



Frequently asked questions by co-operatives

Here are some frequently asked questions and other information that is requested from us:

How do we amend by-laws?

A notice containing the exact wording of the current by-law and of the proposed amended by-law must be given in writing to all members at least ten calendar days before a meeting to make changes. The motion to adopt, repeal or amend by-laws must be passed by a majority of not less than two-thirds of the votes cast. The changes must then be submitted for approval by the Inspector of Co-operative Associations.

What are extraordinary resolutions?

An extraordinary resolution is a resolution passed by a majority of not less than three-fourths of the votes cast and approved by the Inspector of Co-operative Associations and filed with the Registrar. These are necessary for things like amending letters of incorporation, dissolution, etc.

What is quorum?

Quorum is the required number of members to be present for a meeting to be held. This is outlined in the by-laws of each association.

No quorum present?

If there is no quorum present, within fifteen minutes from the start time of a meeting of members, the meeting will be adjourned to not less than seven days later. All members must be notified of the time and place of the adjourned meeting at least five days in advance. The decisions of the second meeting are binding as long as three members are present.

Can members vote by proxy?

Voting by proxy is not permitted under the [Co-operative Associations Act](#).

Can we change our name?

Co-operatives do sometimes change their name. This can be done by extraordinary resolution. A new [NUANS](#) report must be submitted and, once the name and resolution have been approved, the Registrar shall issue a certificate reflecting the new name.

Can we amend our letters of incorporation?

Letters of incorporation may be amended by extraordinary resolution. Depending on the amendments there may be a requirement to amend the by-laws to reflect the changes to the letters of incorporation.

How can members withdraw capital?

Members may withdraw capital in the manner prescribed in the by-laws and *Co-operative Associations Act Regulation 82-58*.

Can the co-operative refuse the withdrawal of capital?

The board of directors may refuse the withdrawal at any time when it is the opinion of the board of directors that such a withdrawal would impair the financial stability of the association. In the case where a member is withdrawing from membership, the following rules also apply. The board may require notice not exceeding six months. If the value of the shares is less than par, the directors may refund to a member only such proportion of the par value that seems to be just and reasonable, subject to the approval of the Inspector of Co-operative Associations.

Can we exclude members?

Members can be excluded by resolution of the board of directors, if they have ceased to patronize the co-operative or failed to follow any of the by-laws, regulations or contracts of the association. A notice must be sent by the board via registered mail, setting forth the date of exclusion, not to be sooner than one month from the day of mailing.

The member may, before the proposed date of exclusion, request to have the matter placed on the agenda during the next meeting of the members.

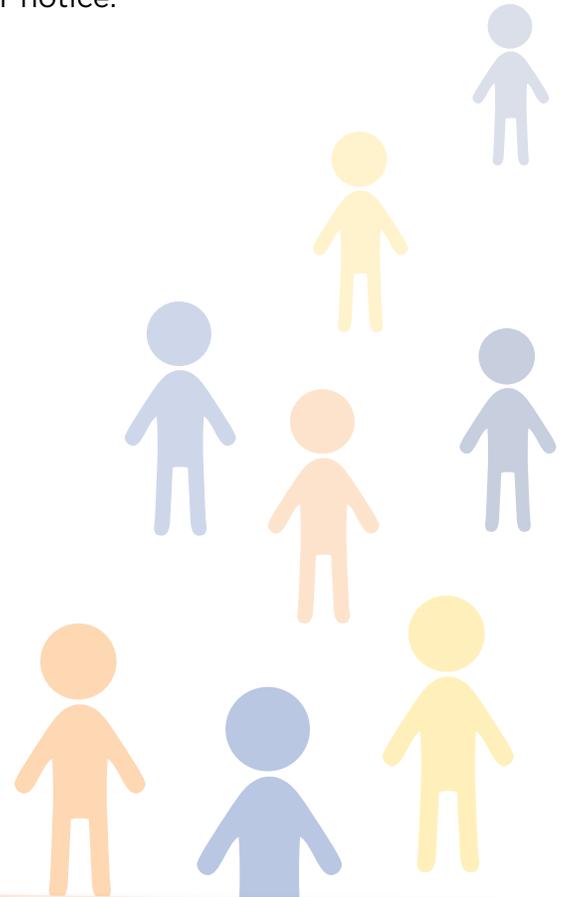
The person may appear before the meeting to give reasons why they should not be excluded and the question shall be voted on. The decision of the vote shall be final. The member, if excluded, shall be entitled to a refund of any amount held in share capital or loan capital subject to paragraph 27(1)(c) of the [Co-operative Associations Act](#). The board of directors may refuse the withdrawal of this amount at any time when it is the opinion of the board of directors that such a withdrawal would impair the financial stability of the association.

Do we have to have an audit?

The Act requires that each co-operative have an auditor, however there are exceptions (section 38 of the *Co-operative Associations Act*). The decision not to appoint an auditor is usually made at a membership meeting by a resolution passed by a majority of three quarters of the votes cast.

What is a waiver of notice?

A waiver of notice of a membership meeting is a document signed by all members of the co-operative, which makes the meeting valid though proper notice was not provided. The current Act does not provide for such waiver unless by-laws provide for it. If the by-laws are silent, then notice has to be given: posted in the co-operative and mailed (section 26 of the regulation to the *Co-operative Associations Act*). Ten days would be the minimum for proper notice.



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