

Article 9: Conflict of Interest

9.1

Carrying Out Duties All officers, directors, committee members and employees must carry out their duties honestly, in good faith and in the best interests of the co-op rather than in their own interest.

9.2

Payment of Directors and Officers

(a) Directors and officers serve without payment of any kind. However, they have the right to be paid for travelling or other expenses while doing business for the co-op as long as the expenses are reasonable. The board must authorize these expenses. These expenses must meet the guidelines and limits set by the board. Directors and officers cannot receive compensation for lost income while doing business for the co-op.

Directors and officers cannot enter into any contracts with the co-op other than contracts that are generally available to other members, such as occupancy or performance agreements.

(b) Directors and officers hired by the co-op to a paid position must resign from office. This does not apply to being the on-call person one day or less a week.

9.3



## Types of

### Conflict of Interest

- (a) A conflict of interest is when someone benefits personally in any way from a decision of the co-op. This Article covers conflicts of interest of officers, directors, committee members and employees. It also covers all persons in their households and relatives.
- (b) A conflict of interest can happen when someone living in the co-op or an employee
- makes or takes part in a decision affecting the co-op's affairs, and
  - has a financial or other interest in, or gets a benefit from, the result of that decision which the rest of the co-op members do not have, or which only a few other members have.
- (c) Examples of conflicts of interest are
- the co-op signs a contract with someone living in the co-op, an employee, or a company in which they, their household members or relatives, have a financial interest or any stock, and
  - someone living in the co-op or an employee is involved personally in a disciplinary procedure where they made the complaint or where a household member, friend or relative is being disciplined.

There are other types of conflict of interest. The co-op should deal with them by using the principles contained in this Article.

## 9.4

### Deciding Whether

#### There Is a

### Conflict of Interest

The facts of each case are different, and careful judgment is needed to decide whether or not there is a conflict of interest. Members should follow the procedures below.

9.5  
Procedures When There Is a  
Conflict of Interest

- (a) When a director has or may have a conflict of interest  

When a director has or may have a conflict of interest:

  - i. The director should declare the conflict of interest at the board meeting considering the matter.
  - ii. 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.
  - iii. The board then decides whether there is a conflict of interest.
  - iv. If there is a conflict of interest, the director cannot vote on the matter and must not be present during any of the meetings discussing the matter.
- (b) When a committee member has or may have a conflict of interest  

If a committee member has or may have a conflict of interest, the committee must follow the same procedure as the board. If there is a dispute, the matter can be appealed to the board. The board decision is final.
- (c) When an employee has or may have a conflict of interest  

An employee who has or may have a conflict of interest must report it to the employee's supervisor, and follow the supervisor's directions.

The co-ordinator or manager must report a conflict of interest to the staff liaison officer, if there is one, or to the president who will report it to the board. The co-ordinator or manager must follow the board's directions.

(d) All other conflicts of interest

If any member or officer acting for the co-op has or may have a conflict of interest, that person must report it to the board. The board must decide on the matter.

9.6

Personal Relationships

Sometimes decisions have to be made which affect the friends or relatives of officers, directors and committee members. If the relationship is close enough, there may be a conflict of interest.

For example, there might be a decision of the board to evict a friend of a director. If there is a close relationship, it might influence the director's decision and the director should declare a conflict of interest.

9.7

Members'

Conflict of Interest

At members' meetings, all members can take part in discussions and vote as they wish, even if they have a conflict of interest. However, members must declare the conflict of interest before taking part in the discussion. Members can vote even if they have a conflict of interest. They should try to act in the best interests of the co-op as a whole.

Article 10: Information and Confidentiality

10.1

Access to Member's  
Files and Accounts

Members have the right to see their own personal files and financial accounts during co-op office hours. Members may have to make an appointment. If any member believes that there is an error in their personal file or accounts, co-op staff should try to correct the problem. If staff does not think there is a mistake, they should explain the record to the member. If the member is still not satisfied, the member can take the matter to the board by sending a letter to the board or going to a board meeting.

Members can put written statements in their files.

10.2

Confidentiality of  
Board and Committee  
Business

(a) Sometimes directors or committees discuss confidential matters. All directors and committee members must keep these matters secret, even after they are no longer directors, members of the committee, or members of the co-op.

Confidential matters are

- personal and financial information about members and other residents
- personal information about co-op employees, and
- information about co-op business which should be kept secret to protect the co-op.