**Feedback Form: Potential Permanent Changes to Enable Digital and Virtual Processes under the *Co-operative Corporations Act***

Please use the following pages to provide any feedback from you or your organization on the consultation questions listed below. The Ministry of Government and Consumer Services (the Ministry) is seeking feedback by **February 8, 2021** on the following consultation questions regarding virtual meetings and electronic notices and records to be kept under the *Co-operative Corporations Act* (CCA). This does not include notices and other documents or records involving the Minister, the statutory Director, the Ontario Securities Commission, or the Chief Executive Officer of the Financial Services Regulatory Authority of Ontario. Please return any feedback to BusinessLawPolicy@ontario.ca.

**Contact Information**

Organization Name (If applicable):

 

Key Contact Name:

 

Key Contact Email:

 

Key Contact Phone Number**:**

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**Introduction**

On May 12, 2020, the Legislature passed the *COVID-19 Response and Reforms to Modernize Ontario Act, 2020* which among other things, made temporary legislative amendments to the CCA related to electronic or telephonic meetings and the deferral of annual meetings for corporations governed under the CCA in some circumstances in response to the COVID-19 pandemic. You can find the temporary changes captured in the provisions under the [Special Rules During Emergency](https://www.ontario.ca/laws/statute/90c35#BK262) heading of the CCA and the [Schedule](https://www.ontario.ca/laws/statute/90c35#BK265) to that Act, as well as [Ontario Regulation 543/20](https://www.ontario.ca/laws/statute/90c35#BK265).

On October 1, 2020, a new regulation made under the CCA came into force extending the temporary suspension period for the application of the temporary legislative amendments permitting co-operative corporations (co-ops) to hold meetings through electronic or telephonic means, as applicable, notwithstanding certain requirements until May 31, 2021.

The Ministry is now consulting on whether any furthertemporary or permanent amendments enabling the use of virtual or electronic tools or processes are required under the CCA as co-ops adapt to new ways of doing business that are digital/virtual allowing for broader participation. .

This consultation is focused on the use of telephonic and electronic tools or processes to facilitate the fulfillment of certain requirements under the CCA. Specifically, this consultation is only seeking feedback on the telephonic or electronic facilitation of requirements related to (1) meetings, (2) notices and documents, and (3) records. There may be future opportunities to provide feedback on additional topics related to other co-op matters.

**Section 1: Meetings**

Context

Prior to temporary legislative amendments that are currently in force, the CCA generally allowed co-ops to hold meetings through electronic or telephonic means, including allowing votes to take place by telephonic or electronic means as long as the co-op passed by-laws allowing it. However, the CCA excluded non-profit housing co-operatives from the ability to pass by-laws enabling themselves to hold meetings through electronic or telephonic means or vote by mail or by telephonic or electronic means.

In response to the COVID-19 pandemic, the Legislature passed temporary legislative amendments to the CCA to permit co-ops to hold meetings through electronic or telephonic means including by addressing related matters to facilitate meetings electronically, notwithstanding certain requirements. These amendments also suspended in-person voting and permit voting by mail or by telephonic or electronic means whether or not the articles or by-laws of a co-op allow for it (including non-profit housing co-ops). These temporary changes will remain in effect until May 31, 2021, subject to further extension by regulation.

Consultation Questions

1. Should the temporary legislative amendments to the CCA that removed the requirement to have by-laws in place generally allowing members’ and board and executive meetings to be held by electronic or telephonic means be made permanent? Are there any risks in doing so? Would this help to reduce burden on co-ops? If so, how?
2. Prior to the temporary legislative amendments, the CCA required the unanimous consent of all directors to hold meetings by electronic or telephonic means. Should the temporary legislative amendments to the CCAthat removed the requirement to have unanimous consent of directors to hold meetings by electronic or telephonic means be made permanent? Or should the unanimous consent be lowered (e.g., to majority consent) or to the directors’ present at or participating in the meeting? Are there any risks in doing so? Would this help to reduce burden on co-ops? If so, how?
3. Should the CCA be permanently amended to allow for electronic voting, including in the election of directors, without the need to pass a by-law to that effect? Are there any risks with that approach?
4. Should the temporary legislative amendments to the CCA that generally allow non-profit housing co-op members’ meetings to be held by electronic or telephonic means be made permanent? If so, should non-profit housing co-ops be required to have a by-law in place first explicitly enabling these meetings to be held by electronic or telephonic means? Would requiring non-profit housing co-ops to pass by-laws before holding meetings through electronic or telephonic means be burdensome or pose challenges (e.g., because non-profit housing co-ops would be required to meet/vote (in person) to pass the by-law)?

[Please insert feedback here]

**Section 2: Notices and Documents**

Context

The CCA generally allows all required notices and other documents required by the Act to be given by the co-operative to a member or director, or by a member or director to a co-operative to be sent electronically in accordance with the *Electronic Commerce Act, 2000* (ECA) except for non-profit housing co-operatives*.* Note this consultation does not include notices and documents involving the Minister or the statutory Director, the Ontario Securities Commission or the Chief Executive Officer of the Financial Services Regulatory Authority of Ontario.

Consultation Question

1. Despite generally already being permitted under the ECA, are there any permanent changes to the CCA that the government should considerregarding the electronic delivery of notices and documents that may reduce burden on co-ops? For example, should the CCA be changed to enable all or certain required notices and other documents to be sent electronically for non-profit housing co-operatives as well?

[Please insert feedback here]

**Section 3: Records**

Context

The CCA generally allows records to be kept by means of a mechanical, electronic or other device. In addition, while the CCA provides for the examination of records by members, creditors and directors, the CCA allows for the examination of records at the head office.

Consultation Question

1. Are there any permanent changes required to the CCA that the government should consider regarding the way records may be examined by authorized individuals through electronic means that may reduce burden on co-ops?

[Please insert feedback here]

**Section 4: General**

Context

The Ministry recognizes that the on-going COVID-19 pandemic may present specific challenges for co-ops to operate as usual, particularly without the appropriate provisions in place under the CCA to enable the use of virtual or electronic means or processes.

Consultation Questions

1. Has the COVID-19 pandemic highlighted any other issues with the CCA that the Ministry should consider addressing in relation to electronic/telephonic processes under the Act?
2. Should the Ministry consider seeking a further extension of the temporary suspension period for the application of temporary legislative amendments related to electronic/telephonic meetings in the CCA beyond May 31, 2021, rather than making permanent changes to the statute? If so, why and for how long?
3. If you would like to see permanent changes implemented, should the Ministry also consider seeking a further extension of the temporary suspension period for the application of temporary legislative amendments related to electronic/telephonic meetings in the CCA beyond May 31, 2021, to ensure the temporary provisions do not end before the permanent changes come into effect? If so, why and for how long?

[Please insert feedback here]

**Privacy Statement**

This consultation is being conducted by the Ministry with respect to potential proposed permanent changes or further temporary changes enabling virtual processes related to the Ministry’s business law and condominium statutes.

The collection of this information is authorized pursuant to the Ministry’s responsibility for these acts and is necessary to consider the proposals. Please note that the Ministry is subject to the Freedom of Information and Protection of Privacy Act (FIPPA) and may disclose the information you or your organization provides in accordance with FIPPA.

Please note that unless agreed otherwise by the Ministry, all submissions received from organizations or individuals affiliated with organizations will be considered public information and may be used and disclosed by the Ministry to help evaluate the proposals and help the Ministry analyze whether permanent changes are needed within the scope of this consultation.

Submissions received from individuals who do not indicate an affiliation with an organization will not be considered public but may be used and disclosed by the Ministry to help evaluate the proposals. Any personal information such as an individual’s name and contact details will not be disclosed by the Ministry without the individual’s prior consent unless permitted or required by law.

If you or your organization have any questions about the collection of this information, please contact BusinessLawPolicy@ontario.ca.