

**MERGER AGREEMENT**

**between**

**CO-OPERATIVE HOUSING ASSOCIATION  
OF ONTARIO**

**and**

**CO-OPERATIVE HOUSING FEDERATION  
OF CANADA**

**May 27, 1995**

**MERGER AGREEMENT**

**BETWEEN:**

CO-OPERATIVE HOUSING FEDERATION OF CANADA  
("CHF Canada")

- and -

CO-OPERATIVE HOUSING ASSOCIATION OF ONTARIO INC.  
("CHAO")

**BACKGROUND**

- A. CHF Canada and CHAO are both dedicated to the advancement of the non-profit co-operative housing movement. CHF Canada is incorporated under the *Canada Cooperative Associations Act* and is the national voice of non-profit housing co-operatives. Its members are housing co-operatives and other organizations that develop, serve and promote the interests of housing co-operatives and the people who live in and work for them. CHAO is incorporated under the Ontario *Co-operative Corporations Act* and works on behalf of non-profit housing co-operatives in Ontario. Its members are federations of housing co-operatives, co-operative housing resource groups, and associations of the people who work in housing co-operatives. All of CHAO's members are located in Ontario and are members of CHF Canada.
- B. Since its beginnings the Canadian co-operative housing movement has enjoyed steady growth. Today nearly 2,100 co-operatives provide homes to some 85,600 households across Canada. Most of these co-operatives have received funding under housing programs of the federal government. In 1986, the Province of Ontario began supporting co-operative housing development. Almost 20,000 units of co-operative housing have been developed under Ontario programs since then. The federal government cancelled its co-op housing program in 1992. Little co-op development has taken place outside Ontario since.

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- C. Development programs in Ontario have led to the rapid growth of CHF Canada's membership in the province. Today, 37% of CHF Canada's member housing co-ops are located outside Ontario. These co-ops were funded under a variety of programs, mainly federal. Another 43% of CHF Canada's member co-ops have federal funding and are located in Ontario. The remaining 20% of member co-ops were funded under Ontario programs. This percentage will rise as co-ops now under development in Ontario join CHF Canada. It will keep growing for as long as the government of Ontario continues to fund new co-ops. By 1997 as many as 40% of CHF Canada's members may have been developed under Ontario programs. All member co-ops pay dues to CHF Canada and have an equal entitlement to services, regardless of the program under which they have received funding.
- D. Development revenues have contributed to both CHF Canada's and CHAO's ability to provide services and respond to the needs of housing co-operatives. Although every effort is being made to obtain continued government support for development, the movement is facing increasing obstacles to maintaining an ongoing development capacity. As growth slows, it will be necessary to reduce costs and avoid any overlap in services and mandates.
- E. The memberships of CHF Canada and CHAO want to:
- i. build a strong, unified and growing co-operative housing movement in Canada
  - ii. promote solidarity among all housing co-operatives, regardless of the government program under which they have been funded
  - iii. retain a national organization that can respond to the needs of the co-operative housing movement in every part of the country
  - iv. retain the ability to deliver the services CHAO now provides in Ontario
  - v. enable CHF Canada's members in Ontario to speak with one voice on matters of concern to them
  - vi. give housing co-operatives in Ontario direct control over the services the co-operative housing movement provides at the provincial level, while preserving a voice for federations, resource groups and staff organizations
  - vii. recognize and support the key role played by resource groups in bringing about new co-operative housing developments
  - viii. ensure that members are served in the official language of their choice.



- F. CHF Canada and CHAO are entering into this Agreement so that their members in Ontario and in all of Canada can continue to get the services they need.
- G. CHF Canada and CHAO believe that the continuing success of housing co-operatives in Ontario can best be assured through their affiliation with all levels of the co-operative housing movement. Regional co-operative housing federations play an essential part in bringing together and meeting the needs of co-operatives at the local level. CHF Canada and CHAO have worked in partnership with federations in Ontario to support their growth and operation. This support must continue following any reorganization of the movement. The nature and extent of support given should be in keeping with the movement's needs and the resources available at all levels.
- H. Although this Agreement provides for changes to CHF Canada's mandate and structure in Ontario only, CHF Canada members in other provinces or regions may choose to have services provided through similar organizational arrangements. The changes to CHF Canada's structure resulting from this Agreement are not intended to change the composition of CHF Canada's membership, the balance of representation on its board of directors or the distribution of votes at meetings of members, or to diminish CHF Canada's mandate as the organized voice of the Canadian co-operative housing movement. The changes to the structure of the organized co-operative housing movement in Ontario arising from this Agreement are not intended to diminish Ontario's voice in the Canadian co-operative housing movement.
- I. CHF Canada and CHAO believe that by combining their efforts they can enhance the achievement of their common goals. They have agreed to merge because it will provide the best opportunity to:
  - i. meet the diverse service needs of their members in all parts of Canada
  - ii. maintain the vital services now provided by CHAO in Ontario
  - iii. allow co-ops in different parts of the country to preserve their regional identity while belonging to a common organization.

IN CONSIDERATION OF the above and the other provisions of this Agreement, CHF Canada and CHAO agree as follows:



**CHF CANADA AND CHAO MERGE**

1. **Merger:** CHF Canada and CHAO agree to merge and become one organization.
2. **Effective Date:** The merger will be effective as of January 1, 1996 (the "Effective Date").
3. **Name:** The name of the merged organization will be Co-operative Housing Federation of Canada—Fédération de l'habitation coopérative du Canada.
4. **Services in Ontario:** CHF Canada provides a range of services to meet the needs of its members throughout Canada, including Ontario. After the merger, its services in Ontario will increase as it continues the work of CHAO. This work includes:

- (a) lobbying for Ontario government support for co-operative housing
- (b) dealing with the Ontario Ministry of Housing on the design and delivery of development programs
- (c) supporting CHAO's members' efforts to develop co-ops
- (d) in co-operation with regional co-operative housing federations, servicing specific needs of co-ops arising from the operation of Ontario programs, including management support and education and training needs
- (e) representing the Ontario co-operative housing movement generally before the government and the general public.

This work is much like the work CHF Canada does at the federal level. It will be carried on by staff and volunteers in Ontario and will be directed by an Ontario council.

5. **Steps to Complete the Merger:** To complete the merger CHF Canada and CHAO will take these steps:
  - (a) CHF Canada will adopt amendments to its current Charter By-law. The amendments are set out in Schedule "A" to this Agreement.

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- (b) CHF Canada will adopt the new charter by-law set out in Schedule "B" to this Agreement ("Ontario Region By-law").
  - (c) CHAO will transfer all of its assets to CHF Canada and CHF Canada will assume all of CHAO's liabilities as of the Effective Date.
  - (d) CHF Canada and CHAO will enter into other agreements and take other steps arising from this Agreement or as otherwise needed to put the merger into effect.
  - (e) After CHF Canada receives CHAO's assets and assumes its liabilities CHAO will cease operations. At the appropriate time CHAO will file articles of dissolution.
6. Changes to Ontario Region By-law: Future changes to the Ontario Region By-law will require:
- (a) the approval of two-thirds of the votes cast at a duly constituted meeting of CHF Canada's Ontario members and
  - (b) two-thirds approval of a duly constituted general meeting of CHF Canada.

**ORGANIZATIONAL ARRANGEMENTS**

- 7. Ontario Members: Members of CHF Canada located in the Province of Ontario constitute the Ontario Region of CHF Canada and are called Ontario Members in this Agreement.
- 8. Powers of Ontario Members: When the Ontario Members meet they may discuss matters on the agenda of general meetings of CHF Canada. The Ontario Region By-law specifies the further powers of the Ontario Members. These include electing the Ontario Regional Director to the CHF Canada board, setting and amending operating rules for the Ontario Region, electing members to the Ontario Council, considering and giving direction to the Ontario Council on matters that affect Ontario Members, levying additional dues from Ontario Members, and controlling the Ontario Endowment Fund.

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9. Ontario Council: The Ontario Members will elect an Ontario Council in accordance with the Ontario Region Operating Rules. The Ontario Council will be responsible for:
- (a) promoting the growth of the movement in Ontario by lobbying for provincial government support for co-operative housing
  - (b) representing the interests of Ontario Members on matters under provincial jurisdiction, including such provincial laws as the Ontario *Co-operative Corporations Act*, the *Rental Housing Protection Act*, and the *Ontario Human Rights Code*
  - (c) relating to the Ontario government on the design, delivery and operation of provincial programs used by the co-operative housing movement
  - (d) all services to Ontario Members arising from the above

and for any other matters that affect Ontario Members alone.

The Board of Directors of CHF Canada will remain responsible for all current CHF Canada services to members in Ontario and elsewhere, including services related to the jurisdiction of the federal government and to federal housing programs. After the merger CHF Canada may choose to rely on its Ontario staff to deliver some of these services, but the board and not the Ontario Council will direct them.

In exercising its mandate the Ontario Council will support the mission, mandate and core values of CHF Canada as approved by the members from time to time.

10. CHF Canada Board of Directors: The make-up of the CHF Canada Board of Directors will not change as the result of the merger. Delegates from Ontario will continue to elect one Regional Director to the board. Nor will the board's mandate change. The board will decide all matters not reserved in this Agreement or in CHF Canada's by-laws to another body, including qualifications for membership and admission of members.
11. Avoiding Duplication: The Ontario Council and the Board of Directors of CHF Canada will have separate areas of responsibility. In the event of any conflict over the jurisdiction of either body, all concerned will try to settle the matter informally. If these efforts fail, then the procedure for dispute resolution set out in the Ontario Region By-law will be followed.

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12. Ontario Region Operating Rules: The Ontario Members will adopt Operating Rules for the Ontario Region. The Operating Rules will deal with meetings of Ontario Members, the make-up of the Ontario Council, procedures for electing and holding meetings of the Ontario Council, and other matters concerning the operation of the Ontario Region. The Operating Rules may not conflict with CHF Canada's Articles of Association and Charter and Ordinary By-laws and must comply with the Ontario Region By-law.
13. First Operating Rules: The first Operating Rules are set out in Schedule "C" to this Agreement. These Operating Rules, as confirmed with or without variation by two-thirds of CHF Canada's delegates from Ontario present and voting at CHF Canada's 1995 annual general meeting, will come into force on the Effective Date.
14. Authority of Ontario Members and Ontario Council: The Ontario Members and Ontario Council will have full authority to decide matters coming under their control. They will exercise their authority within the limits imposed by the Articles of Association and By-laws of CHF Canada and by the *Canada Cooperative Associations Act*. Some actions of the Ontario Members or Ontario Council will affect the wider membership of CHF Canada. The opposite will also be true. The Ontario Council and the board of CHF Canada will at all times act in good faith and use their best efforts to do whatever would be helpful for the other to accomplish its goals. They will avoid actions that would have an adverse effect on each other. When necessary, the CHF Canada board or members will ratify decisions properly taken by the Ontario Council or the Ontario Members, where the decision cannot take effect unless ratified. A decision is properly taken if it is within the authority of the Ontario Council or the Ontario Members to make.

#### STAFFING ARRANGEMENTS

15. Existing CHAO Employees: CHF Canada agrees to hire all permanent employees of CHAO. All temporary employees of CHAO whose contract of employment extends beyond the Effective Date will be hired by CHF Canada for a corresponding term. CHAO employees will become employees of CHF Canada on the Effective Date. They will receive full and complete recognition of their length of employment service at CHAO for the purposes of establishing their seniority-based employment rights with CHF Canada.

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16. **Staff Cuts:** While staff cuts may be necessary after the merger and particular positions cannot be guaranteed, to the extent possible any cuts reasonably attributable to the merger will affect alike the staff now employed at each of CHF Canada and CHAO.
17. **Personnel Policies:** Prior to the Effective Date and after consulting with their staffs, the boards of directors of CHF Canada and CHAO will agree on the personnel policies and other terms of employment to apply from the Effective Date.
18. **Principal Employee:** The current Executive Director of CHAO will become the principal employee of CHF Canada on matters coming under the direction of the Ontario Council. He will report to the Executive Director of CHF Canada. CHF Canada's personnel policy will provide for an appropriate role for the Ontario Council in appointing persons to this position in the future and in directing their work.

#### FINANCIAL ARRANGEMENTS

19. **The Ontario Funds:** CHF Canada will identify and account on a continuing basis for all of the assets and liabilities of CHAO assumed through the merger separately from its other assets and liabilities. Together the transferred resources will constitute the Ontario Funds. The Ontario Funds will be under the control of the Ontario Members and Ontario Council. Income earned from the investment of assets of the Ontario Funds and revenues and expenses arising from the programs and activities coming under the direction of the Ontario Council will be accounted for as revenues and expenses of the Ontario Funds. The property of the Ontario Funds does not have to be physically segregated from CHF Canada's other property, provided a full accounting segregation is maintained.
20. **Separate Endowment Fund:** CHAO's Endowment Fund will become the Ontario Endowment Fund on its transfer to CHF Canada. It will constitute one of the Ontario Funds.
21. **Investment Activities:** CHF Canada will invest monies belonging to the Ontario Funds in accordance with its general investment policy.

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22. **Operating Costs:** All CHF Canada members are entitled to services from the organization. Their membership dues and other payments, in addition to revenues from outside sources, enable CHF Canada to provide those services. Following the merger it is intended that many but not all of the needs of Ontario Members will be met through the programs and activities coming under the direction of the Ontario Council. The cost of these programs and activities will be met through:
- (a) revenues earned in the Ontario Funds
  - (b) fees for service
  - (c) any grants or contributions received from outside sources for CHF Canada programs carried on for the benefit of Ontario Members
  - (d) allocations from CHF Canada's general budget as approved by the members
  - (e) any levy that Ontario Members may vote to pay under paragraph 24 in addition to their regular dues to CHF Canada.
23. **CHF Canada's General Budget:** In setting its general operating budget, CHF Canada will take due account of the needs of its members in every region and will allocate its resources in such a manner as to maintain a strong national organization capable of providing effective services wherever they are needed.
24. **Ontario Levy:** The Ontario Members may vote to pay extra dues in order to support programs and activities undertaken on their behalf. The Ontario Members will not consider a proposal for such a levy until
- (a) both the Ontario Council and the board of CHF Canada have considered it, and
  - (b) the members of CHF Canada have adopted a general dues schedule.

The CHF Canada board will endorse the proposed levy unless it believes that the levy will have an adverse effect on CHF Canada's general operations. The Ontario Council will submit any proposal for a levy to the board far enough in advance of the meeting of Ontario Members at which it is to be considered to permit the Ontario Council and the board to resolve any dispute between them over the matter.

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25. Administration of the Levy: CHF Canada will collect any such levy in the same way as it collects its ordinary dues. But the Ontario Members and Ontario Council will have exclusive authority to decide how to spend the money so raised.

**REORGANIZATION**

26. Future Organization of the Ontario Region: If either
- (a) the Ontario Members believe that an independent organization at the Ontario level operating alongside CHF Canada can best deliver the services they need; or
  - (b) major, irreconcilable differences develop within CHF Canada that make the structure put in place through the merger unworkable

then a Fundamental Reorganization of the Ontario Region can be initiated. Such a reorganization would involve the transfer of the Ontario Funds to the control of a newly-created, independent organization holding membership in CHF Canada.

27. Ontario-wide Organization: A Fundamental Reorganization can only happen if:
- (a) an Ontario-wide co-operative housing organization has been created, and
  - (b) the organization has entered into a sector membership agreement with CHF Canada, if housing co-operatives are eligible to join the organization. Such an agreement will provide that housing co-operatives may not belong to the Ontario-wide organization without also belonging to CHF Canada, and vice versa.
28. Voting on a Reorganization: A Fundamental Reorganization will occur if it is approved by two-thirds of the members present and voting at a meeting of either CHF Canada members generally or Ontario Members. If the Fundamental Reorganization is proposed because major, irreconcilable differences have arisen, then the decision to reorganize cannot be taken until the dispute resolution procedure set out in the Ontario Region By-law has been followed.

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29. **Carrying Out a Fundamental Reorganization:** If a decision is taken to reorganize under paragraph 26, CHF Canada and the Ontario-wide organization will sign an agreement on the transfer of the operations of CHF Canada in respect of the Ontario Region. This will include the transfer of the Ontario Funds and the assumption of CHF Canada employees working on matters under the jurisdiction of the Ontario Council. If the Ontario-wide organization and CHF Canada cannot agree on the terms of this agreement or the sector membership agreement, then any outstanding issues will be submitted to arbitration under the Ontario *Arbitration Act*. After the vote to reorganize referred to in paragraph 28 has taken place, any Ontario Member of CHF Canada will have standing on behalf of the Ontario-wide organization to bring the matter to arbitration or take any other legal action that may be desirable to enforce the terms of this Agreement.
30. **No Early Reorganization:** A Fundamental Reorganization as defined in this Agreement and in the Ontario Region By-law may not take place before three full years following the Effective Date.

#### OTHER PROVISIONS

31. **Closing:** At a convenient time near the Effective Date CHF Canada and CHAO will sign any agreements or documents and take any acts that are necessary or desirable to put the merger into effect. This Agreement will continue in force after the Effective Date to the extent not performed before then.
32. **Costs of the Merger:** CHF Canada and CHAO will share all out-of-pocket expenses incurred up to the Effective Date in connection with the planning and implementation of the merger, including the cost of consulting the members of both organizations on the proposal to merge. Costs will be shared on a basis to be agreed between the boards of directors of both organizations. It is expected that costs will be shared equally, except where the boards determine in a specific case that another basis is fairer.
33. **Assignment:** Neither party may assign any interest in this Agreement without the prior written consent of the other. Subject to the foregoing, this Agreement will be binding upon and operate for the benefit of the parties and their successors and assigns.

Bob aw ms JAD

SIGNED with our corporate seals and the signatures of our proper authorized officers.

Co-operative Housing Federation  
of Canada

Date: December 1, 1995

Alexandra Gillon

Date: December 1, 1995

Barbara Donnelly

Co-operative Housing Association  
of Ontario Inc.

Date: December 1, 1995

N. L.

Date: DEC. 1 - 1995

Paul A. ...

**SCHEDULE "A"**

**AMENDMENTS TO CHARTER BY-LAW NO. 1**

Renumber existing Article IV (9) as Article IV (10) and add a new Article IV (9):

9. The Board of Directors is authorized to indemnify any officer of the Federation to the same extent as Directors themselves can be indemnified under the *Canada Cooperative Associations Act*.

Add a new Article VII (4):

**Lending Powers**

4. The Board of Directors is authorized to make loans to members and to provide them with financial assistance by way of guarantee, the provision of security or otherwise as the Board of Directors determines appropriate to further the objects of the Federation. The Board of Directors may establish policies respecting the terms of this financial assistance and on the basis of such policies delegate the approval for specific instances of financial assistance to committees designated or established by the Board for that purpose.

Renumber existing Article VIII as Article IX and add a new Article VIII:

**Regions of CHF Canada**

1. Article IV (3) of this By-law establishes ten regions for the purpose of electing Directors of the Federation. Charter By-law No. 2 makes further provisions for the operation of the Ontario Region. As all Members of the Federation are entitled to and have the same rights as all other Members, Members in Regions other than the Ontario Region are entitled to arrangements regarding the operation of their region comparable to those set out in Charter By-law No. 2, with changes appropriate to their circumstances.

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ead*

**SCHEDULE "B"**

**CHARTER BY-LAW NO. 2**

**a by-law respecting the Ontario Region  
of CHF Canada**

**ARTICLE I -- Interpretation**

In this Charter By-Law No. 2:

- (a) "Board" means the Board of Directors of CHF Canada
- (b) "CHF Canada" means Co-operative Housing Federation of Canada — Fédération de l'habitation coopérative du Canada
- (c) "Day" means a full 24-hour period starting at midnight and does not exclude weekends or holidays
- (d) "Ontario Member" means any Member of CHF Canada with its head office in the Province of Ontario
- (e) "Member" means a Member of CHF Canada and includes Ontario Members.

**ARTICLE II -- Organizational Arrangements**

**Ontario Region**

- 1. Members of CHF Canada whose head office is in the Province of Ontario constitute the Ontario Region of CHF Canada. The Ontario Region exists for the purpose of electing a regional director to the Board of CHF Canada, as established in Article IV (3) of Charter By-law No. 1, and for the further purposes described in this by-law.

**Powers of the Ontario Region**

- 2. The Ontario Region has the following further powers:
  - (a) to discuss matters on the agenda of general meetings of CHF Canada
  - (b) to adopt and amend from time to time the Operating Rules of the Ontario Region

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- (c) to elect members to the Ontario Council
- (d) to consider and give direction to the Ontario Council on matters within the jurisdiction of the Ontario Members
- (e) to levy additional dues from Ontario Members
- (f) to control the Ontario Endowment Fund
- (g) to take such other actions or decisions as are incidental to and consistent with these powers.

**Ontario Council**

3. On the coming into force of this By-law No. 2, the Ontario Council is established to supervise the activities of the Ontario Region. The Ontario Members will elect the Ontario Council in accordance with the Ontario Region Operating Rules. The Ontario Council will be responsible for:
  - (a) promoting the growth of the movement in Ontario by lobbying for provincial government support for co-operative housing
  - (b) representing the interests of Ontario Members on matters within provincial jurisdiction, including provincial laws
  - (c) relating to the Ontario government on the design, delivery and operation of provincial programs used by the co-operative housing movement
  - (d) all services to Ontario Members arising from the aboveand for any other matters that affect Ontario members alone.
4. In exercising its mandate the Ontario Council will support the mission, mandate and core values of CHF Canada as approved by the Members from time to time.
5. When necessary, the CHF Canada Board or Members will ratify decisions properly taken by the Ontario Council or the Ontario Members, where the decision cannot take effect unless ratified. A decision is properly taken if it is within the authority of the Ontario Council or the Ontario Members to make.

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**Ontario Region Operating Rules**

6. The Ontario Members will adopt operating rules for the Ontario Region. The Operating Rules will set out:
  - (a) procedures for calling and holding meetings of the Ontario Members
  - (b) procedures for electing and holding meetings of the Ontario Council
  - (c) the composition of the Ontario Council
  - (d) the officers of the Ontario Council and how they will be appointed
  - (e) any other matters respecting the Ontario Region as are not inconsistent with the articles and by-laws of CHF Canada.
7. In addition to any other provisions, the Operating Rules will provide that:
  - (a) the CHF Canada Ontario Regional Director will be a member of the Ontario Council and
  - (b) if any at-large directors of CHF Canada are from Ontario, the CHF Canada Board of Directors may appoint one of them as an Ontario Council Member. Any such appointment will be made at the Board's meeting following the annual general meeting.
8. The First Operating Rules of the Ontario Region will be adopted by a two-thirds majority of those present and voting from among CHF Canada's Ontario delegates to the 1995 annual meeting. The First Operating Rules will come into force when this By-Law comes into force. From there, the Operating Rules may only be amended by resolution receiving the approval of two-thirds of the delegates present and voting at a meeting of the Ontario Members. The same notice must be given of proposed amendments to the Operating Rules as is required for amendments to CHF Canada's by-laws.

**Meetings of Ontario Members**

9. All Ontario Members and Associates in good standing have the right to attend and participate in all meetings of Ontario Members. "Good standing" is defined in Charter By-law No. 1.

*For all us [Signature]*

**Committees of the Ontario Council**

10. The Ontario Council may by resolution from time to time create committees of the Ontario Council as the Council deems appropriate to carry out its mandate. The Ontario Council will decide the duties and composition of such committees and make provision for appointments to committees from among the Ontario Members. Any such committees will conform to regulations established by the Ontario Council and the By-laws and Policies of CHF Canada.

**ARTICLE III -- Financial Matters**

**Ontario Funds**

1. The assets and liabilities assumed by CHF Canada through the merger of CHF Canada and the Co-operative Housing Association of Ontario are to be accounted for separately from CHF Canada's other assets and liabilities. Together the transferred resources constitute the Ontario Funds. The Ontario Funds will be under the control of the Ontario Members and Ontario Council.
2. On its transfer to CHF Canada, the Endowment Fund of the Co-operative Housing Association of Ontario will constitute the Ontario Endowment Fund.
3. Monies belonging to the Ontario Funds are to be invested by CHF Canada according to CHF Canada's general investment policy.
4. The principal in the Ontario Endowment Fund is not to be spent or otherwise encumbered except by resolution of the Ontario Members but is to be retained in the Ontario Endowment Fund and invested. The interest earned on that amount is to be made available for meeting the costs of programs and activities in the Ontario Region. Income earned on the investment of other assets of the Ontario Funds is also to be used for this purpose.
5. All CHF Canada members are entitled to services from the organization. Their membership dues and other payments, in addition to revenues from outside sources, enable CHF Canada to provide those services. Many but not all of the needs of Ontario Members will be met through the programs and activities coming under the direction of the Ontario Council. The cost of these programs and activities will be met through:

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- (a) revenues earned in the Ontario Funds
- (b) fees for service
- (c) any grants or contributions received from outside sources for CHF Canada programs carried on for the benefit of Ontario Members
- (d) allocations from CHF Canada's general budget as approved by the Members
- (e) any levy that Ontario Members may vote to pay under Article III (6) in addition to their regular dues to CHF Canada.

**Ontario Levy**

6. The Ontario Members may decide by resolution to pay extra dues in order to support programs and activities undertaken on their behalf. Any such levy will be payable and will be collected in the same way as general dues of CHF Canada are. The Ontario Members will not consider a proposal for a levy until:

- (a) both the Ontario Council and the Board have considered it, and
- (b) the Members have adopted a general dues schedule for the year concerned.

The CHF Canada Board will endorse a levy proposed by the Ontario Council unless it believes that the levy will have an adverse effect on CHF Canada's general operations.

- 7. The Ontario Council will submit any proposed levy to the Board far enough in advance of the meeting of Ontario Members at which it is to be considered to permit the Ontario Council and the Board to resolve any dispute between them over the matter.
- 8. The Ontario Council and the Ontario Members have exclusive authority to decide how to spend the money raised from additional dues.



**ARTICLE IV -- Resolution of Disputes**

**Purpose**

1. The dispute resolution procedure set out in this Article can be used where:
  - (a) there is a dispute between the Board or the Ontario Council over the jurisdiction of either body, or
  - (b) either the Board or the Council is in strong disagreement with a decision or action the other has taken or proposes to take.

Either party may invoke the procedure under this Article.

2. The procedure in this Article is intended to be used only after the Board and the Council have exhausted all other attempts to resolve a dispute between them. The procedure has three formal parts, with the parties proceeding to the next step where resolution is not achieved at the previous step:
  - (a) a joint meeting of the Board and the Ontario Council, as described below
  - (b) a Reconciliation Panel and
  - (c) a final and binding decision by the Members.

At any time, the Board and the Ontario Council may agree by a resolution adopted by both of them to any other method for resolving a specific dispute.

3. It is not intended that either the Board or the Ontario Council be prevented from proceeding with a decision or action while the two bodies are trying to resolve a dispute. The purpose of dispute resolution is to ensure that the parties come together and attempt to resolve their differences in order to work effectively together in the best interests of the Members.

**Starting the Process**

4. Either the Board or the Council can by resolution request a joint meeting of the two groups to review the disputed issue. If there is a specific decision or action that either body wants delayed, that body can ask for a delay. The delay requested will typically be 30 days, but may be longer if circumstances warrant.

*Bob aw [signature]*

5. Where a request for delay is received, the body in receipt shall make every reasonable effort to comply with the request for postponement of the offending action or decision. Where no delay is requested, a joint meeting of the CHF Canada Board and the Ontario Council will be held at the earliest convenient opportunity.
6. (a) Where a request to delay a decision or action is accepted, a joint meeting of the CHF Canada Board and the Ontario Council will be held as soon as possible, by teleconference if necessary, and within the period of delay requested or modified by agreement.  
(b) Where a request for a delay is received and the body in receipt cannot or will not meet the request, it will notify the other body immediately. The body making the request may on being so advised, ask for a joint meeting of the CHF Canada Board and Ontario Council. The meeting will be held as soon as possible, by teleconference if necessary, and within 15 days.

**Joint Meeting of Board of Directors and Ontario Council**

7. The joint meeting will be chaired by a person chosen from amongst those in attendance. Failing agreement, either the President of CHF Canada or the President of the Council, as chosen by lot, will chair. If the two bodies agree, an outside party can be appointed to chair the meeting.
8. The joint meeting will discuss the matter in dispute and try to resolve it. If agreement is not reached by the end of the meeting, a majority vote of the representatives of each body will be necessary to hold another meeting.
9. If another meeting is not agreed upon or if it is held but does not end in a resolution of the dispute, the matter will be submitted to a Reconciliation Panel, as provided below.

**Reconciliation Panel**

10. If joint meetings of the CHF Canada Board and the Ontario Council do not end in a resolution of the dispute, then each body at the end of the joint meeting where resolution cannot be achieved will name a representative. Together the representatives will agree on an experienced arbitrator or mediator as the third person to act as chair. These three people will comprise a Reconciliation Panel. If the nominees to the Panel cannot select a third person within five days, the two will serve as the Reconciliation Panel.

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- ii. Ontario Council Vice-president
- iii. Ontario Council Treasurer.

The election of officers will take place at the first Ontario Council meeting after the Ontario Council's election. The Ontario Council can fill vacancies as necessary. The Ontario Council can elect any other officers and give them any authority and duties.

- (b) No person can hold more than one office.
- (c) All officers must be Ontario Council Members.

**5.2 Removal of Officers**

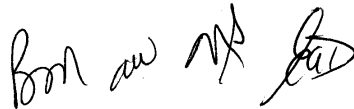
- (a) The Ontario Council can remove any officer by resolution at any time and for any reason.
- (b) The Ontario Council can immediately choose another Ontario Council Member to fill the vacancy.
- (c) The word "officers" means only the officers stated in Article 5. It does not refer to employees.

**5.3 Resignation of Officers**

An officer can resign by giving written notice to the Ontario Council President or the Ontario Region office. The resignation will take effect when the Ontario Council accepts it. The Ontario Council must accept any resignation at the first meeting after it is received, unless it has been withdrawn.

**5.4 Duties of the President and Vice-President**

- (a) The Ontario Council President will chair meetings of the Ontario Council, act as spokesperson for the Ontario Region, and perform other duties assigned by the Ontario Council.
- (b) The Ontario Council Vice-President will assist the President and perform other duties assigned by the Ontario Council.

Handwritten signatures and initials in black ink, including "Bon", "aw", "MS", and a stylized signature.

**ARTICLE V -- Reorganization**

**Definition**

1. If either:

- (a) the Ontario Members believe that an independent organization at the Ontario level operating alongside CHF Canada can best deliver the services they need; or
- (b) major, irreconcilable differences develop within CHF Canada that make the arrangements respecting the Ontario Region unworkable

then a Fundamental Reorganization of the Ontario Region can be initiated. Such a reorganization would involve the transfer of the Ontario Funds to the control of a newly-created, independent organization holding membership in CHF Canada.

**Sector Membership**

2. A Fundamental Reorganization can only happen if:

- (a) an Ontario-wide co-operative housing organization has been created, and
- (b) the organization has entered a sector membership agreement with CHF Canada, if housing co-operatives are eligible to join the organization. Such an agreement will provide that housing co-operatives may not belong to the Ontario-wide organization without also belonging to CHF Canada, and vice versa.

**Voting on a Reorganization**

3. A Fundamental Reorganization will occur if it is approved by two-thirds of the members present and voting at a meeting of either CHF Canada members generally or Ontario Members. If the Fundamental Reorganization is proposed because major, irreconcilable differences have arisen, then the decision to reorganize cannot be taken until the dispute resolution procedure set out in this By-law has been followed.

*for aw us Ltd.*

**Carrying Out a Fundamental Reorganization**

4. If a decision is taken to reorganize under this Article, CHF Canada and the Ontario-wide organization will sign an agreement on the transfer of the operations of CHF Canada in respect of the Ontario Region. This will include the transfer of the Ontario Funds and the assumption of CHF Canada employees working on matters under the jurisdiction of the Ontario Council. If the Ontario-wide organization and CHF Canada cannot agree on the terms of this agreement or the sector membership agreement, then any outstanding issues will be submitted to arbitration under the Ontario *Arbitration Act*. After the vote referred to in Article V (3) has taken place, any Ontario Member of CHF Canada will have standing on behalf of the Ontario-wide organization to bring the matter to arbitration or take any other legal action that may be desirable to enforce the terms of this By-law.

**No Early Reorganization**

5. A Fundamental Reorganization may not take place before three full years following the date on which this By-law comes into force.

**ARTICLE VI - General**

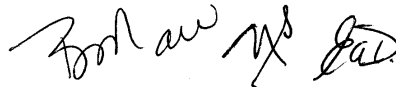
**Amendments**

1. Amendments or additions to, alterations or repeal of Charter By-law No.2, may be made only according to the requirements set out in Charter By-law No. 1, and in addition to those requirements, by an accompanying resolution receiving the approval of two-thirds of the delegates present and voting at a duly constituted meeting of Ontario Members.

**Coming into Force**

2. This by-law will come into force on January 1, 1996, subject to the approval of the Minister in charge of the *Canada Cooperative Associations Act*.

bvl2fn27.may



**SCHEDULE "C"**

**CO-OPERATIVE HOUSING FEDERATION OF CANADA  
ONTARIO REGION OPERATING RULES**

**May 27, 1995**

*Tommy M. S. S.*



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*Tom aw  
yl  
B.C.*



## ARTICLE 1: ABOUT THESE RULES

### 1.1 Operating Rules

Members of the Co-operative Housing Federation of Canada (CHF Canada) located in the Province of Ontario constitute the Ontario Region. This document contains the rules under which the Ontario Region of CHF Canada will operate.

### 1.2 Priority of These Rules

If there is a conflict among the following documents, they will govern in the order listed:

- (a) first, the *Canada Cooperative Associations Act* (the Act)
- (b) second, the Articles of Association of CHF Canada
- (c) third, Charter By-law No. 2 of CHF Canada (the Ontario Region By-law)
- (d) fourth, the other Charter By-laws of CHF Canada
- (e) fifth, the Ordinary By-laws of CHF Canada, and
- (f) sixth, the Ontario Region Operating Rules.

The documents mentioned in (a) through (e) above are called the CHF Canada Governing Documents.

### 1.3 Limits of Ontario Region Operating Rules

The corresponding legal rules in the CHF Canada Governing Documents will apply where a matter is not addressed in these Operating Rules.

Specifically, where not inconsistent with the specific provisions of these Operating Rules:

- (a) the legal rules relating to the Board of Directors of CHF Canada will apply to the Ontario Council and
- (b) the legal rules relating to the members of CHF Canada will apply to the Ontario Members.

Some of the rules in the CHF Canada Governing Documents that apply to the Ontario Region are mentioned below to highlight them.

*Tom aw [signature] [signature]*

**ARTICLE 2: MEMBERS OF ONTARIO REGION**

**2.1 Membership**

Ontario members and associates of CHF Canada are members and associates of the Ontario Region. Rules relating to membership and associate status in CHF Canada are set out in the CHF Canada Governing Documents.

**2.2 Meetings of Ontario Members**

- (a) An annual meeting of Ontario Members will take place once a year in conjunction with the CHF Canada annual general meeting. "In conjunction with" means at the same or a nearby location and within a few days of the CHF Canada annual general meeting.
- (b) Special meetings of the Ontario Members can be held at other times at any place in Ontario, as the Ontario Council decides.
- (c) A special meeting of Ontario Members may be requisitioned as follows:
  - i. by 20% of the Ontario Members, provided the requisitionists include Ontario Members having their head office outside the Municipality of Metropolitan Toronto and constituting at least 10% of the total Ontario Members; or
  - ii. by a majority of the Ontario Members who are Local Federations, provided they represent at least 20% of the Ontario Members and signing the requisition has been authorized by a decision made at a general meeting called for that purpose by each such Local Federation.

**2.3 Delegates**

Where a meeting of Ontario Members is held in conjunction with a general meeting of CHF Canada members, then the same persons will be delegates and alternates to both meetings. The person who is the delegate to one meeting may be the alternate to the other, if the Member so chooses. The decision of CHF Canada establishing credentials of delegates and alternates, and the preparation of any lists of delegates and alternates by them will apply to the

A handwritten signature in black ink, appearing to read "B. M. ...", is located at the bottom right of the page.

Ontario Region Members' meeting. Where a meeting of Ontario Members is not being held in conjunction with a general meeting of CHF Canada members, then the Ontario Council will establish procedures for delegate and alternate credentials and preparation of delegate lists comparable to those used for general CHF Canada meetings.

**2.4 Applicability of CHF Canada Rules**

The rules in the CHF Canada Governing Documents for general members meetings will apply to calling meetings of Ontario Members, notice of meetings, quorum, voting, agenda, rules of procedure and similar things.

**ARTICLE 3: ACTIVITIES OF ONTARIO REGION**

**3.1 Powers of Ontario Members**

The powers of Ontario Members are as set out in the Ontario Region By-law.

**3.2 Ontario Region Resolutions**

The Ontario Region may not adopt separate by-laws. Meetings of Ontario Members may pass resolutions, following the resolutions procedures set for general meetings of CHF Canada, as stated in any Policy passed by the CHF Canada members relating to resolutions.

**3.3 Amending Ontario Region Operating Rules**

These Ontario Region Operating Rules are considered an Ontario Region Standing Resolution. They may only be amended by resolution passed by not less than two thirds of the delegates present and voting at a general meeting of Ontario Members.

**3.4 Ontario Levy**

The Ontario Members may vote to pay a dues levy in addition to their regular membership dues to CHF Canada. The procedure for approving a levy is set out in the Ontario Region By-law.

A handwritten signature in black ink, appearing to read "Tom Law" followed by a stylized flourish.

**ARTICLE 4: ONTARIO COUNCIL**

**4.1 Composition of Ontario Council**

The Ontario Council will consist of either eight or nine persons as follows:

- (a) Three Ontario Council Members will be elected by the Ontario Members at large.
- (b) One Ontario Council Member (the Northern Ontario Council Member) will be elected by the Members from Northern Ontario.
- (c) One Ontario Council Member will be elected by the Ontario Members who are Staff Organizations. Staff Organizations are defined in CHF Canada Charter By-law No. 1, Article II, Section 3(d).
- (d) One Ontario Council Member will be elected by the Ontario Members who are Local Federations. Local Federations are defined in CHF Canada Charter By-law No. 1, Article II, Section 3(e), where they are called Associations of Housing Co-operatives.
- (e) One Ontario Council Member will be elected by the Ontario Members who are Resource Groups. Resource Groups are defined in CHF Canada Charter By-law No. 1, Article II, Section 3(b).
- (f) The CHF Canada Ontario Regional Director will be an Ontario Council Member.
- (g) If any at-large directors of CHF Canada are from Ontario, the CHF Canada Board of Directors may appoint one of them as an Ontario Council Member at the Board's meeting following the annual general meeting of CHF Canada members. If it does not do so at that meeting, there will only be eight Ontario Council Members until after the next annual general meeting of CHF Canada members.

*bonawys JAD*

**4.2 Qualifications for Ontario Council Membership**

Ontario Council Members must meet the qualifications stated below at the time of their election and throughout their term of office:

- (a) No one can occupy more than one position on the Ontario Council.
- (b) A Council Member must be a member, director or employee of an Ontario Member.
- (c) The Northern Ontario Council Member must be a member, director or employee of a Member from Northern Ontario. Northern Ontario is defined in Appendix A. A Member is from Northern Ontario if its head office is located there.
- (d) A Council Member elected by the Members who are Staff Organizations, Local Federations or Resource Groups must be a member, director or employee of a Staff Organization, Local Federation or Resource Group respectively.
- (e) The three at-large Ontario Council Members must be members of member housing co-operatives.

**4.3 Election of Ontario Council**

- (a) The Ontario Council Members referred to in 4.1 (a) and 4.1 (c) through (e) will ordinarily be elected at the annual meeting of Ontario Members. Except as stated in 4.3 (b), they will serve for a term of two years ending at the end of the meeting at which their successors are elected. These terms will alternate based on the first elections, described in 4.3 (b).
- (b) At the meeting of Ontario Members held in conjunction with the 1996 CHF Canada annual meeting:
  - i. the two at-large Ontario Council Members receiving the greatest number of votes will be elected for a two-year term and the other one for a one-year term
  - ii. one of the Ontario Council Members referred to in 4.1 (c) through (e) will be elected for a two-year term and two for a one-year term. This will be determined by lot before the election.



- (c) At a meeting called by the Ontario Council and held in Northern Ontario before the 1996 CHF Canada annual meeting, the Northern Ontario Council Member will be elected for a two-year term by the Members from Northern Ontario.
- (d) So long as a quorum of Ontario Council Members remains in office, the remaining Ontario Council Members may fill any vacancy, except for those positions described in 4.1(f) and (g). The vacancy must be filled from people who have the qualifications for the vacant position. Any persons so appointed, except as the Northern Ontario Council Member, will hold office only until the next annual or special meeting of Ontario Members, at which time any person so appointed will retire and a new Ontario Council Member will be elected to fill the vacancy for the balance of the term.
- (e) A Northern Ontario Council Member appointed under 4.3(d) will hold office until an election for a new Northern Ontario Council Member is held. The election will be at a meeting of Members from Northern Ontario called by the Ontario Council and held in Northern Ontario before the next CHF Canada annual meeting.
- (f) On the effective date of the merger of CHF Canada and the Co-operative Housing Association of Ontario, the directors of the Co-operative Housing Association of Ontario will become the first Ontario Council Members together with the Ontario Council Members mentioned in 4.1(f) and, if applicable, 4.1(g). They will serve until the end of the meeting of Ontario Members held in conjunction with the 1996 CHF Canada annual meeting.

**4.4 Removal from Council**

An Ontario Council Member, unless appointed under 4.1(f) and (g), may be removed from office by a resolution passed by at least two-thirds of the votes cast at a meeting of Ontario Members called for that purpose.

**4.5 Powers and Duties of Ontario Council**

The powers and duties of the Ontario Council are set out in the Ontario Region By-law.

*BM aw WJ Ed*

**4.6 Conduct of Individual Ontario Council Members**

Each Ontario Council Member must:

- (a) act honestly, in good faith and in the best interests of CHF Canada and the Ontario Region at all times
- (b) attend all Ontario Council and Ontario Members' meetings, unless excused by the Council
- (c) prepare for all meetings, and
- (d) sign and comply with an Ethical Conduct Agreement corresponding to the one signed by CHF Canada directors.

**4.7 No Payment of Ontario Council Members and Officers**

Ontario Council Members and officers will serve without payment of any kind. They may be repaid for travelling or other expenses while doing business for the Council, as long as the expenses are reasonable. Expenses must meet the guidelines and limits set by the CHF Canada Board for Board members. Ontario Council members and officers cannot receive compensation for lost income while doing business for the Council.

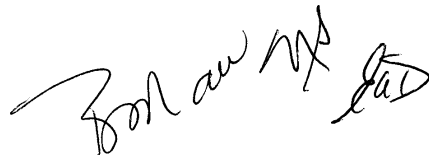
**4.8 Applicability of CHF Canada Rules**

The Rules in the CHF Canada Governing Documents applicable to CHF Canada directors will apply to any qualifications of Council Members not dealt with in these Rules, calling of meetings of the Ontario Council, notice of meetings, quorum, voting, agendas, rules of procedure and similar things.

**ARTICLE 5: OFFICERS AND COMMITTEES**

**5.1 Election of Officers**

- (a) The Council will elect the following officers yearly, or more often as needed:
  - i. Ontario Council President

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- ii. Ontario Council Vice-president
- iii. Ontario Council Treasurer.

The election of officers will take place at the first Ontario Council meeting after the Ontario Council's election. The Ontario Council can fill vacancies as necessary. The Ontario Council can elect any other officers and give them any authority and duties.

- (b) No person can hold more than one office.
- (c) All officers must be Ontario Council Members.

**5.2 Removal of Officers**

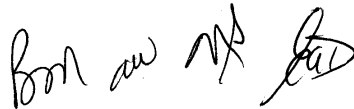
- (a) The Ontario Council can remove any officer by resolution at any time and for any reason.
- (b) The Ontario Council can immediately choose another Ontario Council Member to fill the vacancy.
- (c) The word "officers" means only the officers stated in Article 5. It does not refer to employees.

**5.3 Resignation of Officers**

An officer can resign by giving written notice to the Ontario Council President or the Ontario Region office. The resignation will take effect when the Ontario Council accepts it. The Ontario Council must accept any resignation at the first meeting after it is received, unless it has been withdrawn.

**5.4 Duties of the President and Vice-President**

- (a) The Ontario Council President will chair meetings of the Ontario Council, act as spokesperson for the Ontario Region, and perform other duties assigned by the Ontario Council.
- (b) The Ontario Council Vice-President will assist the President and perform other duties assigned by the Ontario Council.



5.5 **The Ontario Council Treasurer**

The Ontario Council Treasurer must monitor and understand the Ontario Region's finances and report on them to the Ontario Council and to the Ontario Members. Staff is responsible for day-to-day financial management.

5.6 **Creating Committees**

The Ontario Council can create committees. It can decide on the duties of the committees and appoint the committees' members. Any Policy passed by the CHF Canada Board relating to the organization and management of committees will apply to Ontario Region committees.

**ARTICLE 6: RECORDS**

6.1 **Corporate Records**

Staff will keep a minute book for the Ontario Region. It will contain minutes of all meetings of the Ontario Council and Ontario Members and other important Ontario Region documents.

6.2 **Financial Records**

The Ontario Funds will be accounted for in the books and records of CHF Canada.

*Tom aw [initials] [signature]*

**Appendix A: Boundaries of Northern Ontario**

**For the purpose of establishing qualifications for Ontario Council membership, Northern Ontario comprises the counties and districts of Manitoulin, Parry Sound, and Nipissing and everything north of them.**

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Tom aw vs Jan

**THIS AGREEMENT made as of January 1, 1996**

**B E T W E E N:**

**CO-OPERATIVE HOUSING FEDERATION OF CANADA**

**("CHF Canada")**

**-- and --**

**CO-OPERATIVE HOUSING ASSOCIATION OF ONTARIO**

**("CHAO")**

**BACKGROUND INFORMATION:**

- A. CHF Canada and CHAO have merged their operations effective as of January 1, 1996, pursuant to a Merger Agreement dated May 27, 1995.
- B. The parties have entered into a personnel agreement and other agreements and arrangements to give effect to the merger as of the Effective Date.
- C. The parties have determined that the final step in bringing their organizations together will be a corporate amalgamation.
- D. This Agreement is designed to deal with certain procedural, transitional and other matters relating to the merger until the corporate amalgamation is completed.

**NOW THEREFORE** in consideration of the above and the other provisions of this Agreement, CHF Canada and CHAO agree as follows:

- 1. **Definitions:** Terms defined in the Merger Agreement have the same meaning when used in this Agreement.

2. **Premises and Other Continuing CHAO Functions:** CHAO will retain the lease of the premises at Suite 207, 2 Berkeley Street, Toronto, and all agreements not specifically assigned or transferred to CHF Canada by a separate instrument ("Continuing Contracts"). CHF Canada will provide all services necessary to perform on CHAO's behalf all of CHAO's obligations under the Continuing Contracts through the personnel of CHF Canada at no charge to CHAO. CHF Canada will bear all costs and expenses in connection with the Continuing Contracts and indemnify CHAO with respect thereto and with respect to any other liabilities. CHF Canada's personnel will be entitled to use the premises, equipment and other tangible personal property of CHAO in connection with the Continuing Contracts and in order to perform the activities of CHF Canada subsequent to the Effective Date.
3. **Money and Liquid Investments:** Pursuant to the Merger Agreement, CHAO has separately arranged to transfer its money and liquid investments to CHF Canada. In the event that, after the Effective Date any cheques are received or other such assets appear, they will be endorsed or transferred to CHF Canada.
4. **Corporation Transition:** Within a reasonable time after the Effective Date, the parties will arrange for the restructuring of CHAO as follows:
  - (a) Membership of CHAO will be replaced by five *ex officio* members -- the President, Vice-President, Corporate Secretary and Executive Director and Managing Director, Ontario Region of CHF Canada.
  - (b) All the *ex officio* members will be *ex officio* directors.
  - (c) The by-laws to be changed, as appropriate to give effect to the above.
5. **Corporate Amalgamation:** CHAO and CHF Canada will amalgamate their corporations through the transfer of CHAO to the federal jurisdiction and subsequent amalgamation proceedings under the *Canada Co-operative Associations Act*. This will be performed within a reasonable time after the Effective Date.
6. **Term:** This Agreement will continue in force until the amalgamation is completed.
7. **Conflict with Merger Agreement:** In the event of any conflict between what is stated in this Agreement and what is stated in the Merger Agreement, this Agreement will govern.

SIGNED:

**CO-OPERATIVE HOUSING FEDERATION  
OF CANADA**

Per: Alma Wilson

17/11/2017 c/s

**CO-OPERATIVE HOUSING ASSOCIATION  
OF ONTARIO**

Per: [Signature]

[Signature] c/s