

## **New Society Act provisions:**

**Access to records:** Members have access to all society records, but the bylaws may restrict member access to accounting records and records of directors' proceedings [s. 24].

### **Directors**

**Consent to act as director:** The society must ensure that all directors (other than those elected or appointed at a meeting they attend) have provided written consent [s. 42(4)].

### **Disclosure of director's interest**

**56** (1) This section applies to a director of a society who has a direct or indirect material interest in

(a) a contract or transaction, or a proposed contract or transaction, of the society, or

(b) a matter that is or is to be the subject of consideration by the directors, if that interest could result in the creation of a duty or interest that materially conflicts with that director's duty or interest as a director of the society.

(2) **A director to whom this section applies must**

(a) **disclose** fully and promptly to the other directors the nature and extent of the director's interest,

(b) **abstain from voting** on a directors' resolution or consenting to a consent resolution of directors in respect of the contract, transaction or matter referred to in subsection (1),

(c) leave the directors' meeting, if any,

(i) when the contract, transaction or matter is discussed, unless asked by the other directors to be present to provide information, and

(ii) when the other directors vote on the contract, transaction or matter, and

(d) refrain from any action intended to influence the discussion or vote.

(3) **A disclosure under subsection (2) (a) must be evidenced in at least one of the following records:**

(a) **the minutes of a meeting of directors;**

(b) a consent resolution of directors;

(c) a record addressed to the directors that is delivered to the delivery address, or mailed by registered mail to the mailing address, of the registered office of the society.

(4) If all of the directors of a society have disclosed under subsection (2) (a) a direct or indirect material interest, described in subsection (1), in a contract, transaction or matter,

(a) any or all of the directors may, despite subsection (2) (b), vote on a directors' resolution or consent to a consent resolution of directors in respect of the contract, transaction or matter, and

(b) subsection (2) (c) and (d) does not apply.

(5) Despite subsection (1), this section does not apply to a director of a society in respect of a contract, transaction or matter that relates to any of the following:

(a) payment to the director by the society of remuneration for being a director or reimbursement to the director by the society of the director's expenses as described in section 46 [*remuneration and reimbursement of directors*];

(b) indemnification of or payment to the director under section 64 (1), (2) or (4) [*indemnification and payment of expenses*];

(c) the purchase or maintenance of insurance, referred to in section 66 [*insurance*], for the benefit of the director.

### **Remuneration and reimbursement of directors**

**46** (1) Unless permitted by the bylaws, a society must not pay to a director of the society remuneration for being a director.

(2) Subject to subsection (3), a society may reimburse a director for reasonable expenses necessarily incurred by the director in performing his or her duties as a director.