

**SOUTH EAST MANITOBA SENIORS COMMUNITY SERVICES
CO-OPERATIVE INC.**

BY-LAWS #01/2020

I _____ of _____ in the Province of Manitoba,
President of the South East Manitoba Seniors Community Services Co-operative Inc. certify that these
are the by-laws of the Co-operative as approved by the members on March 7, 2022.

Date

President

**BY-LAWS
TABLE OF CONTENTS**

<p align="center">Section 1 DEFINITIONS</p> <p>1.01 Definitions</p> <p align="center">Section 2 GENERAL</p> <p>2.01 Operating Name 2.02 Financial Year 2.03 Signing Authority & Policies of the Board 2.04 Information Available to Members 2.05 Amendments to By-Laws</p> <p align="center">Section 3 DIRECTORS</p> <p>3.01 Number of Directors 3.02 Quorum 3.03 Director Qualifications 3.04 Directors Must be Members 3.05 Election and Term 3.06 Nominating Candidates for Director 3.07 Tie Votes 3.08 Ceasing to Hold Office 3.09 Removal of Directors by Members 3.10 Vacancies 3.11 Exercise of Authority 3.12 Special Resolutions in Writing 3.13 Meetings by Telephone / Electronic Means 3.14 Time and Place of Meetings 3.15 Notice of Meeting 3.16 Regular Meetings 3.17 Chairperson 3.18 Conflict of Interest & Remuneration</p> <p align="center">Section 4 COMMITTEES AND OFFICERS</p> <p>4.01 Committee of Directors 4.02 Officers</p> <p align="center">Section 5 DUTY OF CARE AND INDEMNITY OF DIRECTORS AND OFFICERS</p> <p>5.01 Duty of Care of Directors and Officers 5.02 Indemnity 5.03 Dissent</p>	<p align="center">Section 6 MEMBERSHIPS AND TRANSFERS</p> <p>6.01 Membership Qualifications 6.02 Membership Certificate 6.03 Transfer of Membership 6.04 Lien for Indebtedness 6.05 Withdrawal of Membership 6.06 Automatic Withdrawal – Death or Dissolution 6.07 Termination of Membership for Cause 6.08 Meaning of “for Cause” 6.09 Notice of Board Meeting to Terminate 6.10 Notice of Termination - Decision of Board 6.11 Right to Appeal 6.12 Repayment of Member Loans</p> <p align="center">Section 7 GENERAL RESERVE AND ALLOCATION OF SURPLUS</p> <p>7.01 General Reserve 7.02 Minimum Reserve 7.03 Allocation of Surplus – Community Service</p> <p align="center">Section 8 MEETINGS OF MEMBERS</p> <p>8.01 Annual Meetings 8.02 Special Meetings 8.03 Place of Meetings 8.04 Electronic Meetings 8.05 Notice of Meetings 8.06 Chairperson (and Secretary) 8.07 Persons Entitled to be Present 8.08 Quorum 8.09 Voting at the Meeting 8.10 Voting by Mail-In or Electronic Ballot</p> <p align="center">Section 9 NOTICES IN WRITING</p> <p>9.01 Method of Giving Notices in Writing 9.02 Undelivered Notices</p>
--	---

SECTION 1 - DEFINITIONS

Definitions

1.01 The following definitions apply in these by-laws:

"Act" means *The Cooperatives Act*, C.C.S.M. c. C223.

"articles" are the articles of the Co-operative and has the same meaning as in the Act;

"Board" means the board of directors of the Co-operative;

"by-laws" means the by-laws of the Co-operative and all amendments in force and effect;

"confidential" means information in the possession of, or received in confidence by the SECSC is either prohibited from disclosing, or is required to refuse to disclose, under the Freedom of Information and Protection of Privacy Act (FIPPA), or other legislation, or information which may impede negotiations or matters which are legal in nature;

"Cooperative" means South East Manitoba Seniors Community Services Co-operative Inc.;

"entity" means a body corporate, a trust, a partnership, a fund or an unincorporated organization;

"meeting of members" means an annual meeting of members or a special meeting of members;

"member" means a person, business or corporation with a membership interest in the Co-operative who has complied with by-law 6.01 and the articles;

"ordinary resolution" has the same meaning as in the Act, but for clarity means a majority vote of persons present at a meeting who are entitled to vote;

"officers" are appointed by the board of directors. Officers are responsible for managing the day-to-day operations of a corporation. The corporation by-law will decide what officer positions need to be filled within the co-operative. There are four officer roles within the co-operative including president, vice-president, secretary and treasurer.

"patronage return" means an amount that is allocated by the Co-operative to its members based on the business done with the Co-operative;

"person" means an individual or an entity, and includes a legal representative;

"recorded address" means, in the case of a member, the address (postal or electronic) of the member as recorded in the members' register; and in the case of a director, officer, auditor or member of a committee of the board, the latest address (postal or electronic) of such persons as recorded in the records of the Co-operative;

"special resolution" has the same meaning as in the Act, but for clarity means at least a 2/3rds vote of persons present at a meeting who are entitled to vote;

"surplus" means, for any financial year of the Co-operative, the amount that remains after deducting from revenue all operating expenses (see section 1 of the Act for the technical definition).

SECTION 2 - GENERAL

Operating Name

2.01 The Cooperative's operating name shall be South East Community Services Co-operative Inc. (SECSC)

Financial Year

2.02 The Co-operative's financial year end is December 31.

Signing Authority & Policies of the Board

2.03 (a) The president, vice-president, secretary and treasurer of the Co-operative shall have signing authority. The Board may, by ordinary resolution, designate another person(s) as having signing authority or the right to execute contracts or decisions on behalf of the Co-operative. The Board must record any resolution under this section in the Board's minutes. The Board may adopt policies related to purchasing, borrowing, confidentiality, and execution of instruments that must be complied with at all times.

(b) Agreements and cheques and other negotiable instruments must be signed or authorized by any two of the following director positions:

- i) the president;
- ii) the vice-president;
- iii) the treasurer;
- iv) the secretary;

Information Available to Members

2.04 Subject to section 29 of the Act:

(a) Members are entitled to view or copy information or documents respecting the Co-operative's business unless, in the opinion of the Board, such information should be kept confidential.

(b) The Board may decide whether it will disclose or make available to inspection an account, record or document of the Co-operative. The Board may decide the extent of the disclosure and the time, place, conditions or rules of disclosure.

(b) The Board shall make safe all personal, financial, and health information of any individual receiving care from the Co-operative or residing in the Co-operative's facility.

Amendments to By-laws

2.05 The by-laws may be amended by the directors. The amendment must then be ratified by ordinary resolution at the next meeting of members.

SECTION 3 - DIRECTORS

Number of Directors

3.01 After the first annual meeting of members, the Board may, by by-law, establish the number of directors within the minimum and maximum stated in the articles. The resolution must be recorded in the Board's minutes. Once the number of directors is set, the number must not be reduced to meet quorum.

Quorum

3.02 The quorum for the transaction of business at any meeting of the Board is a majority of the number of directors.

Director Qualifications

3.03 A person cannot be a director if that person:

- (a) is less than 18 years of age;
- (b) is of unsound mind and has been so found by a court of law;
- (c) is not an individual; or
- (d) is bankrupt.

Directors Must be Members

3.04 A director must be a member of the Co-operative or a representative of an entity that is a member of the Cooperative.

Election and Term

3.05 Directors are elected by members

(a) Directors are elected by secret ballot at the first meeting of members and at each subsequent annual meeting of members. The candidates for director who receive the highest number of votes cast are declared elected until all vacancies are filled.

First and subsequent meeting of members

(b) The members must elect seven (7) directors at the first meeting of members. The four (4) candidates who receive the most votes are elected to two-year terms. The three (3) candidates who receive the next highest number of votes are elected to one-year terms. At each subsequent annual meeting, directors elected to replace those whose term of office has expired shall hold office for two (2) years.

Nominating Candidates for Director

3.06 Candidates for director may be nominated before the meeting of members, or at the time of the meeting of members by any member present. Members may also declare their own candidacy.

Tie Votes

3.07 In the case of a tie among candidates on the first ballot, those candidates' names must be submitted to a second ballot organized by the chairperson of the meeting. The same rule applies to subsequent ballots that must be held in the event of a tie.

Ceasing to Hold Office

3.08 A director ceases to hold office when the director:

- (a) dies or resigns;
- (b) ceases to be a member by withdrawal or termination of membership;
- (c) is removed from office by the members at a special meeting under by-law 3.09;
- (d) per by-law 3.03, is disqualified from being a director; or
- (e) is absent from three (3) consecutive regular meetings of the Board, unless in the opinion of the other directors one or more of the absences were justified or the absence has been approved by resolution of the Board.

Removal of Directors by Members

3.09 Subject to the Act, the members may, by ordinary resolution at a special meeting, remove any director from office. The vacancy created by such removal may be filled by ordinary resolution of the members present at the same special meeting or, if not so filled, may be filled by the directors in accordance with the Act.

Vacancies

3.10 Subject to section 194 of the Act,

Vacancy where Board can meet quorum

(a) If the Board can meet quorum and a vacancy on the board arises, the directors may continue to run the board without filling the vacancy, if the vacancy is within 120 days of the next annual general meeting. If a vacancy occurs over 120 days from the next annual general meeting, the Board must call a special meeting of members within 60 days to fill the vacancy. This subsection does not apply if the vacancy resulted from either the Board's decision to increase the number of directors under by-law 3.01 or from a failure of the members to elect the required number of directors.

Vacancy where the Board cannot meet quorum

(b) If the Board cannot meet quorum, or if the vacancy resulted from a failure of the members to elect the required number of directors, the Board must call a special meeting of members within 60 days to fill the vacancy. If the Board fails to call the special meeting or if there are no directors, any member may call the special meeting.

Limited term of the replacement director

(c) A person who fills a vacancy may only serve the balance of the term of the director whose departure created the vacancy.

Exercise of Authority

3.11 Resolutions

(a) The Board or a committee of the Board may exercise the powers of the Co-operative, including the borrowing of money, and the provision of security for such borrowing, by passing ordinary resolutions at their meetings. In the event of a tie, the ordinary resolution fails. This is subject to subsection 202(3) of the Act.

Vacancies

(b) In the case of a vacancy, the remaining directors of the Board or committee of the Board may exercise the powers of the Co-operative so long as there is a quorum at their meetings.

Special Resolutions in Writing

3.12 A special resolution of the Board must be in writing and the decision must be recorded in the minutes of the Co-operative.

Meetings by Telephone or Other Electronic Means

3.13 Directors may participate in committee or board meetings by telephone, electronic or other means. All participants, however, must be able to communicate adequately with each other. Directors participating in such meetings are deemed to be present at the meetings.

Time and Place of Meetings

3.14 a) Board meetings must be held online or in Manitoba at a time and place of the Board's choosing.

b) An annual notice shall be prepared prior to the annual general meeting of each year which will outline the regular meeting scheduled for the following year.

Notice of Meeting

3.15 Notice of the time, place and purpose of each board meeting must be given to each director not less than three (3) days before the meeting. A director may waive the three-day notice period. This by-law is subject to section 200 of the Act.

Regular Meetings

3.16 The Board may set a day, time and place for regular meetings of the Board. A notice to that effect must be given to each director. Subject to the Act, no other notice is required.

The Board shall hold its meetings openly to all members and no person shall be excluded, except for improper conduct.

Despite holding meetings openly, the Board or committee of the Board may close a meeting to the members if:

- a) the directors decide during the meeting to meet as a committee to discuss a matter, and
- b) the decision and general nature of the matter are recorded in the minutes of the meeting; and
- c) the matter to be discussed related to
 - (i) an employee, including the employee's salary, duties and benefits and any appraisal of the employee's performance
 - (ii) a matter that is in its preliminary stages respecting which discussion in public could prejudice the municipality's ability to carry out its activities or negotiations,
 - (iii) the conduct of existing or anticipated legal proceedings,
 - (iv) the conduct of an investigation under, or enforcement of, any Act or By-law,

Chairperson

3.17 The chairperson of any meeting of the board is the president or vice-president. Another director may be appointed chairperson by the directors at the meeting.

Conflict of Interest & Remuneration

3.18 A director or officer who has a conflict of interest as described in section 207 of the Act must declare their conflict of interest in accordance with that section. The following rules apply:

- (a) All officers, directors or committee members must carry out their duties honestly, in good faith and in the best interests of the Co-operative rather than in their own best interest.
- (b) Directors and officers serve without payment of any kind. However, they shall be paid for travel or other expenses while doing business for the Co-operative. The Board must authorize these expenses. Directors and officers cannot receive compensation for lost income while doing business for the Co-operative.
- (c) A conflict of interest is when someone benefits personally in any way from a decision of the Co-operative or has an interest in a contract that the Co-operative may enter into.
- (d) When a director has or may have a conflict of interest:
 - The director should declare the conflict of interest at the board meeting considering the matter.
 - If a director does not declare a conflict of interest, but another director is aware of one, the other director can bring it up at a meeting.
 - The Board then decides whether there is a conflict of interest.
 - If there is a conflict of interest, the director cannot vote on the matter and must not be present while the matter is discussed.

SECTION 4 - COMMITTEES AND OFFICERS

Committees of Directors

4.01 The Board may appoint committees of directors and members whose members hold office at the will of the Board. The Board must determine the functions, composition, and duties of each committee. Each committee shall be chaired by a director and shall appoint a recording secretary from among the committee members. However, the committee may set out its own procedure in accordance with the Act.

Officers

4.02 The officers of the Co-operative include the president, vice-president, secretary, treasurer and any other

officers as determined by the Board. The Board may specify the duties, powers, term, and reimbursement of expenses of the officers to manage the business and affairs of the Co-operative.

SECTION 5 - DUTY OF CARE AND INDEMNITY OF DIRECTORS AND OFFICERS

Duty of Care of Directors and Officers

5.01 Directors and officers of the Co-operative must:

- (a) act honestly and in good faith with a view to the best interests of the Co-operative;
- (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances; and
- (c) not disclose confidential information about the affairs of the Co-operative, its members or employees.

Indemnity

5.02 Subject to the Act, the Co-operative must indemnify directors and officers, former directors and officers, and persons who undertake or have undertaken any liability on behalf of the Co-operative, and their heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgement, reasonably incurred by them in any proceeding to which they are made a party by reason of being or having been directors or officers of the Co-operative, if:

- (a) they acted honestly and in good faith with a view to the best interests of the Co-operative; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, they had reasonable grounds for believing that their conduct was lawful.

Dissent

5.03 Directors are deemed to have consented to any resolution passed or action taken at a meeting of the Board or a committee of the Board unless they record their dissent within the time and in the manner provided by subsection 213(1) of the Act.

SECTION 6 - MEMBERSHIPS AND TRANSFERS

Membership Qualifications

6.01 No applicant can become a member of the Co-operative unless:

- (a) if an individual, is at least 18 years of age;
- (b) if a business or corporation, they must appoint an individual who is at least 18 years of age to represent their interests;
- (c) has submitted a written application for membership that has been approved by the Board or a person authorized by the Board to approve membership applications; and
- (d) has paid a non-refundable membership fee in an amount determined by the Board from time to time.

Membership Certificate

6.02 The Co-operative is not required to issue formal certificates for memberships. The Co-operative must, if requested by a member, provide a receipt for the payment of a membership fee.

Transfer of Membership

6.03 No transfer of a membership is valid unless it is completed in accordance with the Articles.

Lien for Indebtedness

6.04 If a member owes a debt to the Co-operative, the Co-operative has and may enforce a lien on:

- (a) any interest of the member in the property of the Co-operative; and
- (b) any sum payable by the Co-operative to the member.

Withdrawal of Membership

6.05 A member may withdraw their membership in the Co-operative by giving the Co-operative 15 days' notice of their intention to withdraw. The Board or a person authorized by the Board may, in writing, accept the member's withdrawal on shorter notice.

Automatic Withdrawal – Death or Dissolution

6.06 An individual's membership in the Co-operative is deemed to be withdrawn on their date of death. By ordinary resolution, the Board may deem a body corporate's membership in the Co-operative to be withdrawn if that body corporate has commenced dissolution proceedings or is dissolved by its corporate regulator.

Termination of Membership for Cause

6.07 The Board may by special resolution at a meeting of the Board terminate the membership of a member for cause.

Meaning of “for Cause”

6.08 For the purpose of Section 6.07, “for cause” means:

- (a) the failure of the member to meet any contractual or debt obligation owing to the Co-operative;
or
- (b) the conduct of the member that is detrimental to the welfare of the Co-operative.

Notice of the Board Meeting to Terminate

6.09 The member must be given at least seven (7) days' written notice of the board meeting under Section 6.07 and the notice must include a statement of the grounds for termination. Notice must be given in a manner that enables the Co-operative to prove delivery. The member is entitled to appear at the board meeting and must be given an opportunity to be heard, including through an agent or counsel.

Notice of Termination Following Decision of the Board

6.10 The Co-operative must give written notice to the person whose membership is terminated within seven (7) days of the board resolution. Notice must be given in a manner that enables the Co-operative to prove delivery.

Right of Appeal

6.11 Within fourteen (14) days of receiving the notice of termination under section 6.10, the person whose membership was terminated may file a written notice of appeal with the Co-operative. The appeal must be heard at the next meeting of members in accordance with section 244 of the Act.

Repayment of Member Loans

6.12 Within a reasonable time, but no later than one (1) year after a person's withdrawal or termination of membership, the Co-operative must repay to the person any member loans in accordance with section 246 of the Act.

SECTION 7 - GENERAL RESERVE AND ALLOCATION OF SURPLUS

General Reserve

7.01 The Co-operative must establish and maintain a general reserve to retain the surplus, if any, for a financial year.

Minimum Reserve

7.02 The Directors shall allocate no less than 25% of any annual surplus revenue to the general reserve and 25% to a capital reserve. The Directors of the Co-operative may establish additional specific reserves for surplus revenue. Funds used for a purpose other than that established by the specific reserve shall require a vote of the members before approval. The Co-operative shall not accumulate more than 50% of total assets in reserve funds; surplus funds beyond the 50% in reserves may be reinvested into community co-operative services which provide broad benefit to the region serviced and approved by a membership vote.

Allocation of Surplus

7.03 The Co-operative operates entirely for purposes of community service. The Co-operative cannot pay out any patronage returns or dividends on shares to members or patrons. The surplus of the Co-operative in any financial year must be used for the purposes of the Co-operative or donated for community welfare as the Board may determine.

SECTION 8 - MEETINGS OF MEMBERS

Annual Meetings

8.01 The directors of the Co-operative must hold an annual meeting of members in each financial year of the Co-operative. The annual meeting is held for the purpose of considering the directors' annual report, the financial statements, the appointment of auditors, the election of directors, review of governance by-law and other business as permitted by the Act.

Special Meetings

8.02 A special meeting may be called by the Board at any time, or by 25% of the members who sign and send a written requisition to the Board.

Place of Meetings

8.03 Meetings of members are held in Manitoba at a place and time determined by the Board.

Electronic Meeting

8.04 Where the Co-operative has adequate facilities and at the discretion of the Board, members may participate in meetings of members by telephone or electronic means. All participants, however, must be able to communicate adequately with each other. Members participating in such meetings are deemed to be present, including for the purposes of quorum.

Notice of Meetings

8.05 Notice in writing of the time, place, and purpose of each meeting of members must be given to the members between twenty-one (21) and fifty (50) days in advance of the meeting. This is subject to sections 225 and 226 of the Act.

Chairperson (and Secretary)

8.06 The chairperson of the meeting of members is the president or, in the president's absence, the vice-president. By ordinary resolution, another person may be appointed chairperson. Where the secretary is not present, the chairperson may appoint another person to be secretary for the meeting.

Persons Entitled to be Present

8.07 Only members and the Co-operative's auditors are entitled to be present at a meeting of members. The chairperson may invite other attendees.

Quorum

8.08 Quorum at a meeting of members is the lesser of either twenty-five percent (25%) of the members or ten (10) members.

Voting at the Meeting

8.09 A person that is on the members' register at the time notice of a meeting is sent, is entitled to vote. Voting is governed by these rules:

- (a) votes are counted on a one-member, one-vote basis;
- (b) votes, other than on special resolutions, are passed by a majority of members present who are entitled to vote;
- (c) an ordinary resolution or motion fails in case of a tie vote;
- (d) votes are decided by show of hands, other than votes taken by secret ballot, and the results are reported in minutes of the meeting; and
- (e) a member entitled to vote at the meeting may demand a ballot vote before or after a vote takes place.

Voting by Mail-In or Electronic Ballot

8.10 Where the Co-operative has adequate facilities and at the discretion of the Board, voting (excluding the election of directors) may take place in advance of the members' meeting by mail-in or electronic ballot. A person that is on the members' register at the time notice of a meeting is sent is entitled to vote by mail-in or electronic ballot. Voting is governed by these rules:

- (a) votes are counted on a one-member, one-vote basis;
- (b) votes, other than on special resolutions, are passed by a majority of members who are entitled to vote and have actually voted within the time period set by the Board;
- (c) an ordinary resolution fails in case of a tie vote; and
- (d) votes are counted on the day of the members' meeting and the results are reported at that meeting.

SECTION 9 - NOTICES IN WRITING

Method of Giving Notices in Writing

9.01 Where written notices are required to be given to members, officers, directors or committee members, those notices must be sent to the person's recorded address. Additional notices can be sent or published using any type of media as determined by the Board. Notice can be waived by the recipient in accordance with the Act. Members must update their recorded address and preferred contact method with the Co-operative

Undelivered Notices

9.02 If a notice in writing to a member is returned undelivered on three (3) consecutive occasions, the Co-operative does not need to give further notice until the member provides a new recorded address.