or vote at any meeting of the Co-op members.

3.09 PROCEDURE AT MEETINGS

Meetings of members shall be conducted in accordance with Roberts Rules of Order.

3.10 ATTENDANCE

- (a) Members who are not in good standing, and non-members may attend or speak only with the permission of the Chair of the meeting, and may not propose motions.
- (b) Persons who belong to a joint membership may attend any general meeting, but may not speak at a general meeting if another person belonging to that joint membership has already spoken, except with the permission the the Chair of the meeting.
- (c) The Secretary shall keep a record of attendance, and ensure that only eligible members vote, speak and propose motions.

ARTICLE 4: BOARD OF DIRECTORS

4.01 BOARD OF DIRECTORS

- a) The Co-op may by the use of by-laws increase or decrease the number, or the minimum or maximum number, of directors within the limits set out in the Articles of Incorporation of the Co-op.
- b) The Co-op shall file a certified copy of any special resolution or by-law determining the number of directors with the Minister of Finance within ten days after it has been confirmed by the members.
- c) The Board may determine annually, prior to the election of the next Board, what number of directors there shall be in the next year provided it is within the range of minimum (5) and maximum (12) set by the Articles of Incorporation.

4.02 POWERS AND DUTIES OF THE BOARD

a)The business of the Co-operative shall be under the discretion and control of the Board who may exercise all such power as may be exercised by the Cooperative and do all such acts and things as may be done by the Co-operative, which are not, by the by-laws of the Co-operative or by the provisions of the Act, expressly directed or required to be done at meetings of the members.

b)The Board shall at all times act swiftly and responsibly, in accordance with the *Co-operative Corporations Act*, the Articles of Incorporation and by-laws of the Co-op, and within 30 days of resolutions duly passed at meetings of the members. In the event that this time frame is unreasonable, a progress report will be presented at the next general members meeting.

c)The Board may from time to time pass by-laws, which shall 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.

d)The Board's responsibilities shall include the following:

- Ensuring that an efficient organizational structure is established and that the division of responsibility within the structure is clearly defined, for the implementation of the annual plan;
- Ensuring that all legal obligations and agreements of the Co-op are fulfilled;
- Supervising and monitoring the financial affairs of the Co-op and making prudent financial decisions in the interests of members;
- Maintaining an adequate level of insurance coverage;
- Approving membership applications;
- Reporting on its activities to each general members meeting;
- Hiring, dismissing and directing employees and fixing their remuneration;
- Encouraging the participation of the Co-op in the broader co-operative movement;
- Ensuring that Board meetings are open to all members and that meeting packages are available to interested members in advance.
- Ensuring that the appropriate Policies and Procedures for any committees are followed, if applicable; and
- \* Co-ordinating the reports and activities of committees through the liaison member as appointed by the board;

#### 4.03 QUALIFICATIONS OF DIRECTORS

The qualifications of each director shall be as follows:

- a) he or she must be a member of the Co-op;
- b) he or she must be at least eighteen years of age;
- c) at least 50% of the Board must reside in Muskoka, Ontario;
- d) no undischarged bankrupt person shall be a director, and, if a director becomes a bankrupt person, she/he thereupon ceases to be a director; and
- e) a person elected or appointed a director shall be deemed not to be a director unless he or she either
  - 1) was present at the meeting when s/he was elected or appointed, and did not refuse at the meeting to act as a director; or
  - 2) where she/he was not present at the meeting when s/he was elected or appointed, she/he consented to act as director in writing before his or her election or appointment or within ten days after.

4.04 ELECTION OF DIRECTORS

- (a) The Board shall be elected by the members.
- (b) The term of office of a director shall be for no more than thirteen months.

4.05 BALLOTING

- (a) Elections shall be by ballot.
- (b) Every member entitled to vote at an election of directors, if the member votes, shall cast at the election a number of votes equal to the number of directors to be elected, and the member shall distribute the votes among the candidates in such manner as the member sees fit, but no candidate shall receive more than one vote from each member.

4.06 RESPONSIBILITIES OF INDIVIDUAL DIRECTORS

The responsibilities of directors shall include (in addition to any responsibilities any director may have as an officer) the following:

- To attend all meetings of the Board and of members;
- To be prepared for all meetings by reading the relevant reports;
- To have regard for the welfare of the Co-op at all times;
- To promote and adhere to the co-operative principles and membership awareness thereof;
- To be responsible and informed about the financial well-being of the Co-op at all times.

4.07 TERMINATION OF DIRECTORSHIP

The office of a director shall be vacated:

- if the director becomes bankrupt or is declared insolvent;
- if the director becomes mentally incompetent;
- if director ceases to have the necessary qualifications for office;
- if the director becomes absent without leave of the Board from (2) two consecutive regular meetings of the Board;
- if the director knowingly breaks confidentiality or fails to keep confidential information that a reasonable person should have known was confidential;
- if the director discriminates against a member because of a personal bias;
- if by notice in writing to the Co-op, s/he resigns her/his office; or
- if by resolution passed by a majority of the votes cast at a meeting of the members called for that purpose, the director is removed from office.

#### 4.08 NOTICE OF BOARD MEETINGS

a) A meeting of the Board may be called by the President or Vice-President or any three (3) directors at any time. Notice of such meetings shall be delivered or mailed or emailed or telephoned or sent by telefax transmission to each director not less than two (2) days before the meeting is to take place; provided always that meetings of the said Board may be held at any time without formal notice if all the directors are present or those absent have waived notice or have signified their consent in writing to the meeting being held in their absence.

b) In general, all meetings of the Board may be attended by members of the Co-op, except where by a two-thirds (2/3) vote of the directors it is decided otherwise.

c) In the case of the first meeting of the Board to be held immediately following an annual meeting, or in the case of a director elected to fill a vacancy on the said Board, it shall not be necessary to give notice of such meeting to the newly elected director or directors in order to legally constitute the meeting, provided that a quorum of directors is present.

#### 4.09 QUORUM AT BOARD MEETINGS

No business of the Co-op shall be transacted by its Board unless a majority of the directors (quorum) is present.

#### 4.10 VOTING AT BOARD MEETINGS

All motions arising at any meeting of the Board shall be decided by consensus, unless all reasonable avenues have been explored and consensus cannot be reached, at which time majority will decide.

#### 4.11 REQUISITION FOR BOARD MEETINGS

a) Ten per cent of the members of the Co-op may, provided that each of them is in good standing, requisition the directors to call a meeting of the directors for the purpose of passing any by-law or resolution that may properly be passed at a meeting of the directors duly called, constituted and held for that purpose, in accordance with the provisions of s.70 of the Act. Upon deposit of the requisition, the directors shall forthwith call a meeting of the directors for the purpose of passing the by-law or resolution, as the case may be, set out in the requisition.

b) The requisition shall set out the by-law or resolution, as the case may be, that is required to be passed at the meeting and shall be signed by the requisitionists and deposited at the head office of the Co-op.

c) Where the Board does not, within twenty-one days from the date of the deposit of the requisition:

- 1) call and hold such a meeting and pass such a by-law or resolution;  
and
- 2) call a general meeting of the members for the purpose of confirming the by-law or resolution if the resolution requires confirmation at a general meeting of the members before it is effective;

any of the requisitionists may call a general meeting of the members for the purpose of passing such a by-law or resolution, and the meeting shall be held within sixty days from the date of the deposit of the requisition.

#### 4.12 LIMITATION OF LIABILITY

a) The directors of the co-op are jointly and severally liable to the employees to whom the Employers and Employees Act applies for all debts that become due while they are directors for services performed for the Co-op, not exceeding six months wages, and for the vacation pay accrued for not more than twelve months under the Employment Standards Act and the regulations thereunder or under any collective agreement made by the Co-op.

b) A director's liability is limited by the terms set out in the Act.

### ARTICLE 5: OFFICERS

#### 5.01 ELECTION OF OFFICERS

Immediately following an election of the Board or as soon thereafter as reasonably possible, the directors will appoint or elect all officers from amongst themselves.

#### 5.02 TERMINATION OF OFFICE

All officers shall be subject to removal by resolution of the Board at any time with or without cause provided that a majority of the directors shall vote in favour thereof.

The members may, by resolution passed by a majority of the votes cast at a general meeting duly called for that purpose, remove any officer from her or his position as officer before the expiry of her or his term, and may elect any qualified person in her or his stead for the remainder of her or his term.

### 5.03 INDEMNITIES TO DIRECTORS

Every director or officer of the Co-op, her/his heirs, executors and administrators, and estate and effects, respectively, shall from time to time and for all times, be indemnified and saved harmless, out of the funds of the Co-op, from and against:

- a) all costs, charges and expenses whatsoever that such director or officer sustains or incurs in or about any action, suit or proceeding which is brought, commenced or prosecuted against her/him for or in respect of any act, deed, matter or thing whatsoever made, done or permitted by her/him in or about the execution of the duties of her/his office; and
- b) all other costs, charges and expenses that she or he sustains or incurs in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by her or his own willful neglect or default.

### 5.04 INSURANCE

The Co-op may purchase and maintain insurance for the benefit of directors or officers thereof.

### 5.05 DUTIES OF THE PRESIDENT AND VICE-PRESIDENT

The President shall:

- when present, preside at all meetings of the members of the Co-op and the Board;
- be charged with the general management and supervision of the affairs and operations of the Co-op;
- with the Secretary or other officer appointed by the Board for the purpose, sign all by-laws.
- pass all material relevant to the position on to the next President.
- During the absence or inability of the President, her/his duties and powers may be exercised by the Vice-President, and if the Vice-President, or such other director as the Board may from time to time appoint for that purpose, exercises any such duty or power, the absence or inability of the President shall be presumed with reference thereto.



5.06 DUTIES OF SECRETARY - The Secretary shall:

- attend all meetings of the Board;
- record all facts and minutes of all proceedings in the books kept for that purpose;
- give all notices required to be given to members, the auditor and to directors;
- keep the seal of the Corporation;
- keep all books, papers, records, correspondence, contracts and other documents belonging to the Co-op required by the by-laws of the Co-op or by any applicable statute or law to be regularly and properly kept;
- deliver up such books and records only when authorized by a resolution of the Board to do so and to such person or persons as may be named in the resolution;
- perform such other duties as may from time to time be determined by the Board.
- pass all material relevant to the position on to the President.

5.07 DUTIES OF TREASURER - The Treasurer shall:

- oversee and supervise all the financial management and affairs of the Co-op;
- cause all funds and securities of the Co-op to be deposited with such bank, trust company, or credit union as the Board may direct;
- 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 rental 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;
- ensure that the Board receives financial reports, as requested by the Board, and ensure that copies of the reports are forwarded to committees as required;
- ensure that the books and accounts of the Co-op are available to any member at all reasonable times upon application at the office of the Co-op during business hours.
- pass all material, including receipts, relevant to the position on to the President.

Failure to carry out the above may result in the dismissal of that officer.

5.08 DUTIES OF OTHER OFFICERS

The duties of all other officers of the Co-op shall be such as the terms of their engagement call for or as the Board requires of them.

#### 5.09 REMUNERATION OF DIRECTORS AND OFFICERS

The directors shall serve without remuneration and shall not receive directly or indirectly any profit from their positions as directors, but may be paid reasonable expenses incurred by them in the performance of their duties.

#### 5.10 DUTY OF CONFIDENTIALITY

No director or officer shall disclose or, as far as possible, permit disclosure of, any matters considered by the directors or officers or coming to the directors' or officers' notice or attention as directors or officers about members of the Co-op, which are of a confidential or private nature, to persons outside board meetings. Such matters shall include personal information about individual members, staff issues and information relating to the business of the Co-op where secrecy is appropriate to preserve the Co-op position against third parties.

If any employee or other member of the Co-op is present at a board meeting where confidential matters are considered and becomes aware of such confidential information, such persons shall have an obligation not to disclose and not to permit disclosure of such information to any person not present at the board meeting.

The minutes of board meetings shall include details of all items of business discussed, but details of confidential matters shall not be included in or shall be deleted from any copies of the minutes circulated to members or posted in a public place.

#### 5.11 CONFLICT OF INTEREST

Every director, fiduciary, member and/or representative of a member who has, directly or indirectly, any material interest in any contract or transaction to which the Co-op is or is to be a party (including staff), shall, unless the subject of the contract or transaction is of a type available to all members of the Co-op, declare her/his interest in such contract or transaction at a meeting of the directors and/or members and shall at that time disclose the nature and extent of such interest, in accordance with the provisions of s. 98 of the Act and shall not speak and/or vote at any meeting and shall not in respect of such contract or transaction be counted in the quorum for the meeting. Successful candidates will be hired on merit regardless of familial relationships within the Co-op subject to the Board of Directors ensuring that no conflict of interest will arise in implementing the above policy.

### ARTICLE 6: COMMITTEES

#### 6.01 COMMITTEES STRUCK BY THE BOARD

The Board may strike committees from time to time as it deems necessary. The Board shall determine the terms of reference of a committee and its composition, shall appoint a Chair, shall assign a director to be a liaison with the committee and shall carry out such other matters as may be appropriate in accordance with this By-law.

6.02 COMMITTEE MEMBERSHIP

The members of each committee shall be recruited from among the Co-op's membership and confirmed by the Board. Following each Annual General Meeting, the Board shall review all committees. A member who cannot continue on a committee shall inform the Chair in writing.

6.03 DUTIES OF COMMITTEES

Each committee is responsible for meeting its terms of reference. It shall report in writing or verbally to the Board and membership as requested, send a representative to Board or general meetings as requested, shall appoint a Secretary who shall keep minutes of all meetings, making them available to the Board and membership at all times.

6.04 QUORUM

A quorum of a committee shall be a majority of their members.

6.05 AUTHORITY OF THE BOARD

No committee may spend any money, authorize any expenditure or enter into any contract without the authority of the Board.

ARTICLE 7: FINANCIAL

7.01 FISCAL YEAR

The fiscal year of the Co-op shall be from January 1 through December 31.

7.02 BUDGET

The Board shall each year approve a budget and present it to the members.

7.03 AUDITOR

The members can appoint an Auditor at an annual or general members meeting. The Auditor will be a chartered accountant or chartered accountant firm or corporation familiar with accounting for co-operatives. The Auditor will report her/his finding, in writing, to the membership at a meeting called for that purpose. Remuneration of the Auditor shall be fixed by the Board. The Auditor shall at all reasonable times have access to the books, accounts and vouchers of the Co-op and the directors and officers of the Co-op shall provide her/him with such information and explanations as may be necessary for the performance of her/his duties.

7.04 AUDITOR'S REPORT

The Auditor shall report to the members on the financial position of the Co-op at the Annual General Meeting. He or she shall state in his or her reports whether, in his or her opinion, the financial statements referred to therein present fairly the financial position of the Co-op and the results of its operation for the period under review in accordance with generally accepted accounting practice and in a manner consistent with the previous period.

7.05 SIGNING AUTHORITY

All cheques shall be signed by two out of three officers, one being the President and one being the Treasurer.

7.06 INVESTMENT OF SURPLUS FUNDS

The Board may invest the surplus funds of the Co-op in such short-term securities or other forms as it may deem fit. The Board shall not invest any funds of the Co-op in any security having a maturity date of over one year from the time of the investment without the authority of a resolution of the members.

ARTICLE 8: EMPLOYEES

8.01 BOARD SUPERVISION OF EMPLOYEES OR CONTRACT STAFF

It is the Board's responsibility to supervise and direct the Co-op's employees or contract staff. It shall ensure that an appropriate job description for each position is drawn up and that proper procedures for reporting, and authorized areas of decision-making are established and followed. The President, or other persons appointed by the Board, shall be responsible for liaison with employees between Board meetings. Contracts will be drawn up and signed between the Co-op and all permanent employees outlining the salary, the number of hours to be worked, the job description of the employee and any other provision agreed to by the Board and the employee. A Co-op employee shall be a member of the Co-op but shall not be a director.

## ARTICLE 9: BY-LAWS, POLICIES AND PROCEDURES

### 9.01 BY-LAWS

By-laws are intended to deal with and embody permanent features of the organization of the Co-op. By-laws and amendments to existing By-laws must be passed by the Board and shall not be effective until confirmed, with or without amendments, by at least two-thirds of the votes cast at a general meeting of the members.

### 9.02 ORGANIZATIONAL POLICIES

Organizational Policies are fundamental continuing decisions on the part of the membership as to how the affairs of the Co-op should be organized and managed. Organizational Policies may be adopted by resolution of the members at a general meeting and may be amended in the same manner.

### 9.03 PROCEDURES

Procedures deal with the mechanisms required to carry out the intent and purposes of the Co-op's By-laws and Policies. Procedures will be developed and prepared in written form by committees and staff and must be approved by the Board and may only be amended by the Board. The Board and staff shall, where they consider any procedure a matter of concern to the members generally, distribute copies to the members or otherwise publicize the Procedure.

### 9.04 RECORDS OF POLICIES AND PROCEDURES

The Secretary shall maintain records of all By-laws, Policies and Procedures which have been adopted by the Co-op. Such records shall be maintained in separate sections of the Co-op's Minute Book. Such sections (as well as the rest of the Minute Book) shall be available for inspection by the members at all reasonable times. The Secretary shall from time to time publish a complete statement of all By-laws and Policies in force (including all amendments).

### 9.05 PRIORITY

Insofar as possible, By-laws, Policies and Procedures of the Co-op shall not conflict with each other or with the Co-operative Corporations Act and Articles of Incorporation of the Co-op. In the event of a conflict, the order of priority shall be first, the Act; second, the Articles of Incorporation of the Co-op; third, By-law #1; fourth, Policies and Procedures.

ARTICLE 10: EXECUTION OF DOCUMENTS

Deeds, transfers, assignments, contracts and obligations of the Co-op may be signed by the President or Vice-President or a director together with the Secretary or Treasurer. Notwithstanding this, the Board may at any time and from time to time direct the manner in which and the person or persons by whom any particular deed, transfer, contract or obligation or any class of deeds, transfers, contracts or obligations may be signed.

ARTICLE 11: EFFECTIVE DATE

This by-law shall come into force when enacted by the directors, subject to the provisions of the Act.

ENACTED by the board the 11th day of April, 2013

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Barry Anderson, President

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Lynn Murden, Secretary

CONFIRMED by the members the 11th day of April, 2013.

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Lynn Murden, Secretary