

<< Name of housing co-operative >> (the “Co-op”)

By-law Number << >>

DIRECTOR ARREARS BY-LAW

BE IT ENACTED as a by-law of << Name of housing co-operative >> as follows:

1. No one who is in arrears of housing charges or is behind in their financial obligations to the Co-op for any reason can be a director of the Co-op, whether or not they have signed a repayment or performance agreement.
2. A person who ceases to be a director under paragraph 3 or 4 may not be re-elected or reappointed to the Board for a period of two full years from the date on which they cease to be a director.
3. All directors must pay their housing charges or other money due to the Co-op in full and on time. If a director is in arrears, the Co-op will give the director written notice of this. The director will have [*choose one of the following and delete the others*: two business days, seven calendar days, 14 calendar days] after the day the notice is given to pay the arrears in full. Subject only to paragraph 4 below, the director will automatically cease to be a director at the end of the notice period if they have not paid the arrears in full, whether or not they have signed a repayment or performance agreement.
4. If the director disputes the amount owing, the director can
 - (a) pay the full amount set out in the arrears notice and remain on the Board until the Board has reviewed the matter. If the Board finds that there was an error in the notice and that the director has overpaid, the Co-op will refund to the director the excess amount paid; or
 - (b) give the Co-op written notice of the dispute by the earlier of the beginning of the next scheduled board meeting or the end of the notice period. The Board will review the matter at its first meeting after receipt of the director’s notice. It will decide on the facts whether the amount in the notice was correct. The Board’s decision will be final. If the Board finds that there are arrears of any amount, the member will cease to be a director right after the Board makes its finding, unless the full amount due is paid at that time. If the Board does not review the matter or does not make a finding, the notice will stand and the director will cease to be a director at the end of that meeting.
5. The written notice to the director can be given in the form attached to this by-law, but an ordinary arrears notice or any other written notice will also start the notice period. The notice will be given by the senior staff person or the person who normally gives arrears or late payment notices to members. Prior approval from the Board is not needed.
6. This by-law will have priority over the other by-laws of the Co-op.

PASSED by the Board of Directors and sealed with the corporate seal of << Name of housing co-operative >> on _____, 201__.

President Secretary _____ c/s

CONFIRMED by at least two-thirds of the votes cast at a general meeting of the members of << Name of housing co-operative >> on _____, 201__.

President Secretary _____ c/s

*Insert full name of
Co-op (or use
letterhead)*

**Notice to
Director in Arrears**

TO: _____
Name

Our records show that at the date of this notice you owe the Co-op \$_____. Under the Co-op's by-laws, you have up to [***choose one of the following and delete the others:*** two business days, seven calendar days, 14 calendar days] from the day following the date of this notice to pay this amount in full. If it is not paid in full by _____, you will no longer be a member of the Board of Directors. You will remain a member of the Co-op and subject to the Co-op's rules about arrears. Please note that having a repayment or performance agreement, or asking for one, will not allow you to remain on the Board. To remain on the Board you must pay the amount you owe in full.

A copy of the by-law concerning director arrears is attached to this notice or is available from the Co-op. It explains what to do if you believe the amount in this notice is not correct. For more information about the amount owing or to make arrangements to pay it, please see the Co-op's administrator.

Signature

Name

Title

Date of this Notice