

September, 2018

Fact Sheet: Ontario Region

Privacy and confidentiality do's and don'ts for directors

This Fact Sheet is a list of tips for handling issues of privacy and confidentiality in Ontario housing co-ops. It is based on the paper of November 17, 2016 from CHF Canada's Ontario Region lawyer, Bruce Lewis.

Golden rule

1. **Do** treat information about others – and about the co-op – the same way you would want your own information treated.

Board meetings

2. **Do** be clear about which parts of a meeting are confidential and record them separately in confidential minutes.
3. **Do** remember that members have a right to know about co-op business. Things should only be considered confidential if there are good reasons:
 - a) Board item is about a specific individual, or
 - b) Board item is about co-op staff, or
 - c) Board item is about co-op business where disclosure could hurt the co-op's negotiating or legal position.
4. **Do** limit disclosure of personal information to the directors at board meetings.
 - a) In a general arrears report, there may be no need for the directors to be told which specific units are in arrears or which members are in receipt of subsidy.

- b) On the other hand, if considering action against any member, or if an arrears or other situation has become significant, the board should be given all relevant personal information.

Materials for board meetings

5. **Don't** distribute sensitive confidential information before the board meeting. After the meeting, staff should gather up any and all copies to be destroyed.
6. **Do** make sure all board papers are gathered up at the end of each board meeting.

Meeting room

7. **Do** make sure that doors, windows, etc. of the meeting room are closed when confidential material is being discussed. Also, be sure the board cannot be overheard by passers-by through the closed doors and windows.

Co-op business outside of board meetings

8. **Don't** let anyone overhear conversations between directors that involve confidential information.
9. **Do** check twice on who will receive e-mails before pressing the send button. E-mail accidents are common; great care should be exercised.

Confidential information to directors

10. **Do** make sure individual directors understand that they have no right to obtain confidential information from staff unless it is directly related to their duties as an officer or it is at a board meeting. In case of doubt, the question should be referred to the board.
11. **Don't** use information that you have as a director for any other purpose. For instance, using an unlisted phone number from the internal directors' phone list for a purpose not related to board business.

Information to co-op members

12. **Do** keep the membership informed about board activities by posting minutes, bulletins, etc. as well as at members' meetings. This reduces the pressure on individual directors to discuss confidential board matters with members.
13. **Do** consider how much disclosure there should be when a performance agreement has been signed.
 - a) Often the person who made a complaint will want to know what was done about it. Any performance agreement should address what information can be given to that person and others.
14. **Don't** discuss board business relating to any individual or any other confidential information with anyone outside the board.
 - a) This includes the staff, your spouse, your best friend, former directors, committee members, etc.
 - b) Only the board as a whole can decide when it may be necessary to tell non-directors about confidential information.
15. **Don't** get into discussions with members about other members. Tell the member to write a complaint and deliver it to the office.
 - a) Members often complain to individual directors about other members. It is very hard for a director to have these conversations without potentially becoming biased or giving out information the director may already have.
 - b) Members often complain to individual directors about the co-op. These complaints often involve comparisons with how the board treated other members. The director cannot explain the difference without giving out confidential information.
 - c) Directors should avoid getting into this sort of discussion.
16. **Don't**, if a director does get involved in this kind of discussion, in any way imply or acknowledge that the director may agree with a statement about another member, or that the director has information that may be relevant.

17. **Do**, if a member is appealing an eviction decision, consult the co-op's lawyer about what information can be given out by the board in advance of the meeting or at the meeting.

Unauthorized Disclosure

18. **Don't** disclose confidential information to anyone for any reason unless authorized by the board.
 - a) Whether you agree or disagree with board decisions or policies, you must not disclose confidential information.
 - b) This means you cannot tell your friends confidential information about things the board is doing even if those persons legitimately disagree with the board.
 - c) This also means you cannot disclose any confidential information to the funding or regulatory authorities. The board is the proper channel of communications.

Accidental Disclosure

19. **Don't** gossip about other people in the co-op. Even if you don't have personal information about a co-op member, other people will think you do. Part of being on the board is to simply refuse to get into discussions about other co-op members.
 - a) This includes gossiping with non-members, such as people at your workplace who you think do not know any co-op members.
20. **Don't** leave board papers lying around. Your visitors may accidentally see them. Your children may be very interested in their neighbours.
21. **Don't** store confidential information on a computer to which other people have access.
22. **Do** dispose of information securely when you don't need it any longer.

Schedule B: Confidentiality and Conflict of Interest Agreement

TO: [Insert name of co-op]

I am signing this Agreement as a director, officer, committee member or staff member of the co-op.

CONFIDENTIALITY

1. I understand that this Agreement applies to
 - (a) Personal information about co-op members and applicants.
 - (b) Confidential information about co-op staff.
 - (c) Confidential information about the co-op or co-op business.
2. I understand that the above is considered confidential information even if I learn about it from a source unrelated to my position with the co-op and even if it is publicly available.
3. I will not tell anyone any confidential or personal information
 - that I know through my position with the co-op
 - that I learn at meetings related to my position with the co-op, or
 - that I know about in any other way.
4. I will not disclose, or permit disclosure of, any confidential or personal information in any other way.
5. I will safeguard confidential or personal information that I may have.
6. The only exception is when I am authorized by the board or the co-op by-laws to disclose the information. If I am not sure whether information should be kept confidential, I will ask the board for a decision about it.
7. I agree that the above obligations apply while I have my position with the co-op and after I no longer have that position or any connection with the co-op.
8. I will always give the board any information requested by the board. When I no longer have my position with the co-op, I will return all co-op papers and property to the co-op.
9. While I have a position with the co-op, I will not gossip about the co-op or its members or employees.

CONFLICT OF INTEREST

10. Whenever I am involved in a decision or action of the co-op, I will put the best interests of the co-op ahead of my personal interests and the interests of my relatives and friends.
11. A conflict of interest is where I take part in a decision that benefits me or a relative or friend in a way that is different from most co-op members.

12. I understand that some conflicts of interest are prohibited and some situations are manageable as stated in the Organizational By-law.
 - **Prohibited conflicts.** I will not become involved in any conflict of interest that is prohibited.
 - **Manageable situations.** If I am involved in a potential conflict that is manageable, I will follow the applicable rules as stated in the co-op's Organizational By-law.
13. I promise that I will declare any conflict of interest or situation that could become a conflict of interest as stated in the Organizational By-law. If there is any doubt, I will report the situation to the board, or any committee that I am on, and they will decide if it is a conflict of interest.
14. I promise that I will abide by the conflict of interest rules and definitions in the Organizational By-law. I promise to ask if I have any questions or there is anything I don't understand.
15. I also agree to abide by any legal and government requirements about conflict of interest that are not included in co-op by-laws.

GENERAL

16. I understand that this Agreement is a binding legal document and I have had the opportunity to obtain legal or other advice before signing it.

Date: _____ Signature: _____

Schedule C: Director's Ethical Conduct Agreement

TO: [Insert name of co-op]

I agree to be a director of the co-op and to do my best to forward the interests of the co-op and the members and the other stakeholders in the co-op.

1. I am at least 18 years old am not bankrupt or incapable of managing property under the *Substitute Decisions Act*.

BOARD PROCEDURES

2. CROSS OUT ONE:
 - (a) I will accept notices to directors by electronic mail.
 - (b) I will **NOT** accept notices to directors by electronic mail.

DUTIES OF A DIRECTOR

3. I will perform my duties as a director honestly, in good faith and in the best interest of the co-op rather than in my personal interest.
4. I will use the care, diligence and skill of a reasonably prudent person in performing my duties as a director.
5. I will sign and comply with the co-op's Confidentiality and Conflict of Interest Agreement and all legal and government requirements about confidentiality, privacy and conflict of interest.
6. I will always give the board any information requested by the board. I will return confidential papers to the co-op when requested. I will delete confidential materials from my computers and electronic devices when requested. When I am no longer on the board, I will return all co-op papers and property to the co-op and I will delete confidential materials from my computers and electronic devices.
7. I will attend all board and members' meetings unless excused by the board based on advance notice of absence.
8. I will prepare for board meetings and act constructively at all board meetings.
9. I will participate in all training programs as decided by the board.

ACTING AS A BOARD

10. I understand that the board acts as a whole. If I disagree with something the board is considering, I will say so at a board meeting. Once the board has made a decision, I will support that decision or remain silent.
11. I understand that directors can act only by a decision at a proper board meeting. Between meetings I have no authority unless the board has given me authority to do something, such as to sign a document.

12. I understand that even if the board has given me responsibility for something, the final authority and responsibility stays with the board.
13. I understand that, if I am an officer or a member of a committee, my duties must be performed as directed by the board and within any limits set by the board.

RESPECT FOR OTHERS

14. As a director I will remain open to other points of view and options. I will not act defensively when directors or members question or disagree with my point of view.
15. I will do my best to work together with the other directors for the good of the co-op. I will not let personal dislikes or grudges affect my conduct or decisions.
16. I will never make statements which in any way harm, put down or show a lack of respect for other directors, members or staff.
17. I will never make statements, take actions or harass anyone in any way that is prohibited under the Ontario *Human Rights Code*.
18. I will make any complaints I may have about the co-op or the co-op's staff only to other directors. I will bring any concerns I may have to the attention of the board.
19. I will support the co-op's staff as they carry out their duties and not say or do anything that might cause them to lose respect among the membership or other staff.

DUTIES OF A MEMBER

20. I will perform my duties as a co-op member. I will comply with the by-laws of the co-op.
21. I will not be in arrears while I am a director.

I have read and understood this Agreement and I agree that I will follow it. I understand that, if I break this Agreement, the board of directors can follow the procedure stated in the Organizational By-law to remove me as a director.

Date: _____ Signature: _____
Print name:

INTRODUCTION



How to use this guide

An Ethical Conduct Agreement is a governance tool that outlines the expected standards of behavior, responsibilities, and ethical obligations for individuals serving in leadership roles, specifically directors of a housing cooperative.

This agreement is intended to ensure that directors act with integrity, respect, and accountability, in alignment with the co-op's values, mission, and legal obligations. It is designed to foster trust among members, support transparent and effective governance, and safeguard the long-term success and reputation of the cooperative.

Although the agreement remains in effect for the entire duration of a director's service, it is strongly recommended that directors review and re-sign it on an annual basis, ideally as part of the co-op's board renewal and orientation process.

By clearly defining expectations for professional conduct, confidentiality, and conflict of interest management, this agreement: builds trust and accountability within the Board.

This Ethical Conduct Agreement Template provides a framework for:

- Ethical and Legal Conduct
- Conflict of Interest
- Confidentiality
- Respectful and Professional Behavior
- Accountability and Enforcement
- Conditions for Resignation
- Term of Agreement

There's no one-size-fits-all approach. Co-ops are encouraged to adapt this template to reflect their size, structure, culture, and values. This agreement should be interpreted in conjunction with your co-ops Bylaws and the co-op act. *Please add content to the template where indicated, such as replacing placeholders like <Insert co-op name> with the appropriate information.*

"The strength of a community lies in the integrity of its members."

— Unknown

<Insert housing co-ops full name>

ETHICAL CONDUCT AGREEMENT

This agreement outlines the ethical obligations, responsibilities, and standards of conduct required of all directors serving on the Board of <Insert Housing Co-op's Full Legal Name> ("the Co-op").

I, _____, am a member of the Board of Directors of <Insert Co-op Name>, and I agree to uphold the following commitments throughout my term of service:

- a) **Duties and Ethical Commitments:** I will act honestly, in good faith and in the best interests of the Co-op. In performing my duties as a director, I will use the care, skill and diligence that a reasonably prudent person would use in a similar role.
- b) I acknowledge a duty of loyalty to the Co-op, and I will prioritize the interest of the Co-op before any personal interest.
- c) I will immediately declare any conflict of interest I may have in a matter before the board right away, either in writing or by asking that my declaration be noted in the meeting minutes.
- d) I will not take part in any discussion or vote on matters in which I have a conflict of interest.
- e) I will follow all legislation, Bylaws and co-op policies, and I will abide by the decisions of the Board.
- f) I will publicly support the decisions made by the Board, even if I personally disagree with the outcome.
- g) I will keep private and confidential information I learn through my role as a director, including information about the Co-op, its staff, members, or contractors. Confidential information is further defined in Schedule A.
- h) I understand that my duty of confidentiality will continue after I leave the Board.
- i) When representing the Co-op, I will act respectfully and professionally at meetings, events, and in interactions with members, staff and the public.
- j) I will apply the same standards of professionalism, respect, and confidentiality in all digital communications as I do in person. This includes, but is not limited to:
 - a. Email, text messages, and messaging apps used for Co-op business.
 - b. Virtual meetings and online collaboration platforms.
 - c. Social media platforms, whether posting publicly or in private groups, when representing or discussing matters related to the Co-op.
- k) I will refrain from making disrespectful, misleading, or inappropriate remarks about the Co-op, its members, or its operations in any setting, including online.

1. Alleged Breach of the Agreement

- a. The Board of Directors will review the matter in a timely, fair and impartial manner.
- b. The director in question will be notified in writing and provided an opportunity to respond.
- c. After reviewing all relevant information, the Board will issue a recommendation regarding next steps or sanctions.

2. Possible Sanctions for Breach: Depending on the nature and severity of the breach, the Board may take one or more of the following actions:

- a. A formal written warning.
- b. Mandatory training or coaching.
- c. Temporary suspension from Board duties.
- d. Removal from specific roles or committees.
- e. Recommendation for resignation.
- f. A motion for removal from the Board, in accordance with the Co-op's Bylaws and applicable legislation.

3. Right to Appeal: If a Director does not agree with the Board decision, they may request that the matter be brought before the Membership. A special meeting of the members will be held within 30 days of the request (or as outlined in the Co-op's Bylaws and applicable legislation). The membership's decision will be final.

4. Automatic Resignation from the Board

I understand that I will be deemed to have resigned from the board of directors, if:

- I declare bankruptcy.
- I am refused a bond.
- I fail to remain in good standing as a director, as defined below.

5. Good Standing as a Director

I am considered in good standing if:

- a. I do not owe any outstanding money to the co-op.
- b. I am not in breach of this agreement or any other rule, bylaw or policy that applies to me as a member or director of the co-op.

6. Term of the Agreement

This Ethical Conduct Agreement shall remain in effect for the entire duration of my service as a director.

Name (Print): _____

Date: _____

Signature: _____

Schedule A: Definition of Confidential Information For the purposes of this agreement, **Confidential**

Information refers to any non-public, sensitive, or proprietary information that a director may access through their role on the Board of Directors of <Insert housing co-op's full legal name>.

This includes, but is not limited to:

- **Personal information** of members, residents, staff, or applicants (e.g., names, contact details, financial status, tenancy history or issues, or health-related information).
- **Financial information** pertaining to the Co-op, including budgets, audits, bank records, arrears reports, and funding applications.
- **Legal matters**, including disputes, legal opinions, or any information related to ongoing or potential litigation.
- **Board-level discussions and decisions** that are not publicly disclosed, including meeting minutes, strategic planning, and internal communications.
- **Operational details**, including maintenance schedules, supplier or contractor agreements, internal procedures, and staffing matters.
- **Any other information** designated as confidential by the Board or understood to be confidential due to its nature or the context in which it was shared.

Confidentiality Obligation:

Directors must not disclose, discuss, or use Confidential Information for personal gain or in any way that could harm the Co-op or its members. This duty of confidentiality applies during the director's term and continues after the director leaves the Board.

[Full name of housing co-op]

Template – Board of directors - Ethical Conduct Declaration

I, [enter director's name], am a director of [enter the name of your housing co-op] (the “Co-op”).

I declare that in carrying out my duties as a director of the Co-op:

1. I will act honestly, in good faith and in the best interests of the Co-op. In so doing I will use the care, diligence and skill that any reasonably prudent person would use in a similar situation.
2. I will observe and comply, in order of precedence, with:
 - a. the Cooperative Association Act and other relevant laws,
 - b. the Co-op's Memorandum of Association, Rules and Occupancy Agreement,
 - c. policies adopted and approved by the Co-op, and,
 - d. decisions taken by resolution of the board or members.
3. I will not publicly undermine the policies and positions of the board of directors.
4. I will:
 - a. put the interests of the Co-op and the board of directors ahead of my personal interests,
 - b. avoid conflicts of interest, and,
 - c. declare in writing any possible conflicts of interest that I have, or may have, in connection with any Co-op contract, business or proposed business as soon as it occurs.
5. I will comply with policies and procedures adopted by the Co-op in respect of the Personal Information Protection Act of British Columbia.
6. I will keep confidential all:
 - a. financial information and personal information about members, applicants, former members, residents and employees of the Co-op,
 - b. information about Co-op business which should be kept confidential to protect the Co-op, and,



- c. information I learn about matters specifically determined by board resolution to be matters of confidence.

Where I am uncertain in determining whether something is a matter of confidence, I will seek direction by way of a resolution of the board of directors.

I will not disclose any confidential information that I know through my position with the Co-op unless authorized by the board of the Co-op. This applies while I am a director or member of the Co-op as well as after I leave the Co-op.

- 7. I will pay all monthly housing charges and other amounts owing to the Co-op in full and on time. I will not be indebted to the Co-op for any housing charges other than the current month's housing charge. I will not be indebted to the Co-op for any other amount unless a payment plan for the amount owing has been approved by the Directors and payments are being made in accordance with that plan. I acknowledge that if I am in breach of this section, I will cease to be a Director of the Co-op pursuant to the Co-op's Rules.

Full Legal Name

Date

Signature

The agreement is to be signed annually by the Directors.



[Full name of housing co-op]

Template – Confidentiality Agreement

For staff and designated members with access permission

For management staff and any designated members with access to confidential information in the course of their duties.

I will comply with policies and procedures adopted by the co-op in respect of the Personal Information Protection Act of British Columbia.

Confidential information is:

- financial information and personal information about members, applicants, former members, residents and employees of the co-op, and,
- information about the co-op business, which should be kept private to protect the co-op.

I will not disclose any confidential information that I know through my position with the co-op unless authorized by the board of the co-op. This applies while I am a member or management staff of the co-op, as well as after I leave the co-op.

Full Legal Name

Date

Signature

Ethics, Confidentiality & Avoiding Conflict of Interest

What You'll Learn

1. Why director agreements exist and how they protect members, staff, and the co-op
2. What information is confidential—and how to handle it properly
3. How to identify, declare, and manage conflicts of interest
4. Ethical standards and legal responsibilities of directors
5. Practical application through real-world scenarios

Confidentiality: What Directors Must Protect

1. Member information: personal details, applications, arrears
2. Staff information: salaries, contracts, performance matters
3. Co-op business information: legal matters, contracts, security, confidential minutes
4. Do not share confidential information or board discussions
5. No casual sharing or gossip—even with friends or family
6. Disclosure only if authorized by the board or by-laws
7. Obligations continue during and after your term on the board

Conflict of Interest: Putting the Co-op First

A conflict exists when a decision benefits a director (or their friends or family) differently than most members.

1. Manageable: ordinary situations—declare and step back
2. Prohibited: illegal or unethical personal benefit situations

Ethical Conduct & Legal Responsibilities

- 1 Act honestly, in good faith, and in the best interests of the co-op
- 2 Prepare for and attend meetings; participate respectfully
- 3 Respect collective board decisions
- 4 Follow by-laws, agreements, legislation, and contracts

Based on best business practices and Ontario experience. This workshop does not provide legal advice.

C06 All the right moves for board directors

Quiz

1. List three types of information that are considered confidential in a housing co-op.
2. What should you do if you are unsure whether certain information should be kept confidential?
3. Define a conflict of interest in your own words.
4. Give one example of a prohibited conflict of interest and explain why it is prohibited.
5. What must a director do if they disagree with a decision made at a board meeting?
6. True or False: A director can discuss staff performance issues with other members.
7. What steps must a director take regarding confidential information when they leave the board?
8. Name one responsibility directors have under the Ontario Human Rights Code.
9. Why is it important for directors to support co-op staff and avoid undermining them?
10. What must a director do if they discover they are in arrears while serving on the board?