

1.0 GENERAL

1.1 MISSION

To ensure the development of a member-driven, nonprofit housing co-operative that provides quality and affordable housing and related services within an inclusive, safe and secure, diverse, and caring community.

1.2 OBJECTIVES

The objectives of SMHC are those set out in the Articles of Incorporation.

2.0 DEFINITIONS

2.1 “ACT” means the Co-operatives Act.

2.2 “BOARD” means the Board of Directors of Sarcee Meadows Housing Co-operative (SMHC) and “director” means the same thing.

2.3 “BORROWING” means to use or promise SMHC land, buildings, and/or assets as collateral to secure a loan from a lending institution.

2.4 “CLEAR DAYS” means counting each calendar day starting the day after the notice is delivered and including the day of the required deadline.

2.5 “CONFIDENTIAL” includes, but is not limited to, personal and financial information about members and staff.

2.6 “ETHICAL CONFLICT” exists when a reasonable observer would think that a person’s loyalty to another organization or interest, including his or her self-interest, may influence the exercise of his or her objective judgment or compromise his or her duty of loyalty to SMHC. Ethical conflict includes:

- **Conflict of Interest**

Conflict of interest is normally associated with improper financial gain, whether deliberately sought or innocently arrived at.

- **Conflict of Loyalties**

A conflict of loyalties is present when a person owes a duty or loyalty to two or more parties and cannot reconcile those loyalties by identifying and serving the common interests of the separate parties.

- 2.7** “**EXPROPRIATE**” means to deprive of rights or property or to take land for public use and applies when SMHC is not able to restore a unit destroyed by fire or other casualty.
- 2.8** “**FLAG**” means a specifically colored and numbered piece of paper officially used for purposes of voting. Only one flag is assigned to each member household.
- 2.9** “**HOUSING CHARGE**” means any payment due from members to SMHC and includes charges unrelated to housing.
- 2.10** “**HOUSING UNIT**” means a self contained housing unit or shared unit and includes a non-member unit.
- 2.11** “**HOUSING RIGHT**” means the right of a member to occupy and use a housing unit as described in SMHC’s bylaws and policies. Such right is to be a shareholder’s right and in no way must be taken to mean the relationship of landlord and tenant.
- 2.12** “**IMMEDIATE FAMILY**” includes spouse/partner, child, grandchild, brother, sister, parent, grandparent, aunt, uncle, niece, nephew and corresponding in-laws.
- 2.13** “**JOINT MEMBERSHIP**” involves two or more members, with each member having the right of survivorship. When one member dies, that person’s interest automatically passes to the other member(s). All persons who make up part of a joint membership are jointly and severally responsible for meeting all financial and other obligations as indicated in the share subscription agreement.
- 2.14** “**MEMBER**” means a person who has met the conditions of membership set forth in these bylaws, and has been accepted as a member by the Board of Directors and includes "shareholder", "joint member", and "joint shareholder".
- 2.15** “**MEMBER HOUSEHOLD**” means that all members residing in a housing unit make up a single household for purposes of voting, share payment and redemption, etc.
- 2.16** “**MEMBER IN GOOD STANDING**” means meeting all financial and member obligations as described in SMHC's policies, bylaws, or any agreements between SMHC and a member.

- 2.17** “**NON-MEMBER**” means a person that resides in a housing unit but is not a registered SMHC shareholder.
- 2.18** “**NON-MEMBER UNIT**” means a housing unit rented by SMHC and exclusively occupied by non-member(s).
- 2.19** “**OFFICER**” includes the chair and vice chair of the Board of Directors, the secretary, the treasurer and the general manager of SMHC, and any other individual designated as an officer of SMHC by bylaw or by resolution of the directors.
- 2.20** “**ORDINARY RESOLUTION**” means a resolution that is submitted to a members' meeting or a Board of Directors' meeting and passed at the meeting by a majority (50%+1 vote) of the votes cast.
- 2.21** “**POLICY**” means a SMHC policy created in accordance with the bylaws.
- 2.22** “**PROPOSAL**” means the written intent submitted by a member to present an ordinary or special resolution at a members' meeting, which must be submitted to SMHC within the deadlines indicated in 7.1[b] and 7.2[c], and accompany the notice of meeting.
- 2.23** “**SHARE**” means a membership share in the capital stock of SMHC to which the articles of incorporation attach no special preference, right, condition, restriction, limitation or prohibition.
- 2.24** “**SHARE SUBSCRIPTION AGREEMENT**” means the agreement between SMHC and the member by which the member subscribes for shares in the capital stock of SMHC.
- 2.25** “**SMHC**” means Sarcee Meadows Housing Co-operative Ltd.
- 2.26** “**SPECIAL GENERAL MEETING**” means a members' meeting that is called for a specific purpose. The only item for discussion and decision making is the item that caused the meeting to be called – no other business is conducted.
- 2.27** “**SPECIAL RESOLUTION**” means a resolution submitted to a members' or Board of Directors' meeting and passed at the meeting by at least 2/3 of the votes cast.

3.0 MEMBERSHIP

3.1 Eligibility

Membership in SMHC is open to all individuals:

- [a] eighteen [18] years of age or over, and
- [b] who qualify according to SMHC's member selection policy, and
- [c] who agree with SMHC's mission and objectives, and
- [d] regardless of:
 - (i) their race, national or ethnic origin, colour, religion, age, sex, marital status or sexual orientation, or
 - (ii) conviction for which pardon has been granted, or
 - (iii) children forming part of the family.

3.2 Application for membership

An individual must apply for membership following the process outlined in SMHC's membership policies.

3.3 Membership approval

- [a] An applicant becomes a member of SMHC when:
 - (i) the Board of Directors approves the individual's application for membership, and
 - (ii) the individual has signed all required documents, and
 - (iii) shares are issued to and paid for by the applicant.
- [b] A members' meeting is not required to approve membership.

3.4 Share subscription agreement

- [a] The terms and conditions contained in the share subscription agreement of any member shall serve as a contract between SMHC and the member.
- [b] Notwithstanding, these terms and conditions may be amended by a special resolution at any general meeting called for that purpose.

3.5 Rejection of a membership application

The Board of Directors may reject an application for membership when, in its opinion, to do so is in the best interest of SMHC.

3.6 Joint membership

Where more than one person over the age of 18 plans to occupy a unit, they may hold a joint membership in SMHC, as long as they meet all the requirements outlined in the membership policies.

3.7 Member rights

Each member of SMHC has the following rights:

- [a] To accommodation as created by the member's status as a shareholder.
- [b] To occupy a housing unit at SMHC until the member ceases to be a member.
- [c] To allow other persons to occupy the unit, subject to approval of SMHC and in accordance with the bylaws.
- [d] To quiet use and enjoyment of that accommodation and surrounding areas.
- [e] To have access to and use the common spaces of SMHC in accordance with these bylaws and SMHC's policies.
- [f] To access of services as stated in SMHC's policies.
- [g] To participate in the affairs of SMHC as a member.
- [h] To one vote for each unit for all resolutions presented at all members' meetings.
- [i] To be treated with respect and dignity.
- [j] To be informed regarding SMHC's activities.
- [k] To sound management by the Board of Directors.
- [l] To affordable and quality housing.
- [m] To live without fear of discrimination of any kind.
- [n] To have the opportunity to support human development through personal growth.

3.8 Member obligations

A member at SMHC has the following obligations:

- [a] To help maintain a member-driven co-op by participating in decisions about the co-op through committees and members' meetings.
- [b] To attend at least one members' meeting annually, unless an exemption is approved by the Board of Directors.
- [c] To comply with all SMHC procedures, policies and bylaws and ensure all non-member residents in a member's own unit also comply.
- [d] To interact co-operatively with other members of SMHC.
- [e] To make sure that he or she does not disrupt the lives of other members through loud noise or other offensive behaviors.
- [f] To meet all financial obligations, including paying monthly housing charges in accordance with SMHC policies.
- [g] To maintain a fully paid up share account.
- [h] To maintain his or her housing unit as described in SMHC's maintenance procedures, policies, and bylaws.

3.9 Transfer of membership

A membership in SMHC can be transferred under the following conditions:

[a] General

A transfer of a member interest is valid only if it is approved by the Board of Directors and meets all requirements of SMHC's articles, bylaws, and policies.

[b] Family share purchase

A member may apply to the Board of Directors to transfer his or her shares to an immediate family member. The application must meet all criteria as set out in the family share purchase policy and be approved by the Board of Directors.

[c] Death of a member

- (i) When there is more than one member in a housing unit, and one member dies, the remaining members retain their membership and occupancy rights.

- (ii) A member may nominate a person to whom that member's shares may be transferred on death as outlined in the death of a member policy. When any such transfer is made, the new shareholder must comply with all SMHC policies and bylaws before being approved as a member.

3.10 Withdrawal of membership

A member may voluntarily withdraw his or her membership in SMHC by doing the following:

- [a] Giving written notice two [2] clear months before the first day of the month on which the member intends to move out of the housing unit. Such written notice begins on the last day of the month in which it is given, and
- [b] Subsequently moving out of his or her housing unit.
- [c] A member may not move out of his or her housing unit without giving notice nor give notice without moving out.
- [d] Moreover, an application to withdraw from joint membership in SMHC must be signed by all persons comprising the joint membership.

3.11 Termination of membership with no right to appeal

The Board of Directors may terminate membership in SMHC and require the member to move out of his or her unit, without appeal to the membership, if a member:

- [a] fails to pay housing charges or other money due to the co-operative as described in SMHC's policies and bylaws, or
- [b] fails to meet the conditions respecting the leasing of a housing unit to a non-member as described in these bylaws, or
- [c] vandalizes or destroys property belonging to SMHC, or
- [d] uses the housing unit for activities contrary to the law, or
- [e] threatens the safety of other members, residents, and staff of SMHC, or
- [f] is a physical danger to the members and staff of SMHC or other residents, or
- [g] the member has failed to remedy any of the above within a reasonable time of receiving a written notice from SMHC to do so.

3.12 Other reasons for termination

In addition to the reasons listed in section 3.11 above, the Board of Directors may also terminate membership if, on more than one occasion:

- [a] a member has breached any of SMHC's bylaws, policies, the share subscription agreement or any other agreement between the member and SMHC, or
- [b] a member is in breach of the bylaws respecting member obligations, and
- [c] the contravention has continued to occur after SMHC has given written notice to the member.

3.13 Termination procedure

The following is the process that must be followed in terminating a member:

- [a] The Board of Directors shall give a member whose termination will be considered, a notice in writing:
 - (i) at least 3 days before the board meeting called to consider the termination, for reasons stated in 3.11, or
 - (ii) at least 14 days notice, if the termination is being considered for reasons stated in 3.12.
- [b] The notice must contain:
 - (i) the resolution to be considered at the meeting, and
 - (ii) a statement of the grounds for termination of the membership, and
 - (iii) a statement of the right of appeal of the member, if the resolution is passed, or if the reason for termination does not have a right of appeal, a statement to this effect.
- [c] A member or his agent or counsel may attend the meeting to make a submission.
- [d] The resolution to terminate membership must be passed by at least 75% of board members present at a duly called board meeting.
- [e] If the resolution to terminate is passed, the board must have delivered to the member's housing unit 14 clear days written notice of termination of membership.

3.14 Appealing termination

When a member is issued a notice of termination for reasons stated in section 3.12 above, then the member has the right to appeal the termination to the membership as follows:

- [a] By filing a notice of appeal with SMHC within 7 days of receiving the notice of termination.
- [b] Upon receiving an appeal, the Board of Directors will by 14 clear days issue to the member written notice stating :
 - (i) the breach or default committed, and
 - (ii) the date and time of the general meeting to be called to consider the appeal, and
 - (iii) the resolution for termination to be presented at that meeting.
- [c] No further action with regards to termination will be taken until the appeal process has been completed.
- [d] The appeal must be heard at the next general or special meeting of members where voting will take place by secret ballot.
- [e] After hearing the appeal, the members may by ordinary resolution confirm or quash the termination of the membership of the member.
- [f] If the members support the board's decision for termination, then the member must be given notice and move out of the unit as stated in these bylaws.

3.15 Moving out of the housing unit upon termination

- [a] Any member whose membership has been terminated must move out of the housing unit they occupy within 14 clear days after the termination notice has been delivered, or on such subsequent date as the members or the board may by resolution direct.
- [b] The member's shares will be repurchased in accordance with these bylaws.
- [c] All move out standards must be met as set out in SMHC's move out policy.

4.0 CORPORATE SEAL

4.1 Form of corporate seal

SMHC shall have a corporate seal in a form approved by the directors.

4.2 Use of corporate seal

The corporate seal must only be used :

- [a] as authorized by a resolution of the Board of Directors, and
- [b] in the presence of a member of the executive committee or such other person(s) approved by the directors, who must authenticate its use by their signature(s).

5.0 DISPUTES

- [a] All disputes between members, or between a member and SMHC, or a member and staff person, with the exception of pets and parking, shall be handled by the grievance committee in accordance with the grievance policy.
- [b] Any disputes between members involving pets and parking shall be handled in accordance with the pets and parking policies and procedures.
- [c] Failure to resolve any disputes, including those brought to the grievance committee, shall be passed on to the Board of Directors for consideration.
- [d] When a dispute cannot be resolved to the satisfaction of all parties involved, the board may bring in an outside mediator to assist in finding a resolution.
- [e] If a member fails to comply with an agreement made to resolve a dispute, that person's membership may be terminated.

6.0 CAPITAL STOCK

6.1 Value of shares

The capital stock of SMHC must consist of an unlimited number of shares with a nominal par value of one hundred [\$100.00] dollars.

6.2 Number of shares

The number of shares that need to be maintained in a fully paid share account shall be decided from time to time by ordinary resolution at a members' general meeting. The minimum number of shares must be seven (7).

6.3 Share payment

Shares in SMHC must be paid as follows:

- [a] 50% of the payment upon acceptance of the unit, and
- [b] The remaining 50% must be paid with the first month housing charges on the first day of the month in which the member assumes occupancy of the unit.

6.4 Share register

[a] SMHC must keep appropriate books of record in which must be entered :

- (i) the name of the person(s) owning the shares, and
- (ii) the number of such shares, and
- (iii) the date of issue.

6.5 Members' list

[a] Upon request, SMHC must provide a list of members to any member, or his or her legal representative, as long as :

- (i) the request includes the name and address of the applicant, and
- (ii) the information must not be used for soliciting, fundraising, market surveys, nor financial gain of any kind nor any illegal activity, and
- (iii) the request does not contravene the PIPA Act.

[b] Any member has the right to be excluded from the list by advising SMHC in writing not to include his or her name.

[c] SMHC may set a reasonable fee for producing the list.

6.6 Joint shares

Joint shares may be held in SMHC with the following implications:

[a] If joint shareholders cannot agree among themselves as to who should exercise the vote at any members' meeting, the name of the person first appearing in the share register as a shareholder shall be entitled to cast the vote.

[b] Joint shareholders shall all:

- (i) be liable for assessments, levies, dues, fees, payments and other charges imposed or payable as members of SMHC, and
- (ii) sign the share subscription agreement.

6.7 Charge on member's shares

SMHC shall have a charge on the share of a member for any loan or debt owed by a member or his or her legal representative. SMHC may apply a portion or all of the share value to the member to cover payment of the debt.

6.8 Share re-purchase

Within six [6] calendar months of the housing unit being vacated, SMHC must purchase the shares held by a withdrawing member for the same amount as the member purchased the shares. SMHC shall deduct from the value of the shares any debt owed to SMHC by the member, as determined by the board of directors for:

- [a] any amount due SMHC under these bylaws, SMHC policies and procedures or the share subscription agreement, and
- [b] the cost of all repairs and maintenance, including but not restricted to painting, redecorating, and floor finishing, needed to put the former member's housing unit into "move out condition" and suitable for new occupants, as outlined in SMHC's move out policy, and
- [c] any costs the Board of Directors may determine as required in the re-purchase of the member's shares.

7.0 MEMBERS' MEETINGS

7.1 Annual General Meetings

[a] Timing

SMHC must hold each annual general meeting within six months after the end of the preceding financial year of SMHC, on a day and at a place determined by the board.

[b] Deadline for Submission of Proposals

SMHC must provide members with the deadline for submitting proposals to be considered at the next annual general meeting. Members shall receive notice of the deadline date no less than 60 nor more than 90 days before the end of each financial period.

[c] Agenda

The annual general meeting agenda must include:

- (i) consideration of the audited financial statements, and
- (ii) an auditor's report, and
- (iii) the appointment of an auditor, and
- (iv) the election of directors, and
- (v) an annual report from the Board of Directors, standing committees, and the general manager, and
- (vi) consideration of the minutes of the previous general meeting.

[d] Special Business

Any other matter relevant to SMHC business as raised by any member or the Board of Directors shall be considered "special business".

7.2 Regular General Meetings

[a] Timing

The regular general members' meetings shall be called by the board at least three times a year. As nearly as convenient, the annual general meeting and regular general meetings shall be spaced at quarterly intervals through the year.

[b] Agenda

The agenda for each regular general meeting shall include the receiving of reports from the board and other matters relevant to the affairs of SMHC that may be raised by the members or the Board of Directors.

[c] Deadline for Submission of Proposals

Any member wishing to submit a proposal for consideration at a general meeting must submit the proposed resolution to SMHC no later than 40 days before the general meeting where the resolution is to be discussed. A member may propose an ordinary resolution at a general meeting, without notice, if the intent is to seek information rather than change practice or policy.

7.3 Special General Meetings

[a] Board initiated

A special general meeting of SMHC may be called at any time by the directors when they consider it necessary or advisable to do so through an ordinary resolution at a duly called board meeting.

[b] Member requested

The directors must call a special general meeting upon receiving a written request signed by 10% or more of member units that:

- (i) includes the unit number and printed names as well as the signatures of all members making the request, and
- (ii) clearly states the nature of the business to be transacted at the meeting, unless
- (iii) the Board of Directors have already called a meeting and given notice of it, or

- (iv) the exceptions stated in 30(7) of the Co-operatives Regulations apply, in which case the board is not required to call the meeting.

[c] **Member called**

If on receiving the request, the directors do not within twenty-one [21] clear days call a special general meeting, any one or more of the members making the request may themselves call the meeting, except when not required as stated in 7.3 (b) above.

7.4 Electronic Meetings

SMHC may hold electronic meetings. Unless circumstances indicate the need for an electronic meeting, Members meetings will be held face to face.

7.5 Quorum

[a] At any general meeting of SMHC, one-tenth of member households (38 units) present at the beginning of the meeting shall constitute a quorum.

[b] For the purpose of determining a quorum, any joint shareholders shall constitute one member.

[c] If a quorum is not present after one [1] hour from the time the meeting was to start, the meeting shall be adjourned to such time and place as the Board of Directors may determine.

7.6 Rules of procedure

The following applies to all rules of procedures followed at a members' meeting:

[a] The Board of Directors may from time to time establish rules of procedure for consideration of the members.

[b] The rules of procedures become effective through an ordinary resolution passed at a general meeting.

[c] All questions as to the interpretation of the rules of procedure shall be decided by the chairperson. Any member may appeal the chairperson's ruling to the members present at the meeting. The decision of the meeting stands.

7.7 Notice of meetings

The secretary must ensure delivery of a written notice to each member household of any members' meeting (including any members' meeting that considers the annual budget and housing charges):

- [a] at least ten [10] days but not more than sixty [60] days prior to such meeting, and
- [b] stating the purpose, time and place where the meeting is to be held , and
- [c] including any ordinary or special resolution to be considered by the members at the meeting.
- [d] If a shareholder or shareholders do not receive the notice, or notice to a shareholder is accidentally omitted, it shall not prevent the holding of such a meeting, nor invalidate any resolution passed or proceedings taken at the meeting.

7.8 Voting eligibility

- [a] At each member's meeting, a member household is entitled to receive only one voting flag which represents one [1] vote.
- [b] If more than one eligible voting member from a member household is present at the meeting, the following applies:
 - (i) Any member may use the voting flag to cast a vote at any one time, but
 - (ii) If they cannot agree as to who shall cast the vote, the vote shall be cast by the member whose name first appears in the share register, and
 - (iii) the mover and seconder of any single motion must be from different member households.
- [c] Only a member in good standing present in person at a face to face meeting may vote; proxies shall not be permitted at face to face meetings.
- [d] A member in good standing may vote electronically at an electronic meeting.
- [e] The secretary must ensure that only voting members make motions or vote.

7.9 Voting procedures

- [a] Unless otherwise provided for in the bylaws or the Act, all decisions shall be made by an ordinary resolution. An abstention shall not be considered a cast vote.
- [b] Any matter put to a vote at a face to face meeting must be decided by a show of hands, unless either before or after the vote, the members, by a show of hands, demand a secret ballot, in which case a secret ballot must be taken as directed by the chair of the meeting.

[c] If a member, the chair shall be entitled to vote on all questions, but shall have no additional vote in the event of a tie vote.

[d] In the event of a tie vote, the motion shall be declared lost.

7.10 Attendance by non-members

A non-member may attend or speak at a members' meeting if permission is given by the chair or the majority of voting members at the meeting. A non-member may not propose any motions nor vote.

7.11 Record of attendance

The secretary must ensure that the names of all persons attending members' meetings are recorded and that all registered voters are eligible.

7.12 Minutes of general meetings

The secretary must ensure minutes of members' general meetings:

- [a] be distributed to all members before the general meeting where they are to be approved, and
- [b] that these minutes must include details of all items of business discussed, and
- [c] must not include details of confidential matters, including the number of ballots cast for candidates for the office of director.

7.13 Electronic voting

SMHC may conduct a vote at a virtual meeting entirely by electronic means, and any Member entitled to vote at the meeting may vote by those means provided:

- [a] each Member has access to the electronic communication,
- [b] the electronic communication method is set up and used in a manner that
 - (i) permits verification of the votes
 - (ii) permits the votes to be counted without identifying how each Member voted.

8.0 BOARD OF DIRECTORS

8.1 Number of directors

The number of directors shall not be less than nine [9] nor more than thirteen [13] persons, or such other number as shall from time to time be determined by the membership of SMHC through ordinary resolution.

8.2 Term of office

The term of office of the directors shall be as follows:

- [a] A director normally serves a three year term of office [unless completing the term of a director who has resigned or been removed].
- [b] The term shall end at the beginning of the board meeting immediately following the members' meeting where his or her successor is elected.
- [c] The Board of Directors must hold its first meeting within fourteen [14] days of each annual general meeting.

8.3 Eligibility of directors

- [a] Except as indicated otherwise in these bylaws, any member in good standing of SMHC shall be eligible to be elected as a director if
 - (i) no other shareholder from their member household is currently serving as a director, and
 - (ii) they are present at the meeting where they are elected, and did not refuse to act as a director, or
 - (iii) they were not present at the meeting, but consented in writing to act as a director before the election or within ten [10] clear days.
- [b] A member shall not be eligible to be elected as a director if:
 - (i) they are a party to a contract for profit with SMHC, unless they have approval of the members by resolution at a general or special meeting, or
 - (ii) if the person is an employee of SMHC, or
 - (iii) if the person is not bondable, or
 - (iv) if a retiring director has just completed a second consecutive full term of office, in which case, the individual is not eligible to be a director until the next annual general meeting, or
 - (v) if the person is disqualified for any other reason as listed in clause 8.11.

8.4 Powers and duties

- [a] The Board of Directors must oversee the management of the business and affairs of SMHC.
- [b] The Board of Directors shall keep the members informed about the business of SMHC. They shall attempt to encourage interest, discussion and support by presenting the members with periodic reports.
- [c] The directors shall exercise all the powers of SMHC except such powers as:
 - (i) are by law, SMHC's articles of incorporation or these bylaws designated as belonging to the members, and
 - (ii) the board may choose to delegate powers to the general manager, except those powers which cannot be delegated in accordance with section 89 of the Act.

8.5 Execution of documents

All documents required to be executed by SMHC may be signed by any two of the following: the chairperson, the secretary, the vice-chairperson, the treasurer or any other officer appointed by the directors through a board resolution.

8.6 Borrowing

The board shall be authorized:

- [a] to borrow money on the credit of SMHC, or pledge any of the assets of SMHC, but only to a limit of \$100,000, unless authorized to exceed this amount by an ordinary resolution of members, and
- [b] when borrowing, the board must have regard to the contractual obligations of SMHC to Canada Mortgage and Housing Corporation.

8.7 Banking

- [a] SMHC's bank account shall be kept at such credit union or other financial institution, as the directors may from time to time determine, and preferably at a co-operative financial institution.
- [b] All cheques, drafts, overdrafts, and other bills of exchange and promissory notes written on behalf of SMHC must be signed by any two of the following: chairperson, vice-chairperson, secretary, and treasurer, or any

other officers or persons as the board may from time to time appoint for this purpose.

8.8 Investment of surplus funds

The board may invest the surplus funds of SMHC in interest-bearing deposits, government bonds or other interest-bearing securities of such credit union or other financial institution as the directors may from time to time determine, and preferably a co-operative financial institution. Any such investments must be in accordance with the guidelines of the current SMHC investment policy.

8.9 Nomination of directors

- [a] Nominations will be sought by the elections committee, consisting of two or more people who:
 - (i) are members in good standing, and
 - (ii) are not directors nor employees of SMHC.
- [b] The duties of the elections committee shall be:
 - (i) to publicize the upcoming election, seek qualified candidates and inform members of the duties and responsibilities of the board, and
 - (ii) to present a slate of candidates and report to the board of directors stating the number of candidates, not less than forty [40] clear days before an annual general meeting or twenty-one [21] clear days before a special general meeting at which directors are to be elected, and
 - (iii) other responsibilities and election procedures as described in the elections committee's job description.
- [c] Any SMHC member in good standing may nominate, in writing, any member in good standing. The nominated member must accept the nomination in writing not less than [30] clear days before an annual general meeting for the nomination to be valid.
- [d] The board must ensure that the nominations list is posted in the SMHC office and other appropriate places.
- [e] The secretary must ensure that the written notice of the annual or general meeting where elections are to take place includes the nominations list and states the number of directors to be elected.

- [f] Nominations shall not be received later than thirty [30] clear days before an annual general meeting, nor later than fourteen [14] clear days before any other meeting where an election of directors is to be held.

8.10 Election of directors

- [a] At the start of any members' meeting where directors are to be elected, the chairperson of the elections committee or his or her designate shall serve as the chairperson for the purpose of conducting the elections.
- [b] At the opening of the meeting, the chair shall first call for a report from the elections committee.
- [c] Members present at the meeting shall appoint at least three scrutineers to count the ballots under the direction of the election's officer.
- [d] At every election for directors, an elections officer and one assistant shall be appointed by the board before the meeting at which elections are to be held. The elections officer shall be responsible for ensuring:
 - (i) that the election is conducted in accordance with the bylaws, and
 - (ii) that sufficient ballots are initialed and provided, and
 - (iii) that the votes are counted with the election officer's assistance, and
 - (iv) that results are announced but not the number of votes for each candidate.
- [e] The election must be held by secret ballot. Members may vote for any number of candidates as long as they do not mark more names on their ballot than the number of positions being filled, in which case the ballot shall be spoiled.
- [f] The candidate with the most votes shall be declared elected to the position having the longest term, and those with fewer votes, in descending order, to the shorter term positions. In the event of a tie, a second ballot must be held immediately to decide who serves the longer term or is elected.

8.11 Disqualification of directors

Unless otherwise determined by an ordinary resolution at a general or special meeting of SMHC, a person shall be disqualified from becoming or continuing as a director if he or she:

- [a] is absent from two [2] consecutive meetings of the Board of Directors, unless the reason for such absences is acceptable to the other directors and recorded in the minutes by the board, or
- [b] ceases to be a member of SMHC, or
- [c] is convicted of an indictable offense, or
- [d] is bankrupt as defined by the Bankruptcy Act, or
- [e] resigns from office in writing , or
- [f] gives SMHC notice of intent to vacate his or her housing unit, on the day that notice is given , or
- [g] is a dependent adult as defined in the Dependent Adults Act or is the subject of a certificate of incapacity under that Act, or
- [h] is a formal patient as defined in the *Mental Health Act*, or
- [i] is subject of an order under the *Mentally Incapacitated Persons Act* appointing committee of the individual's person or estate or both, or
- [j] has been found to be a person of unsound mind by a court elsewhere than in Alberta, or
- [k] is no longer a member in good standing.

8.12 Removal of director

A director may be removed from office by a special resolution:

- [a] passed by two-thirds of those present at a special general meeting called for that purpose, or
- [b] at any annual general meeting where a notice of motion of removal has been given in accordance with the requirements for calling that meeting, and
- [c] at the next general meeting an election to fill the unexpired term of the removed director must be held.

8.13 Duties of Director

In addition to any specific responsibilities any director may have as an officer, the responsibilities of a director are:

- [a] to attend all board meetings unless excused by the board, and such approval by ordinary resolution to be indicated in the minutes of the meeting in question, and
- [b] to be prepared for all meetings by reading relevant reports, and
- [c] to act honestly, in good faith and in the best interests of SMHC at all times, and place this duty before personal matters, and
- [d] to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and
- [e] to be familiar with all relevant provincial legislation, as well as SMHC's articles of incorporation, bylaws and policies , and
- [f] to respect the confidentiality of matters considered by the board or coming to their notice or attention as directors, and
- [g] to adhere to the requirements set out in the ethical conduct policy and agreement, and
- [h] to perform any specific duties which may be assigned by the board.

8.14 Remuneration

Directors of SMHC shall not receive any payment or benefit for services provided as directors, but may receive a payment or benefit for services provided other than in their capacity as directors for which SMHC might reasonably make or provide such payment or benefit.

8.15 Vacancies

- [a] The directors may appoint a member in good standing to fill a vacant position of director until an election is held at the next annual meeting if a single vacancy occurs on the Board of Directors.
- [b] If a second vacancy occurs, the position shall remain vacant until an election can be held at the next general members' meeting. At such an election all vacancies on the Board of Directors must be filled, including any temporarily appointed by the board.

8.16 Leave of absence

If approved by the board, a director may take a leave of absence, but for no longer than three consecutive months from the date on which the leave of absence is approved.

9.0 BOARD MEETINGS**9.1 Regular meetings**

The board shall meet at least ten [10] times a year. Once the board has passed a resolution setting the regular meeting time, dates, and place, the board may hold these meetings without further notice except as mandated by section 89(3) of the Act.

9.2 Special meeting

A special meeting of the board may be called as follows:

- [a] The chairperson of the board or any three [3] directors may call a special meeting.
- [b] The secretary must ensure that notice of such a meeting, clearly stating the nature of the business to be transacted, be given to each director at least twenty-four [24] hours before the meeting.
- [c] Any action taken at a special meeting, which was not specified in the notice, shall be subject to ratification at the next regular meeting of the board.

9.3 Quorum

At any board meeting, the majority of all directors must be present to constitute a quorum.

9.4 Voting

All voting at board meetings must be counted and recorded as follows:

- [a] Unless provided otherwise in the articles of incorporation or bylaws of SMHC, all board decisions shall be made by ordinary resolution.
- [b] The chair shall have the right to vote on all questions. In the case of a tie vote, the motion must be declared lost.
- [c] An abstention must not be counted as a cast vote; it may be noted in the minutes on request.

9.5 Written resolution

A written resolution of the board, signed by a majority of directors without their meeting together, shall be as valid and effective as if it had been passed at a meeting of the board. Results of this written resolution must be recorded in the next board minutes.

9.6 Confidentiality of board proceedings

- [a] All directors must keep confidential all matters considered by the board - or coming to their notice or attention as directors - which are of a confidential nature, and must sign a confidentiality agreement as soon as they become directors. Such matters must include but not be limited to:
 - (i) personal information on individual members or staff and
 - (ii) information relating to the business of SMHC, where confidentiality is appropriate to preserve SMHC's position against third parties.
- [b] If any officer, employee or other member of SMHC is present at a board meeting where confidential matters are discussed, he or she must keep such information confidential.
- [c] Details of confidential matters discussed at board meetings must not be included in copies of the minutes circulated to members or posted in a public place.

9.7 Validity of board action

All decisions made at any meeting of the directors, or by a written resolution of the directors, shall be valid, even if it is later discovered that a director was not eligible or qualified to hold office.

9.8 Participation of members and employees

- [a] All members and employees of SMHC shall be entitled to attend and speak at board meetings, except when the board determines that the business to be considered must be kept confidential, in which case the member and/or employee must be excluded and leave the meeting.
- [b] Non-directors may speak only with permission of the chair and must not be permitted to make motions or vote.
- [c] The minutes of all board meetings, or a brief summary, excluding any details of confidential information, must be posted in a prominent location as soon

after board approval as is practical. Notwithstanding, in-camera board meetings of a confidential nature must not be circulated to the members.

10.0 OFFICERS AND DUTIES

10.1 Designated Officers

The Board of Directors must designate the following offices, with further powers and duties of each officer described in board approved job descriptions: chairperson, vice-chairperson, corporate secretary, and treasurer.

10.2 Other officers

The board may appoint other officers as required who shall have such authority or perform such duties as the board may from time to time prescribe. If an officer is not a board member, he or she will have a voice but no vote at board meetings.

10.3 Executive committee

- [a] The Board of Directors shall by an ordinary resolution provide for an executive committee to consist of the chairperson, the vice chairperson, the corporate secretary, and the treasurer.
- [b] The executive committee shall have and may exercise all the powers of the board to the extent provided in any ordinary resolution, and
- [c] Shall keep minutes of its meetings, and report to the board at the next meeting.
- [d] The board can revise or alter any action taken by the executive committee provided that no rights of third parties shall be affected.
- [e] The Board may fill any vacancies on the executive committee.

10.4 Election of officers

At its first meeting after the annual general meeting, or more often as may be required, the board shall elect a chairperson, a vice-chairperson, a secretary and a treasurer.

10.5 Removal of officers

- [a] The board may, by ordinary resolution at a special board meeting, remove any officer(s) from office.
- [b] Written notice of any meeting where it is intended to propose such a resolution must be given to all directors, including the officer concerned, in accordance with the calling of a special meeting of the board.
- [c] The officer concerned shall be entitled to attend the board meeting and to make representations.
- [d] The directors must immediately fill any office becoming vacant under this clause.

10.6 Resignation of an officer

Any officer may resign by delivering a written resignation to the office of SMHC, and to the attention of the Board of Directors. The board shall consider any resignation at the first meeting after it is received, unless the officer withdraws the resignation before it is accepted. The resignation becomes effective once accepted by the board.

10.7 Remuneration of officers

Officers of SMHC must not receive any payment or benefit for services provided as officers, but may receive payment or benefit for services provided other than in their capacity as officers for which SMHC might reasonably make or provide such payment or benefit.

10.8 Board supervision of general manager

The board shall supervise and direct the general manager, who supervises all other employees. The board must ensure that the general manager:

- [a] prepares appropriate job descriptions for all staff positions, and
- [b] prepares appropriate procedures for reporting, and
- [c] establishes and follows authorized areas for decision-making.

11.0 ETHICAL CONFLICTS**11.1 Directors and officers**

- [a] A director or officer must disclose to the board any conflict of interest that he or she may have regarding:
 - (i) any material contract or transaction or proposed material contract or transaction as outlined in SMHC's ethical conduct policy and sections 80, 81 and 82 of the Act, and any material change to such interest,
 - (ii) either in writing to SMHC or by requesting to have it entered in the minutes of the board meeting,
 - (iii) unless, a similar contract or transaction is routinely available to any like member of the co-operative on the same terms.
- [b] A director or officer who has an ethical conflict must leave the room before discussion and voting on the issue.
- [c] All officers and directors are responsible for disclosing an ethical conflict, whether their own or that of another director or officer.

11.2 Members

- [a] A member who recognizes he or she has an ethical conflict must declare this at any committee meeting of SMHC, and must leave the room before discussion and / or voting on the issue.
- [b] A member is required to disclose all ethical conflicts in compliance with SMHC ethical conduct policy.
- [c] All members are responsible for disclosing an ethical conflict, whether their own or that of another member.

11.3 Employees and others

Employees of SMHC, vendors, independent contractors, and others are required to disclose the nature of all ethical conflicts in the manner described in SMHC's ethical conduct and personnel policy.

12.0 COMMITTEES AND TASK FORCES

12.1 Creation of committees and task forces

- [a] The members or the board may appoint such committees or task forces as needed by ordinary resolution at a board or members' meeting.
- [b] When a committee is formed, the board or members shall develop a job description, which describes the committee's duties, its composition, its

reporting requirements, and whether it is a standing or special committee or task force.

12.2 Composition of committees

Unless stated otherwise in SMHC's policies, members of a committee are not required to be directors. With the exception of the grievance and elections committees, each committee shall include a director appointed by the board to serve as a liaison between the board and the committee.

12.3 Financial authority

No committee shall spend any money, authorize any expenditure, enter into any contract or commit SMHC to any action whatsoever without approval of the board.

12.4 Committee minutes

Each committee must keep minutes of all meetings and make them available to the board in a timely fashion.

13.0 FINANCIAL REQUIREMENTS

13.1 Financial Year.

SMHC's financial year begins November 1st and ends October 31st.

13.2 Approval of the audited financial statements

The Board of Directors must approve the audited financial statements which will be taken to the AGM for the members' consideration.

13.3 Auditor

[a] The members at each annual general meeting must appoint an auditor who is a chartered accountant or a chartered accounting firm and does not hold office in SMHC. Remuneration of the auditor must be approved by the board.

[b] The auditor shall:

- (i) be entitled to notice of any meeting at which it is proposed to appoint some other person as auditor, and
- (ii) at all reasonable times have access to the books, accounts and vouchers of SMHC, and

(iii) be provided by the directors, officers and employees of SMHC with the information needed to perform the duties of auditor, and

(iv) at each annual general meeting make a report to the members on the financial statements stating whether the financial position of SMHC and the results of its operations for the period under review are in accordance with generally accepted accounting practices, and consistent with the previous period.

13.4 Bonding of employees and officers

Every officer or employee of SMHC who has charge of or handles money or other securities belonging to SMHC, and every signing officer and every other officer or employee prescribed by the board, must be bonded with a security company selected by the board.

13.5 Reserve fund

The board must create such reserve funds for capital replacement or other future expenses as good co-operative business practice shall dictate.

13.6 Surplus

Any surplus arising from operations of SMHC must be applied to the replacement reserve fund or otherwise handled in accordance with all legal and auditing requirements.

13.7 Deficit

Any deficit arising from the yearly operations of SMHC shall --at the discretion of the board -- either:

[a] be charged against the reserve funds of SMHC, in whole or in part, or

[b] be carried forward as a deficit and deducted from surpluses accruing in subsequent years.

14.0 HOUSING RIGHTS AND RESPONSIBILITIES

14.1 Housing Unit

SMHC shall provide the member with a housing unit at the location indicated in the share subscription agreement, subject to any exceptions contained in these bylaws or the policies of SMHC. The rights the member has to accommodation are created by the member's status as a shareholder.

14.2 Relationship between member and SMHC

The relationship between the member and SMHC:

- [a] is governed by the terms of these bylaws, the share subscription agreement and the policies and procedures of SMHC, and
- [b] is not one of landlord and tenant, nor
- [c] should the share subscription agreement be construed as a lease, and
- [d] no part of the Residential Tenancies Act or any successor legislation shall apply to the relationship of SMHC and its members.

14.3 Payment of expenses

- [a] SMHC shall be responsible for those utility, maintenance, and replacement costs or services provided to the member's housing unit as SMHC may from time to time approve.
- [b] The member shall be responsible for payment of all other goods and services provided by either SMHC or third parties.

14.4 Maintenance Responsibilities

- [a] SMHC is responsible for those items of maintenance as are from time to time provided for in the maintenance policies of SMHC.
- [b] The member is responsible for all other repairs and for maintaining the housing unit to such standards as may be established from time to time by SMHC.

14.5 Improvements

The member may improve the housing unit in accordance with SMHC's maintenance policies and procedures provided such improvements do not conflict with any agreements, instruments, orders or regulations to which SMHC is bound.

14.6 Access

- [a] In accordance with all maintenance policies and these bylaws, the member must provide SMHC with reasonable access to the housing unit, for the purpose of:
- (i) inspections, and
 - (ii) necessary repairs and maintenance, and
 - (iii) for showing the housing unit to prospective members following receipt by SMHC of a written notice of a member's intention to vacate, or
 - (iv) where membership has been terminated for any other reason.
- [b] SMHC is entitled to access to the member's unit without notice in cases of emergency.

14.7 Insurance

- [a] SMHC must carry public liability insurance on SMHC.
- [b] SMHC shall not be liable nor in any way responsible for:
- (i) any personal or other injury that may be suffered by a member, or any person dwelling in or visiting the member's housing unit, nor
 - (ii) any loss or damage caused to any property belonging to the member, or to any person dwelling in or visiting the member's housing unit, except when such injury or damage is caused by the willful act or neglect of SMHC.
- [c] The member agrees to indemnify SMHC against and to save SMHC harmless from:
- (i) all liability, loss, damage and expense arising from injury to persons or property as a result of the member's failure to comply with any bylaws or policies of SMHC, or
 - (ii) due to any act, default or omission by the member or any person living in or visiting the member's housing unit or SMHC.
- [d] The member must not permit, suffer or allow anything to be done or kept upon or in the housing unit which shall increase SMHC's rate of insurance, or the member shall be personally liable for the additional insurance premiums.

[e] The member shall be wholly responsible for obtaining insurance for his or her own property both inside and outside the unit. SMHC shall not be responsible in any way for the loss or damage of a member(s)' personal property.

15.0 LEASING

15.1 Leasing policy

A member may lease the housing unit but only in accordance with SMHC's leasing policy.

15.2 Board right to reject proposed tenant

The board of directors may approve or reject a proposed tenant at its discretion.

15.3 Lease Agreement

Before the term of a lease can become effective, the member and the proposed tenant must sign and deliver to SMHC a board approved lease agreement.

15.4 Payment of housing charges

The member remains responsible for the payment of all housing charges levied against the leased unit.

15.5 Failure to comply

Failure to comply with section 15.0 of these bylaws must be considered grounds for termination of membership by the board, without appeal to the members, in accordance with section 3.11 of these bylaws and the Act.

16.0 LOSS OF USE

16.1 Temporary loss of housing unit

If a member's housing unit deemed not habitable due to fire, health and safety concerns, or otherwise,, SMHC shall:

[a] decide within sixty [60] clear days whether or not to restore the premise, and

[b] waive housing charges during the period of loss of use, but

[c] not be obligated or liable to provide or pay for any alternative accommodation.

16.2 Permanent loss of housing unit

- [a] If SMHC elects in its absolute discretion not to restore the housing unit, it must purchase the member's shares in accordance with SMHC policies, articles of incorporation and bylaws.
- [b] If any unit is expropriated, the member's right to occupy the housing unit shall terminate on the day when the expropriating authority obtains possession. The member shall not be required to pay any further housing charges after this date.
- [c] SMHC shall be entitled to exercise and shall supersede the member's rights to prosecute any claim for compensation.

17.0 NON-MEMBER RESIDENTS

- [a] In accordance with the non-member resident policy, a member must:
 - (i) Notify SMHC of any change in residents occupying the unit, and
 - (ii) Apply to SMHC to have residents other than immediate family reside in the housing unit. Board approval may be required.
- [b] Non-member residents must comply with all SMHC bylaws, policies, and procedures, in accordance with the non-member residents policy, or may be required by the board of directors to leave the unit.

18.0 HOUSING CHARGES**18.1 Consideration of annual budget**

- [a] The annual budget of SMHC shall be reviewed by the board, the finance committee, and such other committees as are considered necessary.
- [b] This information must be submitted for consideration of the members at a general meeting set no later than two months before the start of SMHC's new financial year.
- [c] At this meeting, the members shall:
 - (i) approve an annual budget for SMHC, and
 - (ii) set the annual housing charges.
- [d] Members must be given two months notice of a housing charge increase.

18.2 Payment of housing charges

- [a] The member must pay the housing charge for their housing unit in advance to the office of SMHC:
 - (i) on the first day of each and every month, and
 - (ii) by cheque, bank draft, automatic deposit, signed welfare voucher or money order.
- [b] Any housing charges remaining unpaid after the first day of each month shall be subject to penalties in accordance with the arrears policy of SMHC. Such policy shall be established by the members.
- [c] Members who fail to pay housing charges on a timely basis, in accordance with the bylaws and policies of SMHC, must:
 - (i) be considered in breach of the terms of membership, and
 - (ii) the board may terminate the membership without appeal, in accordance with 3.11 of these bylaws.

19.0 RECORDS

- [a] SMHC must keep in its administration office such books and records as are required by the Act.
- [b] The directors must cause minutes and other required documents to be kept as part of SMHC's records including, but not limited to, :
 - (i) all appointments of officers, and
 - (ii) all names of directors present at each board meeting, and
 - (iii) all resolutions and proceedings of general and board meetings.
- [c] Any SMHC minutes, once approved by the board of directors or the members, must be considered established fact of the matters stated in such minutes.
- [d] SMHC must make records available as required by section 28 of the Act:
 - (i) to any member by appointment during the co-op's regular office hours, and
 - (ii) to the directors at any reasonable time.

[e] In accordance with the PIPA Act, a member may have access to his or her member files under the following conditions:

- (i) the member must make an appointment to view the records with the General Manager or designate during regular office hours, and
- (ii) SMHC reserves the right to remove any information from the file that violates the privacy of any individual.

20.0 BYLAWS

These bylaws may be amended by special resolution at any members' meeting. The amended bylaws come into effect on the day they are approved by the members, or any later date specified in the resolution approving the amendment.

21.0 POLICIES

21.1 Housing policies

Housing policies must include, but not be limited to, concerns related to arrears, maintenance, occupancy, and subsidy, generally those matters relating to accommodation. Housing policies may only be passed and amended by the membership by ordinary resolution at a duly called members' meeting.

21.2 Operations Policies

Operations policies include those matters generally relating to the administration of SMHC, and may be passed and amended by the board of directors at a duly called board meeting by ordinary resolution.

21.3 Role of Committees

Committees of SMHC may recommend a policy to the membership or the board, but do not have the power to approve it.

21.4 Policy Records

The secretary must ensure that:

- [a] updated records are kept of all policies adopted by SMHC, and
- [b] they are dated as of the day they were passed, and

[c] a copy of any new housing policies or amendments be distributed to the members at least once a year.

21.5 Priorities

Whenever possible, SMHC’s articles of incorporation, bylaws, shareholder’s agreement, and policies must not conflict with each other. If a conflict exists, the order of priority must be as follows: the articles of incorporation, the bylaws, the shareholder’s agreement, and then the policies. All of these documents must be binding on SMHC board, staff, and members.

22.0 DISSOLUTION OF SMHC

[a] The members may decide to dissolve SMHC by a special resolution passed at a general meeting.

[b] Upon dissolution of SMHC, its assets must be distributed in accordance with the articles of incorporation.

The following are the incorporating directors:

Douglas Crombie – Chairperson
K693, 3223 40th Avenue SW
Calgary, Alberta
T3E 6W1

Della Brown – Vice Chairperson
J586, 4020 37th Street SW
Calgary, Alberta
T3E 3C4

Arlene Floyd – Treasurer
H532, 4020 37th Street SW
Calgary, Alberta
T3E 3C4

Leonard Lock- Corporate Secretary
C163, 4331 Sarcee Road SW
Calgary, Alberta
T3E 6V9

Mike Cooper – Director
D303, 3510 44th Avenue SW
Calgary, Alberta
T3E 6W2

Astrid Deslandes – Director
C175, 4331 Sarcee Road SW
Calgary, Alberta
T3E 6W2

Carma Florence – Director
A32, 4111 Sarcee Road SW
Calgary, Alberta
T3E 6V9

Anne Halliday – Director
J581, 3525 40th Avenue SW
Calgary, Alberta
T3E 6W1

Patricia Higgins – Director
D233, 3510 44th Avenue SW
Calgary, Alberta
T3E 6W2

Heather Millar – Director
D232, 3510 44th Avenue SW
Calgary, Alberta
T3E 6W2

Jennifer Penfold – Director
L742, 3201 40th Avenue SW
Calgary, Alberta
T3E 6W1

Signed in the presence of:

Signature of witness

Date

These bylaws were approved on June 2, 2004 at a special general meeting of the members of Sarcee Meadows Housing Co-operative Ltd.

Original bylaws were approved on the 23rd day of August, A.D. 1968.

The original incorporating members were:

W.Y. PATERSON

JOHN C. SIMONS

DONNA HARING
ARIE H. INTVELD
J. DONNACHIE
L. TUNNEY

R.J. FREDERICK
D. GRAHAM
N. MALM
R. GREEN