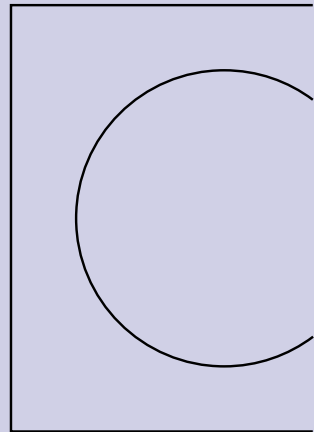
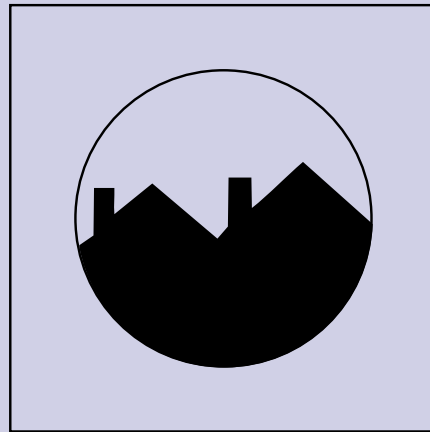
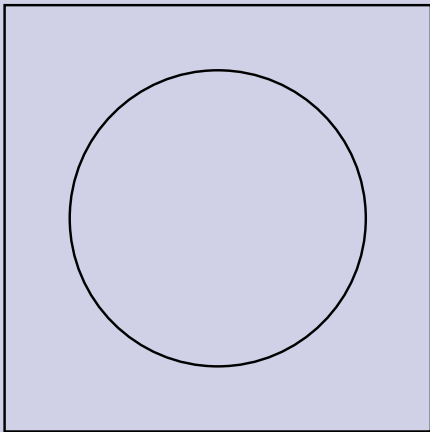
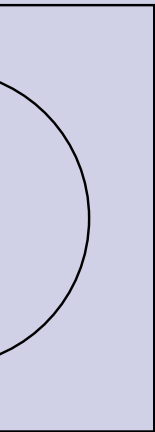




Co-operative Housing  
Federation of BC



Effective Governance  
for BC Housing Co-ops

# Guide to the Model Rules

## Special thanks

---

**CHF BC would like to thank the following people for their help in producing the Model Rules and Occupancy Agreement:**

The Model Rules Working Group spent many hours drafting, debating and redrafting the Model Rules. Our group included five dedicated lawyers:

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---

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Ministry of Community, Aboriginal and  
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Government of British Columbia



BC Housing

---

**And finally, we thank the many BC co-op members  
whose experience has guided us.**

**For more information, please contact:**



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July 10, 2002

Directors/Members  
BC Housing Co-operatives

Dear Directors/Members:

This letter is to inform you that my office has been involved with the Co-operative Housing Federation of BC in the model Rules project undertaken by the federation over the last few months.

My staff have reviewed the model Rules and have no objections to the model in its current form. The staff reviews all changes to cooperative rules and no change is effective until it is accepted and filed by my office. I encourage you to use the model rules, as any deviation from them may result in the rules not being accepted for filing.

Should you have any questions, please feel free to contact the Society and Cooperative Association Unit direct at (250) 356-8673.

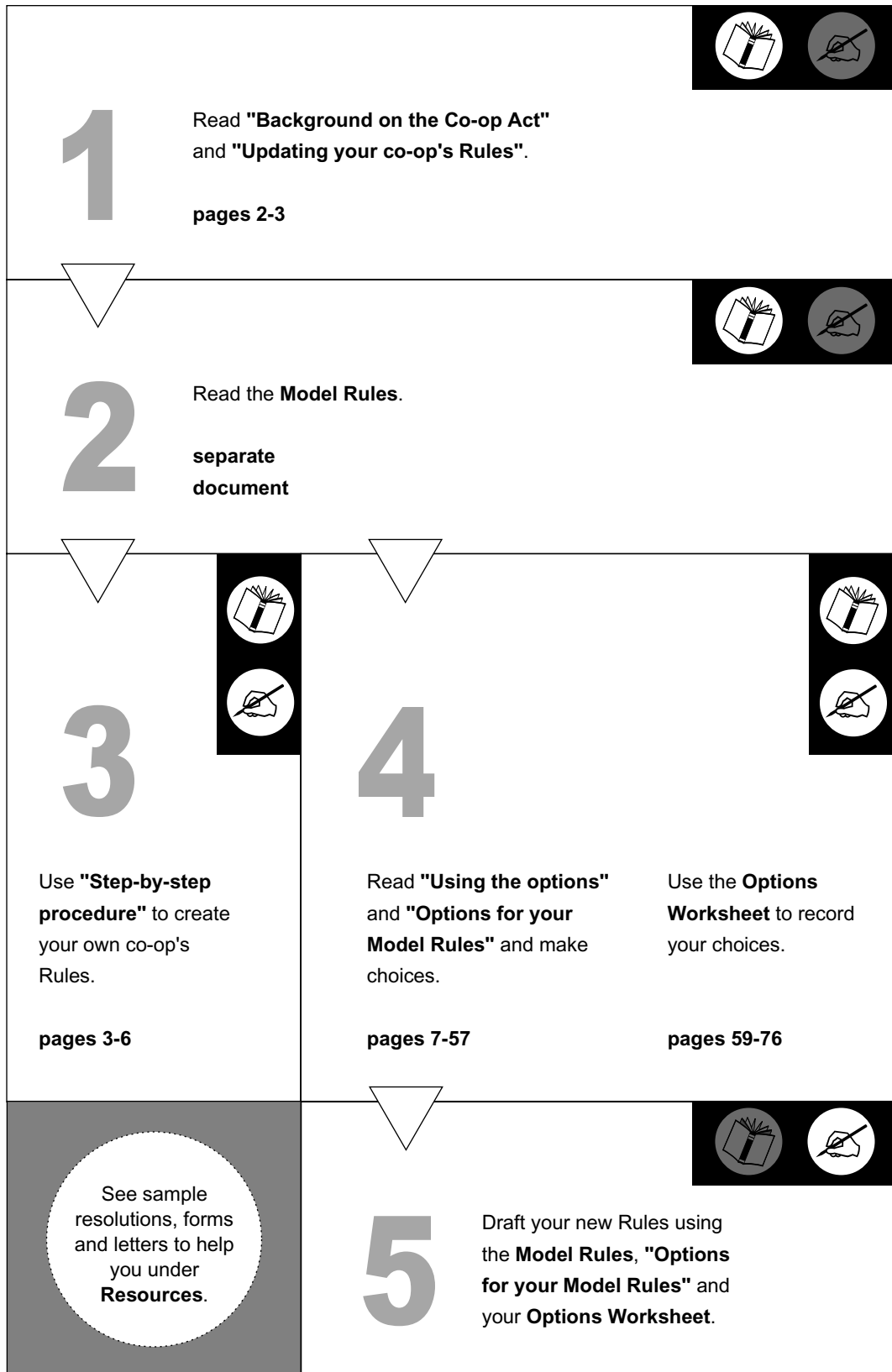
Yours truly,

A handwritten signature in cursive script that reads "J Powell".

John S. Powell  
Registrar

## How to use this guide

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## Table of Contents

---

### Introduction

About this guide.....	1
Background on the Co-op Act.....	2
Updating your co-op's Rules.....	2
Step-by-step procedure.....	3
Need help?.....	6
Using the options in the Model Rules and Occupancy Agreement.....	7
Electronic versions of the Model Rules.....	9

### Options for your Model Rules

<b>RULE 1</b>	<b>Interpretation</b>	
1.1	Definitions .....	11
<b>RULE 2</b>	<b>Eligibility for membership</b>	
2.1	Principal membership .....	13
2.2	Associate membership.....	13
2.8	Number of Units to be occupied by members .....	14
<b>RULE 3</b>	<b>Joint membership.....</b>	15
<b>RULE 4</b>	<b>Withdrawal from membership</b>	
4.1	Withdrawal from membership.....	17
<b>RULE 5</b>	<b>Termination of membership</b>	
5.7	Appeal of termination .....	19

<b>RULE 6</b>	<b>Miscellaneous matters re: withdrawal or termination of membership</b>	
6.2	Refund of amount paid for shares .....	21
<b>RULE 9</b>	<b>Share certificates</b>	
9.1	No issuing of share certificates .....	23
<b>RULE 11</b>	<b>Transmission of shares</b>	
11.1	Procedure on death of a member .....	25
11.2	Redemption of shares of a deceased member .....	25
<b>RULE 14</b>	<b>General meetings of the Co-op</b>	
14.4	Frequency of general meetings .....	27
14.8	Notice of meeting to be given.....	27
14.13	Requirement for quorum.....	28
14.14	Lack of quorum.....	29
14.16	Quorum at an adjourned meeting.....	29
<b>RULE 15</b>	<b>Voting at general meetings</b>	
15.2	Chair not entitled to casting vote .....	31
15.3	Decisions by show of hands or secret ballot.....	31
<b>RULE 16</b>	<b>Voting rights of members</b>	
16.1	Voting rights and restrictions.....	33
<b>RULE 17</b>	<b>Directors</b>	
17.2	Policies.....	35
17.3	When policies take effect.....	35
17.4	Number of Directors .....	36
17.5	Persons disqualified to act as Directors .....	36
<b>RULE 18</b>	<b>Election, appointment and removal of Directors</b>	
18.3	Number of candidates .....	37
18.6	If two or more candidates receive equal number of votes for last vacancy .....	38
18.8	Term of office of Directors .....	39
18.9	Further terms of office of Directors .....	39
18.11	Director ceasing to hold office.....	40

<b>RULE 19</b>	<b>Meetings of Directors</b>	
19.3	Who may call meetings.....	41
19.4	Quorum of the Board.....	41
19.6	Chair .....	41
19.7	Voting at meetings.....	42
<b>RULE 20</b>	<b>Committees of Directors and advisory committees</b>	
20.2	Advisory committees.....	43
20.3	Duty of advisory committees appointed by the Directors to report to the Directors.....	43
<b>RULE 21</b>	<b>Officers</b>	
21.1	Appointment of officers.....	45
<b>RULE 25</b>	<b>Dispute resolution</b>	
25.4	Initiating arbitration.....	47
<b>Dissolution provisions</b> .....		49

**A P P E N D I X : J O I N T M E M B E R S H I P O P T I O N**

<b>RULE 3</b>	<b>Joint membership (option)</b>	
3.2	Voting rights of joint members.....	51
3.6	Share certificate for joint members.....	51
3.10	Entitlement of joint members to act as Directors.....	52
<b>RULE 16</b>	<b>Voting rights of members (further changes)</b> .....	52

**Options for your Occupancy Agreement  
Schedule A to the Rules**

---

**RECITALS**

---

A.	The Purpose of the Co-op.....	53
----	-------------------------------	----

---

**1 Conditions of Possession**

1.02	Rules and policies.....	53
------	-------------------------	----



<b>3</b>	<b>Parking</b>	
3.01	Use of parking.....	54
3.02	Parking policies.....	54
<b>4</b>	<b>Housing Charge</b>	
4.01	Payment of Housing Charge.....	54
4.03	Setting the Housing Charge.....	54
<b>6</b>	<b>Payment of Utilities</b>	
6.01	Utilities.....	55
<b>7</b>	<b>Rules and Policies</b>	
7.04	Participation.....	55
<b>10</b>	<b>Alterations to Property</b>	
10.02	Restoration costs.....	55
10.04	Compensation for alterations.....	55
<b>11</b>	<b>Interior Maintenance and Repair of Unit</b>	
11.04	Repairs as required.....	56
<b>12</b>	<b>Personal Insurance</b>	
12.02	Requirement for personal insurance.....	56
12.03	Failure of Member to insure.....	56
<b>24</b>	<b>Visitors</b>	
24.01	Obligations for visitors.....	56
<b>25</b>	<b>Right to Enter</b>	
25.05	Time of entry.....	57

## **Options Worksheet and Co-op Act reference table**

Options Worksheet for Model Rules and Schedule A – Occupancy Agreement.....	59
The Model Rules and Co-op Act: A reference table.....	77

# Introduction

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## About this guide

This guide will help you use CHF BC's Model Rules and Occupancy Agreement (the Model Rules) to bring your co-op's Rules up to date. Co-ops that have not changed their Rules since January 31, 2001 will need to use the Model Rules to make sure they comply with BC's *Cooperative Association Act* (the Co-op Act).

The guide is divided into four sections:

- [1] Introduction
- [2] Options for your Model Rules
- [3] Options for your Occupancy Agreement
- [4] Options Worksheet and Co-op Act reference table

You will find the Model Rules in a separate document. Please read the next page of the guide before you read the Model Rules. It provides background on updating your co-op's Rules. Then use the rest of Section 1, starting at Step-by-step procedure, and Sections 2, 3 and 4 to help you create your own Rules from the model. There are also sample resolutions, forms and letters included under *Resources* that you can use throughout the process.

CHF BC has produced an electronic version of this guide and the Model Rules. The electronic Model Rules and instructions on its use are available from the Federation. You will find a brief description of the electronic version later in this guide.

## Background on the Co-op Act

BC's new *Cooperative Association Act* became law on January 31, 2001. It replaces all earlier versions of the Act.

The Co-op Act governs all co-ops in the province, including housing co-ops. Co-ops cannot have Rules, policies or procedures that contradict the Co-op Act. That's why it is now necessary for every co-op to review its Rules. Any parts of a co-op's Rules or policies that are inconsistent with the Co-op Act cannot be enforced.

For a more detailed summary and interpretation of the Co-op Act as it affects housing co-ops, see CHF BC's *Guide to the Co-op Act*.

## Updating your co-op's Rules

This would be a worthwhile project even if the new Co-op Act did not make it necessary. It is a good idea for co-ops to look at their Rules from time to time. This keeps a co-op healthy and helps to make sure the Rules are right for your members and their changing needs. It also helps keep your members involved in the co-op. So if you have not looked at your Rules for quite a while, it is probably time to do it now.

We have tried to make the Model Rules easy to understand and use. Lawyers and others who work with housing co-ops all the time have helped on the project. In choosing what to put in the Model, we wanted to:

- Make sure the new Rules comply with the Co-op Act
- Use terms and rules that are familiar to most co-ops
- Address some problems that are common to co-ops.

We also wanted to make sure that co-ops would not have any trouble getting the province to approve their new Rules. The Registrar of Companies, who is responsible for the administration of the Co-op Act, has already approved the Model Rules. Co-ops that use the Model can count on the Registrar's approval.

You may find that the Model Rules suit you exactly as written, once you have selected from the options that come with it. Or you may decide that you want to make changes that are not included in the options. It's up to you, of course. But if you choose wording that is not in the model or the options, be sure to consult your lawyer first. The Registrar will be paying extra attention to wording that is not in the approved model.

You should also look at your co-op's Operating Agreement to make sure that your Rules do not contradict it. The Operating Agreement is your contract with Canada Mortgage and Housing Corporation (CMHC) or BC Housing. If you don't have a copy of your Operating Agreement, you can get one from either CMHC or BC Housing.

Your new Rules must be approved by a special resolution of members before you send them to the Registrar of Companies for approval. (A special resolution used to be called an extraordinary resolution.) The next section of this guide will suggest a step-by-step process that you can use to accomplish this. There are also sample resolutions, forms and letters included under *Resources* that you can use throughout the process.

### **Step-by-step procedure**

Before you begin the process of updating your co-op's Rules, the Board of Directors should agree on a process and timeline for getting the job done. Here is one way you might go about it:

**Step 1**  
**Set up a rules committee**

---

If your co-op does not already have a rules committee, set one up. The committee can be made up of directors or a combination of directors and interested members. The committee should be big enough to generate a good cross-section of ideas and small enough to get the work done.

**Step 2**  
**Review your existing Rules**

---

Start with a copy of your existing Rules and Occupancy Agreement. Be sure that you are working with the most recent version. You can get a true copy of your Rules from the Registrar of Companies for a fee. You'll find a copy of a letter you can send to the Registrar to ask for a copy of your Rules under *Resources*.

Read your existing Rules and compare them generally to the Model Rules. Make a list of the major differences between your Rules and the Model. The guide comes with an Options Worksheet that may help you remember what to look for.

**Step 3**  
**Discuss what you want to include in your new Rules**

---

Talk about the differences you have found between your Rules and the Model. Discuss which Rules you want to keep and which ones you want to change. Remember, everything in your new Rules must be consistent with the Co-op Act. Use the Options Worksheet to keep track of your ideas and recommendations. If you need to look something up in the Co-op Act, use the handy reference table that comes with the worksheet.

**Step 4**  
**Make a first draft of your new Rules**

---

Make a first draft of your new Rules using the Model and the Options Worksheet.

**Step 5**  
**Have the Board review the first draft**

---

Meet with the Board and review the first draft of the new Rules. When the Board is satisfied with the draft, you are ready to involve the members.

**Step 6**  
**Hold an information meeting for members**

---

Circulate a draft of the new Rules to members. Hold an information meeting to explain the Rules to them. The purpose of an information meeting is to:

- explain the background and reasons for what you are doing
- find out if there is general support for the direction you are taking
- get feedback that can be useful at the next stage of the process
- prepare members for the meeting that will approve the new Rules.

If the members have serious concerns or many suggestions for changes, you may have to retrace your steps and return to Step 4. This is time well spent, and it will improve your chances of success at Step 8.

**Step 7**  
**Present the final draft to the Board**

---

Meet with the Board and review the final draft. When the Board is satisfied, ask the Directors to decide on a date for a meeting of members to approve the new Rules.

**Step 8**  
**Call a members’  
meeting to adopt  
the new Rules**

---

The Board will then call a general meeting of the members to adopt the new Rules. It takes a special resolution to adopt the Rules, so the co-op must give members at least 14 days’ notice of the meeting. The special resolution must pass by a majority of at least three-quarters of the votes cast. Your new Rules are not in effect at this stage. See Step 9.

Attach a copy of the proposed special resolution and the new Rules to the notice of meeting. A sample resolution and notice of meeting is included under *Resources*.

**Step 9**  
**Register your new  
Rules with the  
Registrar of  
Companies**

---

After the members have adopted the new Rules, you must register them with the Registrar of Companies.

Complete a *Form 6* for special resolutions. A sample *Form 6* can be found under *Resources* or at [www.fin.gov.bc.ca/registries/corppg/crforms.htm](http://www.fin.gov.bc.ca/registries/corppg/crforms.htm). Reproduce the resolution adopted by the members word for word on the form.

Mail the form and two copies of your new Rules to the Registrar. Include a cheque to cover the filing fee of \$70.

The Registrar will review your Rules for compliance with the Co-op Act. If you have used the Model Rules without any changes, you can count on the Registrar’s approval. If you have made changes, the Registrar will review your Rules more carefully.

If the Registrar returns your Rules without approving them, go back to Step 7 and make the necessary changes.

The Registrar will stamp a copy of the Rules once they have been accepted. You will receive the stamped copy by return mail.

**Note: Your new Rules are not in force until the date on the Registrar’s stamp.**

**Step ⑩**  
**Give a copy of the**  
**new Rules**  
**to your members**

---

When you have received the stamped copy from the Registrar, give a copy of the new Rules to each member. Be sure to keep an official copy in a safe place for the co-op's own records. Have each member sign a form confirming receipt of the new Rules. A sample form, *Acknowledgement of Receipt of Rules and Occupancy Agreement*, is included at the end of this guide. Use the same form for new members as they move into the co-op. Keep the signed form in members' files.

## **Need help?**

You may decide that you need help at any stage of this process. It is better to ask for help than to make an expensive mistake.

Help is available from:

**CHF BC:** The Federation offers general advice, workshops and co-op consultations on the Co-op Act, Model Rules and other co-op issues. Call us at 604.879.5111 (1.866.879.5111) in Vancouver and 250.384.9444 in Victoria or check our website at [www.chf.bc.ca](http://www.chf.bc.ca).

**Your management company:** Ask your co-ordinator or management company for help in making the right decisions about your new Rules.

**Your co-op's lawyer:** Your lawyer can provide any legal explanations you need about the Model Rules. You should also ask your lawyer about any changes you want to make to the Model. Neither the Federation nor your management company can give you legal advice.

**Registrar of Companies:** For a fee of \$100, the Registrar will look at your draft Rules before you take them to the members for a vote and tell you if they will be accepted. You do not need to take this step if you are using the Model Rules without changes.

## Using the options in the Model Rules and Occupancy Agreement

### Getting the right fit for your co-op

---

When you are ready to look closely at the Model Rules, you will notice that they cover many subjects in great detail. Some Rules will not cause a lot of debate. Some are in the Model because they have to be, to comply with the Co-op Act. An example is Rule 5 on termination of membership. Others touch on issues that directors and members will want to discuss at length because there are more options to be considered and choices to be made.

These are the Rules you will likely want to focus on in your discussion:

- Rule 1: Special resolution
- Rule 2: Eligibility for membership
- Rule 14: General meetings of the Co-op
- Rule 15: Voting at general meetings
- Rule 17: Directors
- Rule 18: Election, appointment and removal of Directors
- Rule 19: Meetings of Directors
- Rule 20: Committees of Directors and advisory committees

Plan to spend extra time on these Rules in your review. They deal with subjects that directors and members will be most interested in.

### Using the Guide

---

The Model Rules are numbered Rules 1 through 28. There is a short appendix dealing with joint membership and a Schedule “A”, which is the Occupancy Agreement. Schedule “A” forms part of the Rules.

You will almost never have to change the numbering when you select a different option than the suggestion in the Model Rules. If a change is needed, it will be explained as you work through the section below called “Options for your Model Rules.”

As you read through the Model Rules, keep this Guide and the Options Worksheet close at hand. You will notice **[square brackets in bold]** around words in the Rules wherever you have an option other than the text of the Model Rules. When this occurs, locate the same Rule by number in the section below. It will repeat what the Model suggests and explain the options you have to choose from. For example:

#### **4.1**

##### **Withdrawal from membership**

**Model Rule: 60 days written notice of withdrawal is required.**

---

##### **Option:**

---

You can substitute any reasonable number. It should be at least 30 days but not more than 90. Keep in mind that a shorter notice period will make it more difficult to prepare and fill a vacant unit. A longer period may not be reasonable.

In many cases, the choice will involve more than substituting one number for another. If choosing a different option means rewriting a Rule, the Guide will suggest wording that the Registrar has already approved.

For example:

#### **18.9**

##### **Further terms of office of Directors**

**Model Rule: This sets a four-year limit on the time a Director can serve continuously on the Board, unless the members approve an extension. The Director can return to the Board after a one-year absence.**

If you do not want term limits at all, delete all of Model Rule 18.9 and substitute:

#### **18.9**

##### **Further terms of office of Directors**

Directors may be re-elected any number of times.

---

## **Keeping a working record**

---

Keep track of your decisions by using the Options Worksheet to record your choices. When you are finished, use the Worksheet to create a draft of your new Rules.

## Electronic versions of the Model Rules

CHF BC is providing every housing co-op in BC with a paper copy of the Model Rules, along with this Guide and our new *Guide to the Co-op Act*. Anyone can download a PDF (portable document format) version of the same material from our public website at [www.chf.bc.ca](http://www.chf.bc.ca).

CHF BC members can use the members-only section of the website to download a copy of the Model Rules and Guide in basic Microsoft Word format.

CHF BC has also developed an **enhanced** edition of the Model Rules and Guide for sale to members. The enhanced edition includes:

- the Model Rules and Occupancy Agreement
- Guide to the Model Rules
- resources to help you use the Model and the Guide
- special features to make your job easier.

When you use the enhanced edition, all of the options in the Guide are at your fingertips as you scroll through the Model Rules. Drop-down lists and pop-up notes show your options where you have them. When you choose an option, Word automatically updates and cross-references your document. The final product is a complete and customized set of new Rules and Occupancy Agreement for your co-op.

For more information on the enhanced edition or any version of the Model Rules and Occupancy Agreement, call CHF BC at 604.879.5111 or email [info@CHF.bc.ca](mailto:info@CHF.bc.ca).



## Options for your Model Rules

---

### **RULE 1 Interpretation**

---

#### **1.1 Definitions**

##### **[b] name of housing co-op**

Insert the name of your housing co-op in the blank after “Co-op means...”. Be sure to use your co-op’s full legal name. This can be found in your Memorandum of Association or Certificate of Incorporation. Then copy the Co-op’s name to the headings in the Table of Contents and the title page of the Rules.

##### **[k] special resolution**

**Model Rule: The required majority is two-thirds of the votes cast at a meeting of members.**

---

**Option:**

---

You can increase the required majority to three-quarters.



## **RULE 2 Eligibility for membership**

---

- 2.1 Principal membership**
- 2.2 Associate membership**

These Rules determine who can be a member of the Co-op.

**Model Rule: A member must be at least 16 years of age.**

---

**Option:**

---

The minimum age can also be set at 17, 18 or 19. Co-ops reserved for seniors can set a higher minimum. Consult your legal advisor.

**Model Rule: Members can be principal or associate members. This allows the Co-op to have more than one member per Unit.**

---

**Option:**

---

You can limit membership to one member per Unit.

If you want to allow only one member per Unit, change Rules 2.1 and 2.2 to read like this:

### **2.1 Membership**

A person who is at least [16, 17, 18 or 19] years old may be admitted as a member by submitting a written application, a subscription for the purchase of shares of the Co-op (which must not be less than one share), and any required payment for shares, each as set by the Directors from time to time.

### **2.2 One member per Unit**

There shall be only one member per Unit.

Delete “principal” from the definition of “Unit” in Rule 1.1[1].

When deciding on the Rule you prefer, remember that all members (including associate members) are entitled to vote at members’ meetings.

## 2.8 Number of Units to be occupied by members

**Model Rule:** At least 80% of the Co-op's Units must be occupied by members.

---

**Option:**

---

You can choose a higher or lower percentage. Be sure to check your Operating Agreement with CMHC or BC Housing first to see if it sets a minimum.

## **RULE 3      Joint membership**

---

**Model Rule:** There is no joint membership.

---

**Option:**

---

The Act allows joint membership, where two or more people share one membership in the co-op. Joint membership is complicated. You should discuss it with your lawyer before deciding to use it.

If you opt for joint membership, use the Appendix to the Model Rules. You will find an alternative Rule 3 to the one in the Model. See pages 51 and 52 of this Guide for more information.



## **RULE 4      Withdrawal from membership**

---

### **4.1      Withdrawal from membership**

**Model Rule: 60 days written notice of withdrawal is required**

---

**Option:**

---

You can substitute any reasonable number. It should be at least 30 days but not more than 90. Keep in mind that a shorter notice period will make it more difficult to prepare and fill a vacant unit. A longer period may not be reasonable.



## **RULE 5 Termination of membership**

---

Rule 5 deals with membership termination. There are not many options in this section because the Act does not allow them.

### **5.7 Appeal of termination**

**Model Rule: Members confirm the Board’s decision by ordinary resolution (i.e. a simple majority of votes cast) for grounds other than conduct detrimental.**

---

**Option:**

---

You can select a higher (but not a lower) majority in 5.7 [b] by substituting the phrase “by a resolution requiring a majority of \_\_% of the total votes cast” for the phrase “by an ordinary resolution”.



**RULE 6      Miscellaneous matters re: withdrawal or termination of membership**

---

**6.2      Refund of amount paid for shares**

**Model Rule:** Outgoing members must return their share certificates (if issued) to qualify for a refund of their shares.

---

**Option:**

---

If the Co-op has never issued share certificates and never will, delete Rule 6.2 [c].



**9.1      No issuing of share certificates**

**Model Rule: No share certificates shall be issued.**

---

**Option:**

---

The Act does not require you to issue share certificates. If you want to issue them anyway, delete the existing Rule 9.1 and substitute the following:

**9.1      Issuing of share certificates**

The Directors may in their discretion, but are not required to, cause the Co-op to issue share certificates in respect of shares of the Co-op.

**9.2      Form of share certificate**

Every share certificate issued by the Co-op must comply with the Act and be in a form approved by the Directors.

**9.3      Manual signing of share certificates**

Every share certificate issued by the Co-op must be signed manually by at least one Director or officer of the Co-op.



## **RULE 11    Transmission of shares**

---

### **11.1    Procedure on death of a member**

**Model Rule:** Provides for the transfer of shares to associate members

---

**Option:**

---

If you decide not to have associate members, delete Rule 11.1 [b] and renumber [c].

### **11.2    Redemption of shares of a deceased member**

**Model Rule:** The Co-op has 60 days to redeem the shares of a deceased member after being given proof of entitlement.

---

**Option:**

---

You can change 60 to any reasonable number.



## **RULE 14    General meetings of the Co-op**

---

### **14.4    Frequency of general meetings**

**Model Rule:** The Directors must call at least one general meeting a year in addition to the Annual General Meeting (i.e. two meetings of members a year).

---

**Option:**

---

Select any number you prefer. Remember, the Annual General Meeting does not count in this total, so, for example, if you want four members' meetings a year, substitute "three times" for "once" in this section.

### **14.8    Notice of meeting to be given**

**Model Rule:** Members must receive at least seven days notice of any general meeting other than the Annual General Meeting and a meeting that is called to consider a special resolution.

---

**Option:**

---

You can select any number greater (but not less) than 'seven'. The notice period should be long enough to give members reasonable time to plan ahead and short enough to allow the Co-op to conduct important business in a timely way.

### 14.13 Requirement for quorum

The Act does not set the quorum for meetings of members. You must decide the quorum in your Rules. If you set quorum too high, you may be unable to do the important business of the Co-op. If you set it too low, the decisions you make in meetings may not reflect the wishes of most members.

**Model Rule: Quorum for members' meetings is one-fifth (20%) of the members to call the meeting to order and at least three members present in person after that.**

---

**Option:**

---

In setting the quorum for members' meetings, you can:

- [a] pick a higher or lower fraction or percentage of members needed to call a meeting to order, and
- [b] pick the same or a different number of members needed to conduct business once a meeting is called to order.

If you do not want to allow business to be conducted with fewer people than are needed to call a meeting to order, delete everything after “present in person” in 14.13 [a]. Your rule would then read:

### 14.13 Requirement for quorum

No business, other than the election of a chair and the adjournment of the meeting, may be transacted at any general meeting unless a quorum of [choose a number, e.g. one-fifth or 15%, etc.] of the members entitled to vote are present in person.

#### 14.14 Lack of quorum

**Model Rule: A meeting is dissolved if quorum is not achieved within 30 minutes of the scheduled time.**

---

**Option:**

---

You can pick any reasonable length of time you prefer. The longer the time, the greater the inconvenience for those members who arrive on time.

#### 14.16 Quorum at an adjourned meeting

**Model Rule: If a regular quorum is not present within 30 minutes, the members present are a quorum and the meeting can continue. This is only for adjourned meetings.**

---

**Option:**

---

You can change the length of time from 30 minutes to something else, fix a specific number of members who will constitute a quorum, or delete this Rule if you always want the regular quorum to apply. If you delete this Rule altogether, don't forget to renumber 14.17 through 14.21.



## **RULE 15    Voting at general meetings**

---

### **15.2    Chair not entitled to casting vote**

**Model Rule:** The chair does not have a second or casting vote. In the event of a tie vote, the motion is defeated.

---

**Option:**

---

You can give the chair a second or casting vote by changing the Rule to read:

#### **15.2    Chair entitled to casting vote**

In case of an equality of votes, and provided that the chair is a member, the chair of a general meeting is entitled to a second or casting vote.

### **15.3    Decisions by show of hands or secret ballot**

**Model Rule:** On votes that would normally be taken by show of hands, the chair or any three members can choose to have the vote taken by secret ballot.

---

**Option:**

---

You can raise or lower the number of members it takes to require a secret ballot.



## **RULE 16    Voting rights of members**

---

### **16.1    Voting rights and restrictions**

The Act provides that every member has one vote (except a member with an unpaid call on shares).

**Model Rule: The Model assumes (see Rules 2.1 and 2.2) that the Co-op has principal and associate members.**

---

**Option:**

---

If your co-op does not have principal and associate members, delete “principal and associate”. Except in the case of an unpaid call on shares, you cannot restrict the right of any member (including an associate member) to vote on any matter being decided by members.

If you have decided to allow joint memberships (see Rule 3), read the note on page 51 of this Guide for more advice on voting rights.



## **RULE 17     Directors**

---

### **17.2     Policies**

### **17.3     When policies take effect**

Every co-op has policies. Sometimes they are called house rules or by-laws. We recommend the term “policies” because house rules can be confused with the Rules the Co-op Act and this Guide describe, and “by-laws” is a term reserved for non-profit societies and companies.

The Rules must establish who has the authority to make policies—the Directors or the members, and when policies take effect.

**Model Rules: Directors propose policies that take effect when approved by the members.**

---

#### **Option 1:**

---

If you want to give Directors the authority to make policies, change the Rules to read:

### **17.2     Policies**

The Directors may make policies with respect to:

- [a] the operation and maintenance of the Co-op; and
- [b] the conduct of members and other persons in relation to the use and enjoyment of the Co-op and its property including the residential premises operated by the Co-op.

### **17.3     When policies take effect**

The policies do not take effect until adopted by resolution of the Directors.

Make sure any changes you make here are consistent with Section 7.04 in the Model Occupancy Agreement.

---

**Option 2:**

---

You can substitute your own term for “policies” or broaden the Rule to include “policies and house rules”.

## 17.4 Number of Directors

**Model Rule: There are nine Directors, unless a general meeting sets a different number. There cannot be fewer than three Directors.**

---

**Option:**

---

You can choose a different number of Directors (not fewer than ‘three’).

You can also fix the number of Directors so that it cannot be changed by a general meeting (except by changing the Rules). In this case the Rule would read:

### 17.4 Number of Directors

The number of Directors will be [pick a number not less than ‘three’].

## 17.5 Persons disqualified to act as Directors

**Model Rule: The model lists eight reasons that someone would be prevented from serving as a Director. The first four (a through d) are required by the Act.**

---

**Option:**

---

You can delete any of [e] through [h] and/or add your own reasons to the list. If you keep [g] as a reason for disqualification, you can also change the number of days. If you delete [e] keep in mind that the number of non-member Directors cannot be greater than one-fifth of all Directors. If you add or delete reasons, don’t forget to re-letter the remaining lines if necessary.

**18.3 Number of candidates**

**Model Rule:** If the number of candidates for the Board is greater than the positions to be filled, the members can increase the number of positions (if Rule 17.4 allows) or hold an election by secret ballot.

If there is an election by ballot, members must vote for the same number of candidates as there are positions to fill. This prevents “plumping”, when a voter tries to get one or more individual candidates elected instead of voting to fill all of the vacant positions.

---

**Option:**

---

Delete [a] if you have fixed the number of Directors in Rule 17.4 or if you always want to hold an election when there are more candidates than positions open. You can also delete [c] if you want the option of voting for fewer candidates than the number of positions.

The new Rule would read:

**18.3 Number of candidates**

If the number of candidates in an election for Directors exceeds the number to be elected at the election:

[a] there must be an election by secret ballot;

[b] the number of candidates written on each ballot must be the same as the number to be elected.

**OR**

**18.3 Number of candidates**

If the number of candidates in an election for Directors exceeds the number to be elected at the election, there must be an election by secret ballot.

**18.6 If two or more candidates receive equal number of votes for last vacancy**

**Model Rule:** If there is a tie for the last position to be filled on the Board, the candidates who are tied may decide among themselves who is elected. If they cannot decide, the members can increase the number of Directors so that all of the tied candidates are elected (if Rule 17.4 allows), or hold a run-off election. If there is still a tie, the last position shall be decided by lot, for example, by drawing straws or picking numbers from a hat.

---

**Option:**

---

Delete [a] if you have fixed the number of Directors in Rule 17.4 or if you always want to hold a run-off election when there is a tie for the final position.

The new Rule would read:

**18.6 If two or more candidates receive equal number of votes for last vacancy**

If two or more candidates receive an equal number of votes for the last vacancy on the Board, those candidates may agree on who will fill the vacancy, but if they cannot agree, the members will immediately hold a run-off election, by secret ballot, between those candidates, in which case, if the run-off election results in a tie vote, the last vacancy shall be decided by lot.

## 18.8 Term of office of Directors

**Model Rule:** The Model puts in place a system of staggered two-year terms for Directors. This means that in a normal year, no more than half of the Directors will be new to the Board. Staggered terms create more stability and continuity on the Board. This is good for volunteer-based organizations.

---

**Option:**

---

You can pick a different length of term for Directors. Two-year terms are most common, but some co-ops prefer one-year or three-year terms.

If you prefer three-year terms, creating staggered terms is more complicated. Consult your lawyer for help with the wording of the Rule.

If you prefer one-year terms for Directors, there is no staggering of terms. You can amend this Rule to read:

### 18.8 Term of office of Directors

In the election of Directors at the Annual General Meeting, the Directors must each be elected for a term of one year.

## 18.9 Further terms of office of Directors

**Model Rule:** This sets a four-year limit on the time a Director can serve continuously on the Board, unless the members approve an extension. The Director can return to the Board after a one-year absence.

---

**Option:**

---

You can change:

- the limit on continuous service to something other than four years;
- the length of the extension members may approve to something other than two years; and
- the length of time a Director must be absent before returning to the Board to something other than one year.

If you do not want members to have the option of approving an extension in a Director’s term, delete the phrase “unless an additional term not to exceed two years is approved by an ordinary resolution of members.”.

If you do not want term limits at all, delete all of Model Rule 18.9 and substitute:

**18.9 Further terms of office of Directors**

Directors may be re-elected any number of times.

**18.11 Director ceasing to hold office**

**Model Rule: Directors automatically lose their position on the Board if any of these 13 events, 18.11 [a] through [m], occur.**

---

**Option:**

---

The Act requires you to include all of [a] through [e]. You can delete any of [f] through [m] that you don’t want. Make sure that the decision you make for 18.11 [f] is consistent with the decision you made for 17.5 [e], which determines whether Directors must be members.

## **RULE 19 Meetings of Directors**

---

### **19.3 Who may call meetings**

**Model Rule:** Meetings of Directors are called by the president or, on the request of three Directors, by the secretary.

---

**Option:**

---

You can change the number of Directors needed to cause the secretary to call a Board meeting.

### **19.4 Quorum of the Board**

**Model Rule:** Quorum for Board meetings is set by the Board. If the Board does not set a quorum, it is automatically set at three Directors.

---

**Option:**

---

You can set the number of Directors needed for quorum (if the Directors do not set their own quorum) at some number higher than three. This must be done by resolution of the Directors.

### **19.6 Chair**

**Model Rule:** Board meetings will be chaired by the president or the vice-president, unless a majority of Directors choose someone else to chair. The person chosen by the Directors does not have to be a member.

---

**Option:**

---

You can delete the phrase “who need not be a member” if you do not want to have the option of choosing someone who is not a member of the Co-op to chair a Board meeting.

## 19.7 Voting at meetings

**Model Rule: The chair does not have a second or casting vote at Board meetings. In the event of a tie vote, the motion is defeated.**

---

**Option:**

---

You can give the chair a second or casting vote by changing the Rule to read:

### 19.7 Voting at meetings

Questions arising at any meeting of the Directors are to be decided by a majority of votes, unless the Act or these Rules require otherwise, and in the case of an equality of votes, and provided that the chair is a member, the chair of the Directors' meeting is entitled to a second or casting vote.

## **RULE 20      Committees of Directors and advisory committees**

---

### **20.2      Advisory committees**

### **20.3      Duty of advisory committees appointed by the Directors to report to the Directors**

**Model Rules:** The Directors can appoint advisory committees of members and assign duties to those committees. Committees appointed by the Directors report to the Directors and must keep minutes that are available to the Directors.

---

#### **Option:**

---

You can also decide that the members have the authority to appoint advisory committees that report to them.

If you decide that the Directors **and** the members should have this authority, insert the phrase “and the members in general meeting” after “The Directors” in Rule 20.2, and add the following:

### **20.4      Duty of advisory committees appointed by the members to report to the members**

Advisory committees appointed by the members report to, and serve at the pleasure of, the members, and must cause minutes of the following to be filed in books provided for the purpose:

- [a] the names of those present at each meeting of the advisory committee; and
- [b] all proceedings at all meetings of the advisory committee, and those minutes must be made available to the Directors on request.

If you decide that **only** the members should have this authority, substitute the phrase “The members in general meeting” for “The Directors” in Rule 20.2, and substitute option 20.4 above for Model Rule 20.3, renumbering it as Rule 20.3.



## **RULE 21    Officers**

---

### **21.1    Appointment of officers**

**Model Rule:** The Directors must appoint a president, vice-president, secretary, and treasurer from among the Directors.

---

**Option:**

---

If you want the members to elect the officers of the Co-op, substitute the following:

#### **21.1    Election of officers**

At every Annual General Meeting, the members must choose a president, a vice-president, a treasurer, and a secretary of the Co-op from among the Directors.



## **RULE 25     Dispute resolution**

---

### **25.4     Initiating arbitration**

**Model Rule:** If a dispute among members cannot be resolved through mediation, the Directors can refer the dispute to an arbitration committee of three persons. The chair of the committee need not be a member of the Co-op.

---

**Option:**

---

If you do not want to allow the option of an arbitration committee chair who is not a member, delete the phrase “who need not be a member”.



## Dissolution provisions

---

Every co-op must determine what happens to its property if it is wound up or dissolved. This is known as a dissolution provision.

The dissolution provision for your co-op will either be in the Memorandum of Association or in the Rules. Wherever it is, section 173 of the Act prevents you from changing it.

If your co-op's dissolution provision is in your current Rules, that specific Rule must survive when you replace the current Rules with new Rules. If the dissolution provision is in your Memorandum, it will remain in force after you replace your current Rules with new Rules.

Check your Rules to see if they contain a dissolution provision. In many co-ops, it is Rule 67. If so, your new Rules must contain the following note at the very end:

The existing dissolution provision, Rule 67 [or other number, if not 67] filed and registered [date your current Rules were filed with the Registrar], remains in force under section 173 of the *Cooperative Association Act*.

If your dissolution provision is in the Memorandum, your new Rules must contain a different note at the very end:

The existing dissolution provision, found in the Memorandum of Association filed and registered [date your Memorandum was filed with the Registrar], remains in force under section 173 of the *Cooperative Association Act*.

Depending on where your current dissolution provision is, you will need to use a different form of special resolution to adopt your new Rules. We have included sample resolutions under *Resources*.



### **RULE 3 Joint membership (option)**

---

**Note:** Ignore this section if you do not want to allow joint membership.

The Act allows joint membership, where two or more people share one membership in the Co-op, but it is complicated. If you are considering joint membership, we recommend that you discuss it with your lawyer first.

If you opt for joint membership, you will need to use the Appendix to the Model Rules instead of Rule 3 in the model. The choices available in the Appendix are listed below.

#### **3.2 Voting rights of joint members**

**Model Rule:** Joint members have one vote among them.

---

**Option:**

---

You can give a vote to each member in a joint membership by deleting the model wording in 3.2 and substituting:

“Each joint member in a joint membership will have one vote.”

#### **3.6 Share certificate for joint members**

If you have decided in Rule 9.1 that the Co-op will not issue share certificates, delete this Rule and renumber Rules 3.7 through 3.10.

### **3.10 Entitlement of joint members to act as Directors**

**Model Rule:** Only one member of a joint membership can be a Director at any time.

---

**Option:**

---

You can allow more than one member of a joint membership to be a Director at any time by substituting “Any” for “Only one” in Rule 3.10.

## **RULE 16 Voting rights of members (further changes)**

---

**Model Rule:** The Model in the Appendix assumes that the Co-op allows principal, associate and joint members.

---

**Option:**

---

If your co-op does not allow principal and associate members, replace 16.1 with:

### **16.1 Voting rights and restrictions**

Every member, and subject to Rule 3.2, every joint member, will have one vote on all matters to be decided by the members.

## Options for your Occupancy Agreement Schedule A to the Rules

---

The Occupancy Agreement is the agreement between the co-op and each member governing the terms on which members occupy units in the co-op. In the Model, the Occupancy Agreement is a Schedule to the Rules and forms part of the Rules. If you do not want it to be a Schedule, consult your lawyer about how to separate them.

Read the Model Occupancy Agreement carefully. Discuss with your lawyer or management company any parts of the agreement that do not seem to fit your co-op's situation.

Enter the name of your co-op on the title page, in the Table of Contents and again at the top of the first page in Schedule A.

---

### RECITALS

---

#### A. The Purpose of the Co-op

If the Co-op owns its land (instead of leasing it) substitute “owned” for “leased”. Insert the Co-op's full civic and legal address after “known and described as”. This can be found on the Co-op's tax assessment notice.

---

### 1 Conditions of Possession

#### 1.02 Rules and policies

If the Co-op leases its land, insert the required details of your lease in 1.02 [d].

If the Co-op owns its land, delete 1.02 [d].

### 3 Parking

#### 3.01 Use of parking

#### 3.02 Parking policies

Complete as appropriate for your co-op.

If the Co-op does not provide parking of any kind, substitute the following for both 3.01 and 3.02:

#### 3.01 **No parking**

The Member acknowledges that the Co-op does not provide parking to members, visitors or guests.

### 4 Housing Charge

#### 4.01 Payment of Housing Charge

The Model provides that Housing Charges are due on the first day of the month. Change 4.01 if you want Housing Charges to be due on some other day, for example, the day before the first day of the month.

#### 4.03 Setting the Housing Charge

The Model provides that the members have final approval of Housing Charges. If you want the Directors to have the authority to set Housing Charges without further approval from members, delete the phrases:

- “and recommend to the members of the Co-op”, and
- “all of which shall be approved by ordinary resolution at a general meeting of the Co-op”.

## **6 Payment of Utilities**

### **6.01 Utilities**

Make sure this section describes accurately which charges the members are responsible for.

## **7 Rules and Policies**

### **7.04 Participation**

The Model provides that the Directors will have the authority to establish participation requirements for members of the Co-op.

Rule 17.2 establishes who has the authority to make policy for the Co-op. If you have reserved that authority for the members in Rule 17.2, then replace “as the Directors may determine by policy approved by resolution of the Directors” with “as determined by policy approved by the members in general meeting.”

## **10 Alterations to Property**

### **10.02 Restoration costs**

You can increase the time available to the Member to make required repairs. Do not reduce the time, as anything less than ten days may be considered unreasonable by a court.

### **10.04 Compensation for alterations**

You can increase the number of days allowed, within reason. Do not reduce the time, as anything less than ten days may be considered unreasonable by a court.

## **11 Interior Maintenance and Repair of Unit**

### **11.04 Repairs as required**

You can increase the time available to the Member to make required repairs. Do not reduce the time, as anything less than ten days may be considered unreasonable by a court.

## **12 Personal Insurance**

### **12.02 Requirement for personal insurance**

Many co-ops protect themselves and their members by requiring members to buy personal contents and liability insurance. Delete this section if you do not want to enforce this requirement.

### **12.03 Failure of Member to insure**

This section authorizes the Co-op to buy the insurance required under 12.02 on behalf of the Member and to invoice the Member for the cost of the insurance. Delete this section if you deleted 12.02 or if you do not want to have this authority.

## **24 Visitors**

### **24.01 Obligations for visitors**

Delete “adult” in [a], [b] and [c] if you want the section to apply to all persons.

You can increase the time periods specified in [b], [c], [d] and [e].

Delete 24.01 [e] if you do not want participation requirements to apply to guests. If you keep 24.01 [e], make sure it is consistent with any changes you made to 7.04.

## **25 Right to Enter**

### **25.05 Time of entry**

You can change the times, but do not use any time earlier than 8:00 a.m. or later than 9:00 p.m., as a court may consider it unreasonable.



## Options Worksheet

Use this worksheet as a checklist to keep track of your choices as you go through the Model Rules. This is a summary. Use this with the sections on Options, starting at page 11 of the guide.



## O P T I O N S   F O R   M O D E L   R U L E S

Rule Number	Model	Option	Our Choice
<b>RULE 1      Interpretation</b>			
1.1 [K] <b>Definitions special resolution: majority required</b>	2/3 majority	3/4 majority	
<b>RULE 2      Eligibility for membership</b>			
2.1 and 2.2 <b>Age for membership</b>	16 years of age	<ul style="list-style-type: none"> <li>■ choose one of 17, 18 or 19 years of age</li> <li>■ seniors or other: consult your lawyer</li> </ul>	
2.1 and 2.2 <b>Principal and associate membership</b>	Principal and associate members	One member per Unit  You must also delete “principal” from Rule 1.1 [I] “Unit”	
2.8 <b>Number of Units to be occupied by members</b>	At least 80%	Higher or lower percentage of Units	

Rule Number	Model	Option	Our Choice
<b>RULE 3 Joint membership</b>			
3.1 <b>Joint membership</b>	No joint membership	Joint membership: See Appendix: Joint Membership Option in this Worksheet	
<b>RULE 4 Withdrawal from membership</b>			
4.1 <b>Withdrawal from membership</b>	60 days written notice	30 days or more, not more than 90	
<b>RULE 5 Termination of membership</b>			
5.7 [b] <b>Appeal of termination</b>	Decision by ordinary resolution	Change to: "by a resolution requiring a majority of ____ % of the total votes cast." This must be higher than 50%.	
<b>RULE 6 Miscellaneous matters</b>			
6.2 [c] <b>Refund of amount paid for shares</b>	Member has returned the share certificate, if one was issued	Co-op has never issued certificates and never will. Delete 6.2[c]	
<b>RULE 9 Share certificates</b>			
9.1 <b>Share certificates</b>	No issuing of share certificates (9.1 only)	Issuing of certificates at discretion of Board: delete Model 9.1 and substitute options 9.1 to 9.3	

Rule Number	Model	Option	Our Choice
<b>RULE 11      Transmission of shares</b>			
11.1 <b>Procedure on death of a member</b>	Associate member requests re-register of shares of principal member	If no associate members, delete Rule 11.1 [b] and re-number	
11.2 <b>Redemption of shares of a deceased member</b>	60 days after proof of entitlement	Higher or lower number of days	
<b>RULE 14      General meetings of the Co-op</b>			
14.4 <b>Frequency of general meetings</b>	Once each year (in addition to annual general meeting)	2 times, 3 times or other (in addition to AGM)	
14.8 [b] <b>Notice of meeting to be given</b>	At least seven days	More than seven days	

Rule Number	Model	Option	Our Choice
<p>14.13 <b>Requirement for a quorum</b></p>	<p>The number of members required is different:</p> <p>[a] a fraction or percentage of members at the beginning, and</p> <p>[b] a lower number present at all times</p> <p>[a] 1/5 of members</p> <p>[b] at least three members</p>	<p>The same number of members is required. Delete [b]</p> <p>Higher or lower fraction or percentage of members</p> <p>[b] a different number of members</p>	
<p>14.14 <b>Lack of quorum</b></p>	<p>30 minutes wait</p>	<p>Any length of time</p>	
<p>14.16 <b>Quorum at an adjourned meeting</b></p>	<p>If regular quorum not present:</p> <ul style="list-style-type: none"> <li>■ after 30 minutes wait</li> <li>■ members present are quorum</li> </ul>	<p>Always use the regular quorum: delete 14.16.</p> <p><b>or</b></p> <p>If regular quorum not present:</p> <ul style="list-style-type: none"> <li>■ any length of waiting time, and</li> <li>■ fix the number of members needed for quorum</li> </ul>	



Rule Number	Model	Option	Our Choice
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**RULE 15 Voting at general meetings**

15.2 <b>Chair not entitled to vote to break tie</b>	Chair does not have second or casting vote	Chair has second or casting vote	
15.3 <b>Decisions by show of hands or secret ballot</b>	Three members can require secret ballot	Higher or lower number of members	

**RULE 16 Voting rights of members**

16.1 <b>Voting rights and restrictions</b>	Co-op has principal and associate members	Delete "principal and associate" if you have only one member per unit in 2.2.  If you decide to have joint membership, see Appendix: Joint Membership Option in this Worksheet.	
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Rule Number	Model	Option	Our Choice
<b>RULE 17 Directors</b>			
17.2 and 17.3 <b>Policies</b>	“Policies”	Change “policies” to “policies and house rules”	
17.3 <b>When policies take effect</b>	Directors propose policies  <b>and</b> Approved by ordinary resolution at general meeting	Directors make policies  <b>and</b> Adopted by resolution of the Directors. Make sure this is consistent with Section 7.04 in the Occupancy Agreement.	
17.4 <b>Number of Directors</b>	General meeting can change the number of Directors  Nine	Fixed number of Directors  Pick a number not less than three	
17.5 <b>Persons disqualified to act as Directors</b>	Include [a] to [h]	Delete any or all of [e] to [h] and re-letter.	
[g] <b>Indebtedness to Co-op</b>	Indebted for more than 60 days	Change the number of days	

Rule Number	Model	Option	Our Choice
<b>RULE 18 Election, appointment and removal of Directors</b>			
<p>18.3 <b>Number of candidates greater than vacant positions</b></p> <p>[c] <b>Number of candidates written on each ballot</b></p>	<p>[a] and [b]: Increase number of Directors or hold elections.</p> <p>[c]: Ballot voting for same number of candidates as positions to fill</p>	<p>Delete [a] if:</p> <ul style="list-style-type: none"> <li>■ you have fixed the number of Directors in Rule 17.4, or</li> <li>■ you always want to hold an election</li> </ul> <p><b>and/or</b></p> <p>Delete [c]: Voting for fewer candidates than number of positions</p>	
<p>18.6 <b>If two or more candidates receive equal number of votes for last vacancy</b></p>	<p>[a] and [b]: Increase number of Directors or hold elections.</p>	<p>Delete [a] if:</p> <ul style="list-style-type: none"> <li>■ you have fixed the number of Directors in Rule 17.4, or</li> <li>■ you always want to hold a run-off election</li> </ul>	

Rule Number	Model	Option	Our Choice
18.8 <b>Term of office of Directors</b>	Staggered two-year terms	No staggering of terms: one-year term.  Staggered three-year terms: consult your lawyer for wording.	
18.9 <b>Further terms of office of Directors</b>	<ul style="list-style-type: none"> <li>■ <u>four-year</u> limit on continuous service</li> <li>■ <u>two-year</u> limit on extension approved by members</li> <li>■ <u>one-year</u> minimum period of absence from board</li> </ul> <p>Members approve an extension in Director's term</p> <p>Limits continuous service on board</p>	<p>Keep Model Rule but change time frames. They must work with the term set in Rule 18.8.</p> <p>No extension: delete the phrase.</p> <p><b>or</b></p> <p>No term limits: Directors may be re-elected any number of times.</p>	



Rule Number	Model	Option	Our Choice
18.11 <b>Directors ceasing to hold office</b>	Include [a] to [m]	Delete any or all of [f] to [m]	
[f] <b>Not a member</b>	Director no longer a member	Rule 18.11 [f] must be consistent with 17.5 [e].	
[g] <b>Absent from meetings</b>	Three consecutive meetings	Higher or lower number of meetings	

**RULE 19 Meetings of Directors**

19.3 <b>Who may cause the secretary to call Directors' meetings</b>	Three Directors	Higher or lower number of Directors	
19.4 <b>Quorum of the Board</b>	Three	A number higher than three	
19.6 <b>Chair</b>	Non-members can chair a Board meeting	No option of non-member chair: delete phrase	
19.7 <b>Voting at Directors' meetings</b>	Chair does not have second or casting vote in case of a tie vote	Chair has second or casting vote	



Rule Number	Model	Option	Our Choice
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**RULE 21 Officers**

21.1 <b>Appointment of officers</b>	Directors appoint officers	Members elect officers at AGM	
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**RULE 25 Dispute resolution**

25.4 <b>Arbitration</b>	Chair of arbitration committee need not be a member	No option of non-member arbitration chair: delete phrase.	
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**Dissolution**

<b>Note</b>	If dissolution provision is in your current Rules: add number of existing Rule and add date Rules filed with Registrar	If dissolution provision is in your Memorandum: replace "Rule" with "Memorandum"	
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## APPENDIX : JOINT MEMBERSHIP OPTION

**Note: Ignore this section if you do not want to allow joint membership**

Rule Number	Model	Option	Our Choice
3.2 <b>Voting rights of joint members</b>	Joint members have one vote among them	Each joint member in a joint membership will have one vote	
3.6 <b>Share certificates for joint members</b>	One certificate for joint members	Delete this Rule if you decided in Rule 9.1 not to issue certificates. Be sure this is consistent with Rule 9.1.	
3.10 <b>Entitlement of joint members to act as Director</b>	Only one	Any	
16.1 <b>Voting rights and restrictions</b>	Co-op has principal and associate members	Delete “principal and associate” if you do not have associate members in Rule 2.2.	

SCHEDULE A - OCCUPANCY AGREEMENT

Section Number	Model	Option	Our Choice
<b>RECITALS A</b>	Leased  Enter the Co-op's civic and legal address	Use "owned" if your Co-op owns the land	
<b>1 Conditions of Possession</b>			
1.02 <b>Rules and policies</b>	Put lease information into part [d]: <ul style="list-style-type: none"> <li>■ date of Head Lease</li> <li>■ name of lessor</li> </ul>	If your Co-op owns its land, delete [d]	
<b>3 Parking</b>			
3.01 <b>Use of parking</b>  3.02 <b>Following policies</b>	Use of parking: give number of parking space(s)  <b>and</b>  Members follow parking policies	No parking: delete 3.01 and 3.02 and substitute option 3.01.  <b>or</b>  No parking: delete 3.01 and substitute option 3.01 but keep 3.02.	

Section Number	Model	Option	Our Choice
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4 **Housing Charge**

4.01 <b>Payment of Housing Charge</b>	On the first day of the month	On the day before the first day, or some other day. Make sure your changes are consistent.	
4.03 <b>Setting the Housing Charge</b>	Directors set and recommend to members  Members have final approval	Directors have authority	

6 **Payment of Utilities**

6.01 Utilities	Sets out which charges the members are responsible for.	Make sure this is an accurate description.	
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7 **Rules and Policies**

7.04 <b>Participation</b>	Directors establish participation requirements	Members make policy. Make sure that this is consistent with Rule 17.2	
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Section Number	Model	Option	Our Choice
<b>10 Alterations to Property</b>			
10.02 <b>Restoration costs</b>	Ten days for Member to do repairs	Increase number of days	
10.04 <b>Compensation for alterations</b>	Ten days	Increase number of days	
<b>11 Interior Maintenance and Repair of Unit</b>			
11.04 <b>Repairs as required</b>	Ten days for Member to do repairs	Increase number of days	
<b>12 Personal Insurance</b>			
12.02 <b>Requirement for personal insurance</b>  <b>and</b>  12.03 <b>Failure of Member to insure</b>	Members are required to have personal insurance  <b>and</b>  Co-op is authorized to buy it on Member's behalf	Members are not required: Delete 12.02 and 12.03  <b>or</b>  Members are required to have personal insurance: keep 12.02  <b>but</b>  Co-op is not authorized to buy it on Member's behalf: delete 12.03	

Section Number	Model	Option	Our Choice
<b>24 Visitors</b>			
24.01 <b>Obligations for visitors</b>	Adult in [a] to [c]	All persons: delete "adult"	
[b] to [e]	30 days in [b] to [e]	Increase number of days in: [b] [c] [d] [e]	
[e]	[e]: Participation requirements apply to guests	Participation requirements do not apply to guests: delete [e]. Be sure this is consistent with 7.04.	
<b>25 Right to Enter</b>			
25.05 <b>Time of entry</b>	8:00 a.m. to 9:00 p.m.	Use any times between 8:00 a.m. and 9:00 p.m.	



## The Model Rules and the Co-op Act: A reference table

This reference table links the Model Rules to the relevant sections of the *Cooperative Association Act* SBC 1999 – Chapter 28 and the *Cooperative Association Regulation*. The section numbers are up to date as of June 2002. The numbering may change if the Act is changed in the future. Not all relevant sections of the Act are listed here.

This list is to help you look in the Act for more information. You don't need to know this information in detail to use the Model Rules. You can also read CHF BC's *Guide to the Co-op Act*.

Model Rule	Definition	Section of Act
<b>General</b>	What must be in the Rules	Section 13 Section 10 of the Regulation
<b>Rule 1</b>	Interpretation	Section 1. Always refer to section 1 when looking up words, e.g. officers
<b>Rule 2</b>	Eligibility for membership	Sections 8, 29 to 32, 39
<b>Rule 3</b>	Joint membership	Sections 13, 42, 53
<b>Rule 4</b>	Withdrawal from membership	Section 33
<b>Rule 5</b>	Termination of membership	Sections 35-37, 170-172 Section 4 of Regulation
<b>Rule 6</b>	Miscellaneous matters re: withdrawal or termination of membership	Sections 38, 56, 171
<b>Rule 7</b>	Share structure	Sections 12, 48(1), 173(7), 213
<b>Rule 8</b>	Payment for shares	Sections 51(3), 52
<b>Rule 9</b>	Share certificates	Section 57
<b>Rule10</b>	Transfer of shares	
<b>Rule 11</b>	Transmission of shares	Sections 38, 56
<b>Rule 12</b>	Redemption of shares	Section 38, 56, 66

<b>Model Rule</b>	<b>Definition</b>	<b>Section of Act</b>
<b>Rule 13</b>	Register of members	Sections 124, 128
<b>Rule 14</b>	General meetings of the Co-op	Sections 122, 143-153
<b>Rule 15</b>	Voting at general meetings	Section 40
<b>Rule 16</b>	Voting rights of members	Sections 40-45
<b>Rule 17</b>	Directors	Sections 72-106
<b>Rule 18</b>	Election, appointment and removal of Directors	Sections 73, 74, 80, 82, 85
<b>Rule 19</b>	Meetings of Directors	Sections 77, 137
<b>Rule 20</b>	Committees of Directors and advisory committees	Section 76
<b>Rule 21</b>	Officers	Sections 104-106
<b>Rule 22</b>	Conflict of interest rules for Directors and officers	Sections 86-96
<b>Rule 23</b>	Indemnification of Directors and officers	Sections 97-103
<b>Rule 24</b>	Finances	Sections 71, 84, 104, 107-123, 128-136, 138, 141
<b>Rule 25</b>	Dispute resolution	
<b>Rule 26</b>	Notices	Sections 28, 147
<b>Rule 27</b>	Corporate seal and execution of documents and other instruments	
<b>Rule 28</b>	Alteration of Memorandum or Rules	Sections 68-70, 139
<b>Note</b>	Note on dissolution of the Co-op	Section 173