

SAMPLE NAME CO-OPERATIVE ASSOCIATION LIMITED
Bylaws – Approved 2 December 2019

1. Interpretations

1.01 Definitions

- a) The “Act” refers to the Saskatchewan *Cooperatives Act, 1996*.
- b) “Bylaws” refer to these bylaws created by SAMPLE NAME CO-OPERATIVE ASSOCIATION LIMITED (referred to hereafter as the Co-operative).
- c) The “Articles” refer to the articles of incorporation that were filed to create the Co-operative.
- d) The “Board” and “Directors” refer to the Board of Directors of the Co-operative.
- e) “Director” refers to a member that has been elected to the Board of Directors of the Co-operative.
- f) A “Member” refers to an individual or body corporate that has fulfilled the requirements of membership set by these bylaws and have been approved by the Board of Directors.
- g) An “Ordinary resolution” refers to a resolution that requires a majority of votes to be accepted.
- h) “Patronage returns” refers to profits that are shared with members in proportion to business done with the Co-operative.
- i) A “Special resolution” refers to a resolution that requires at least a two-thirds majority of the votes cast to be accepted.
- j) The “Regulations” refer to the Saskatchewan Cooperatives Regulations.

1.02 Conflicts with the Act and Regulations

- a) These bylaws are subordinate to the Act and Regulations, and shall not be interpreted as permitting any action that is prohibited by the Act or Regulations. Where the Bylaws are more restrictive than the Act or Regulations, the Bylaws shall bind the Co-op.
- b) Any provisions not included in these Bylaws shall be regulated by the provisions in the Act and the Regulations.

2. Administration and Dissolution

2.01 Fiscal Year

- a) The fiscal year of the Co-operative shall begin on the first day of April and end on the thirty-first day of March each year.

2.02 Registered Office

- a) The registered office of the Co-operative shall be within the trading area of the Co-operative in the province of Saskatchewan as decided by the Board.

2.03 Dissolution

- a) Any member at an annual or special meeting by special resolution may propose to dissolve the Co-operative.
- b) The resolution must be accompanied by a statement of dissolution that requests the conversion of assets into cash and donation of funds unclaimed by creditors or members to a non-profit or charitable organization.
- c) Upon dissolution, the distribution of assets shall follow the Statement of dissolution.

3. Membership

3.01 Qualifications of Membership

- a) Membership in the Co-operative is open to any persons that:
 - i. Can use the services of the Co-operative
 - ii. Can meet the responsibilities of a member in the Co-operative
 - iii. Is 16 years or older
- b) No member shall become a member of the Co-operative until that person has:
 - i. Has submitted a written application for membership to the Board along with payment for 1 common shares. The format of this application shall be approved by the Board from time to time.
 - ii. The Board, by ordinary resolution, accept the application to become a member.
 - iii. The acceptance of the member has been recorded in the minutes for that Board meeting.

3.02 Joint Membership

- a) Two or more individuals may purchase a membership in the Co-operative pursuant to section 3.01.
- b) Each party to the joint membership is entitled to vote and exercise full rights and responsibilities of membership.
- c) Only one party to a joint membership may serve as a director at any one time unless one of the parties also holds a separate, individual membership in the Co-operative.
- d) The parties to a joint membership are jointly and severally liable for all assessments, fees, and other charges imposed or payable with respect to membership.
- e) In the event one of the parties to a joint membership dies or moves out of the trading area the, the remaining party may hold the membership as an individual.
- f) An application to withdraw a joint membership from the Co-operative must be signed by all parties to the joint membership.

3.03 Withdrawal of Membership

- a) A member may apply to withdraw his/her shares from the Co-operative by submitting 3 months' written notice of intention to withdraw to the secretary of the Board.
- b) Written notice to the Board with proof satisfactory to the Board that a member has filed for bankruptcy, died or moved out of the trading area shall have the same effect as withdrawal of shares.

3.04 Termination of Membership

- a) A membership ceases when:
 - i. The Board approves a withdrawal, pursuant to section 3.03; or
 - ii. The Board, by special resolution, may terminate a member, which, if appealed, may be upheld once all appeal processes are exhausted.
- b) The Board, by special resolution, at a Board meeting may terminate a member. Within 10 days the secretary must deliver the termination order to the affected member at his/her last known address.
- c) A person affected by a termination order may appeal the Board's decision at the next annual meeting of the Co-operative by providing the secretary written notice of his/her intention to appeal the decision within 30 days of receiving the termination order. The appeal must be allocated time on the agenda of the annual meeting.
- d) Only a majority vote by the members present for the meeting will rescind the termination order.
- e) The terminated member, may appeal to the registrar, following procedure set out in the Act, if all other appeal processes set out in section 10.c have been exhausted.

3.05 Redemption of Shares

- a) Within 1 year of the approval of a withdrawal or termination of a membership by the Board, the Co-operative shall purchase all of the member's shares at their par value.
- b) If the payment of amounts owed to a member would, in the opinion of the Board, impair the financial state of the Co-operative or act against the interests of remaining members, the Board may prioritize payment to terminated members, then members that have died or moved out of the trading area, then all other withdrawals.
- c) Upon request from the members, the Board may authorize the redemption of a member's shares in the Co-operative when he/she turns 65.

4. Members' Meetings

4.01 Place and Time of Members' Meetings

- a) Annual meetings shall be held within the trading area of the Co-operative and determined annually by the Board.
- b) The notice of a members meeting shall contain the time, date, and location of a meeting.

- c) The Co-operative may host a members' meeting using electronic means if consented to by all participating members of the Co-operative.
- d) The Co-operative shall host an annual meeting once per year.

4.02 Quorum

- a) Quorum at annual or special meetings shall be the lesser of 10% of the members or 25 members.
- b) Where a quorum is not present for a meeting, those in attendance may adjourn the meeting or hold discussion, but cannot transact any business of the Co-operative.

4.03 Notice of Meetings

- a) The Co-operative shall not give less than 21 and not more than 50 days' notice.
- b) Notice shall be posted in the Co-operative's locations and otherwise circulated as determined by the Board.
- c) Notice of the meeting will specify the purpose for the meeting. In the event a document or statement is required to carry on the business of the Co-operative at the annual meeting, a description of the document or statement must accompany notice of the meeting. The Co-operative must make this document or statement available to those that inquire as such.

4.04 Special Business

- a) Any special business to be discussed at a members' meeting must be included in the notice of the meeting issued to members.
- b) The Board may call a special meeting at any time if notice is provided to members and the special business to be discussed is included in the notice.
- c) The greater of 5% or 10 members may submit a request to the Board to call a special meeting. The purpose of the special meeting must be included in the request to the Board.

4.05 Voting

- a) Each member is entitled to one vote for any decision at a special or annual meeting.
- b) Voting will be by show of hand unless a secret ballot is requested by no fewer than 3 members.
- c) Voting by proxy or mail shall be prohibited
- d) In the event of a tie, the chair may cast a deciding vote, but cannot vote again if a vote was already cast.
- e) In the event of a tie where the chair cannot cast a deciding vote the motion/resolution is defeated.

4.06 Amending Bylaws

- a) At any annual or special meeting the members may enact, amend, repeal, or replace bylaws by special resolution.
- b) In the event a two thirds majority is not achieved the resolution is defeated.

5. Directors

5.01 Duties of Directors

- a) The Board shall direct the management and affairs of the Co-operative.
- b) The Board shall exercise the borrowing powers of the Co-operative outlined in the Act.

5.02 Qualifications of Directors

- a) A member seeking the office of director must meet the following qualifications:
 - i. Must be an individual
 - ii. Must be 18 years or older
 - iii. Must be of sound mind
 - iv. Must not have the status of bankrupt
 - v. Must be a member of the Co-operative
 - vi. Must live within the trading area of the Co-operative
- b) As many as 2 employees of the Co-operative may serve as Directors at the same time.
- c) Directors shall serve a term in office of two years.

5.03 Directors' Meetings

- a) Directors are entitled to meet as often as necessary.
- b) Meetings may be called by the president or by two Directors at any time provided one weeks' notice is given.
- c) Unless otherwise provided in these bylaws or the Act, decisions made at Board meetings require an ordinary resolution.
- d) Board meetings may utilize a telephone system or other means of communications for the purposes of coordinating a meeting with all Directors if all Directors consent.

5.04 Officers

- a) At the first meeting of the Board, the Directors shall vote on office holders from among the Directors. These offices must include:
 - i. A president
 - ii. A vice-president
 - iii. A secretary-treasurer
 - iv. Other offices as deemed necessary by the Board to carry out the business of the Co-operative.
- b) Directors shall not hold more than 1 office.

- c) The office of secretary-treasurer may be held by a staff member or contracted service-provider.
- d) It shall be the responsibility of the Board to articulate and approve the duties of each office in accordance with the Act and generally accepted duties of such offices.

5.05 Termination of a Director

- a) A director will cease to hold office if he/she:
 - i. Dies or resigns;
 - ii. Is removed from office by the members;
 - iii. Becomes ineligible to hold the office of director under the conditions set out in 5.02.
- b) A director may be removed from office by the members by special resolution at a special or annual meeting.
- c) A vacancy on the Board created by a situation outlined in subsection b) may be filled at the same meeting or by the Board by ordinary resolution at a Board meeting.

5.06 Remuneration

- a) The Co-operative shall pay its Directors \$150 per Board meeting.
- b) The Co-operative shall reimburse Directors for any reasonable out-of-pocket expenses necessary to carry out the business of the Co-operative.
- c) The Co-operative shall reimburse Directors for the reasonable use of their personal vehicle for purposes necessary to carry out the business of the Co-operative using the rate set by the Government of Saskatchewan.
- d) The Board shall create and maintain a policy concerned with expense claims for Directors and staff.

5.07 Committees

- a) The Board may, by ordinary resolution, from among the members or Directors, appoint a committee that is deemed necessary to carry out the business of the Co-operative.
- b) The Board shall appoint, from among the Directors, the chair of each committee.
- c) The committee, from among their number, shall appoint a recording secretary.
- d) The terms of reference governing the authority assigned to the committee shall be created by the Board.

5.08 Nominations

- a) At least 70 days before an annual meeting, the Board will appoint a nominating committee to obtain nominations from the members for candidates to serve on the Board.

- b) A member may be nominated as a candidate for the Board of Directors by submitting a completed Board-approved nomination application to the nominating committee with the signatures of two members identified as nominators.
- c) At least 10 days before the annual meeting no more nominations will be accepted and the list of candidates shall be made public to the members.

5.09 Elections

- e) When the number of nominees exceeds that maximum number of allowed Directors, the election of Directors will be determined by secret ballot.
- f) Each voting member shall cast a ballot voting for the maximum number of eligible Board positions.
- g) Any ballots containing fewer votes than the maximum number of Board positions is valid.
- h) Any ballots that contain a vote for a candidate that is not a nominee or contains more votes than the maximum number of eligible Board positions are invalid.
- i) At the first annual meeting of the Co-operative, the half of the Directors elected with the most votes shall serve a two year term and the half of the Directors elected with the fewest votes shall serve a one year term. At all subsequent annual meetings, Directors shall be elected to a two year term.

6. Finances

6.01 Allocation of Surplus

- a) It shall be the responsibility of the Board to allocate any surplus revenue in each fiscal year
- b) The Directors shall set aside no less than 30% of any surplus revenue before allocating patronage dividends.
- c) The Board, by ordinary resolution, may allocate surplus revenue to matters that further the mandate and general well-being of the Co-operative.
- d) The Board may allocate patronage dividends to the members of the Co-operative from any unallocated surplus from the previous fiscal year, or any previous fiscal years.
- e) Patronage dividends shall be issued to members in proportion to the business done with the Co-operative in the previous fiscal year according to the Act at rates determined, by ordinary resolution, by the Board.
- f) The Co-operative will not issue patronage dividends or common share redemption for amounts less than \$10.00.

6.02 Auditor

- a) The members, by ordinary resolution, at each annual meeting shall appoint an auditor to hold that office until the close of the following year's annual meeting.

- b) In the event an auditor cannot be appointed at an annual meeting the incumbent auditor shall continue to hold that officer until a successor is appointed.

7 Execution of Documents

7.01 Corporate Seal

- a) The Board shall approve the design of a corporate seal.
- b) The corporate seal shall be stored at the registered office of the Co-operative.
- c) The seal must accompany the signature of at least two individuals with signing authority of the Co-operative.

7.02 Signing Authority

- a) The Board shall determine the individuals designated with signing authority. This shall include the officers of the Co-operative and management.
- b) The signatures of two officers shall have the same effect as the corporate seal.