

# WASCANA SOLAR CO-OPERATIVE LTD.

## BY-LAWS

I, LEANNE JOHNER-GOODING of Regina in the Province of Saskatchewan, President of Wascana Solar Co-operative Ltd. and, STEPHEN TROTT of Regina in the Province of Saskatchewan, Secretary of Wascana Solar Co-operative Ltd., certify that these are the by-laws of the Co-operative as approved by the members on May 11, 2023.

  
LEANNE JOHNER-GOODING

Date: May 16, 2023

  
STEPHEN TROTT

Date: May 15, 2023

## SECTION 1 - DEFINITIONS

### Definitions

1.01 The following definitions apply in these by-laws:

"**Act**" means The Co-operatives Act, 1996.

"**articles**" are the articles of the Co-operative and has the same meaning as in the Act;

"**board**" means the board of directors of the Co-operative;

"**by-laws**" means the by-laws of the Co-operative and all amendments in force and effect;

"**Co-operative**" means Wascana Solar Co-operative Ltd.;

"**entity**" means a body corporate, a trust, a partnership, a fund or an unincorporated organization;

"**meeting of members**" means an annual meeting of members or a special meeting of members;

"**member**" means a person with a membership interest in the Co-operative who has complied with by-law 6.01 and the articles;

"**ordinary resolution**" has the same meaning as in the Act, but for clarity means a majority vote of persons present at a meeting who are entitled to vote;

"**patronage dividend**" means an amount that is allocated by the Co-operative to its members based on the business done with the Co-operative;

"**patronage loan**" means a patronage return given in the form of a loan by a member to the Co-operative;

"**person**" means an individual or an entity, and includes a legal representative;

"**recorded address**" means, in the case of a member, the address (postal or electronic) of the member as recorded in the members' register; and in the case of a director, officer, auditor or member of a committee of the board, the latest address (postal or electronic) of such persons as recorded in the records of the Co-operative;

"**special resolution**" has the same meaning as in the Act, but for clarity means at least a 2/3rds vote of persons present at a meeting who are entitled to vote;

"**surplus**" means, for any financial year of the Co-operative, the amount that remains after deducting from revenue all operating expenses, allocations to the general reserve, and allocations to Class A and Class B and Class C Shares.

## SECTION 2 - GENERAL

### GENERAL

### Financial Year

**2.01** The Co-operative's financial year end is December 31.

#### **Signing Authorities and Policies of the Board**

**2.02** The president, vice-president, secretary and treasurer of the Co-operative have signing authority. The board may by ordinary resolution designate another person(s) as having signing authority or the right to vote on behalf of the Cooperative. The board must record any resolution under this section in the board's minutes. The board may adopt policies related to purchasing, borrowing, confidentiality, and execution of instruments that must be complied with at all times.

#### **Corporate Records**

**2.03** Subject to section 27(1) of the Act: (1) The Co-operative shall prepare and maintain at its registered office or at a place in Saskatchewan designated by the directors other than its registered office, records containing: (a) its articles and bylaws and all amendments to its articles and bylaws; (b) minutes of member meetings and resolutions of members; (c) copies of all notices of directors and notices of change of directors; (d) a register of its directors setting out the names, addresses and occupations of all persons who are or have been directors of the co-operative with the days on which each person became or ceased to be a director; (e) a register of members and shareholders setting out their names arranged in alphabetical or numeric order, their latest address known to the co-operative and the number of shares held by each member or shareholder; (f) a copy of every certificate issued to it by the registrar; and (g) a copy of every order of the registrar relating to the co-operative. (2) In addition to the records described in subsection (1), the Co-operative shall prepare and maintain adequate accounting records and records containing minutes of meetings and resolutions of the directors and any committee of directors.

#### **Information Available to Members**

**2.04** Subject to section 28 of the Act:

(a) Members are entitled to view or copy information or documents respecting the Co-operative's business unless, in the opinion of the board, such information should be kept confidential.

(b) The board may decide whether it will disclose or make available to inspection an account, record or document of the Co-operative. The board may decide the extent of the disclosure and the time, place, conditions or rules of disclosure.

#### **Amendments to By-laws**

**2.05** Subject to sections 112, 113 and 114 of the Act: (1) The members of a co-operative, at any annual meeting or any special meeting called for the purpose, may enact, amend, repeal, replace or confirm a bylaw: (a) by a majority of the votes cast at the meeting, where written notice is forwarded to members in advance; and (b) by a two-thirds majority of the votes cast at the meeting where written notice was not provided in advance. (2) Directors cannot change bylaws. The directors of the Co-operative do not have the power to enact, amend, repeal, replace or confirm any bylaws. (3) Effective day of bylaw No bylaw is in force until two copies of the bylaw, certified to be true copies by the president and secretary of the co-operative, are filed with, and approved by, the registrar

### **SECTION 3 - DIRECTORS**

### **Number of Directors**

**3.01** After the first annual meeting of members, the board may, by ordinary resolution, establish the number of directors within the minimum and maximum stated in the articles. The resolution must be recorded in the board's minutes. Once the number of directors is set, the number must not be reduced to meet quorum. The Co-operative shall have a minimum of five and a maximum of 11 directors.

### **Quorum**

**3.02** The quorum for the transaction of business at any meeting of the board is a majority of the number of directors.

### **Director Qualifications**

**3.03** A person cannot be a director if that person:

- (a) is less than 18 years of age;
- (b) is of unsound mind and has been so found by a court of law;
- (c) is not an individual;
- (d) has not stated whether they have ever pled, or been found guilty of a criminal offense; or
- (e) has been the subject of an order, or the subject of bankruptcy or insolvency proceedings.

### **Directors Must be Members**

**3.04** A director must be a member of the Co-operative or a representative of an entity that is a member of the Co-operative. Only directors who hold at least one Class B Preferred Share will be allowed to vote on matters pertaining to the Class B Solar Investment Project. Only directors who hold at least one Class C Preferred Share will be allowed to vote on matters pertaining to the Class C Solar Investment Opportunity program. The board is required to maintain a minimum of at least 3 board members who hold Class B Preferred Shares and a minimum of at least 3 board members who hold Class C Preferred Shares. Where a Class B or Class C Preferred Share is not available, a member elected to a director position may be placed on a waiting list and given preferred status to purchase at least one share when they become available. A board member may own both Class B and Class C shares, and can represent either or both.

### **Election and Term**

#### **3.05 Directors are elected by members**

(a) Directors are to be elected by secret ballot at the first meeting of members and at each subsequent annual meeting of members except where special provisions have been made for an entity to appoint representatives to the Board of Directors. The candidates for director who receive the highest number of votes cast are declared elected until all vacancies are filled.

#### **First and subsequent meeting of members**

(b) The members must elect a minimum of five (5) directors at the first meeting of members. The two (2) candidates who receive the most votes are elected to three-year terms. The two (2)

candidates who receive the next highest number of votes are elected to two-year terms. The rest of the candidates are elected to one-year terms. At each subsequent annual meeting, directors elected to replace those whose term of office has expired shall hold office for three years.

### **Nominating Candidates for Director**

**3.06** Candidates for director may be nominated either by a nominating committee appointed by the board, if any, before the meeting of members, or at the time of the meeting of members by any member present. Members may declare their own candidacy.

### **Tie Votes**

**3.07** In the case of a tie among candidates on the first ballot, those candidates' names must be submitted to a second ballot organized by the chairperson of the meeting. The same rule applies to subsequent ballots that must be held in the event of a tie.

### **Ceasing to Hold Office**

**3.08** A director ceases to hold office when the director:

- (a) dies or resigns;
- (b) ceases to be a member by withdrawal or termination of membership;
- (c) is removed from office by the members at a special meeting under by-law 3.09;
- (d) per by-law 3.03, is disqualified from being a director; or
- (e) is absent from three (3) consecutive regular meetings of the board, unless in the opinion of the other directors one or more of the absences were justified.

### **Removal of Directors by Members**

**3.09** Subject to the Act, the members may, by ordinary resolution at a special meeting, remove any director from office. The vacancy created by such removal may be filled by ordinary resolution of the members present at the same special meeting or, if not so filled, may be filled by the directors in accordance with the Act.

### **Vacancies**

**3.10** *Vacancy where the board can meet quorum*

(a) If the board can meet quorum and a vacancy on the board arises, the directors may either fill the vacancy by ordinary resolution or continue to run the board without filling the vacancy. This subsection does not apply if the vacancy resulted from either the board's decision to increase the number of directors under by-law 3.01 or from a failure of the members to elect the required number of directors.

*Vacancy where board **cannot** meet quorum*

(b) If the board cannot meet quorum, or if the vacancy resulted from a failure of the members to elect the required number of directors, the board must call a special meeting of members to fill the vacancy. If the board fails to call the special meeting or if there are no directors, any member may call the special meeting.

Limited term of the replacement director

(c) A person who fills a vacancy will serve until the next annual meeting.

**Exercise of Authority**

**3.11 Resolutions**

(a) The board or a committee of the board may exercise the powers of the Co-operative, including the borrowing of money, and the provision of security for such borrowing, by passing ordinary resolutions (majority vote) at their meetings. In the event of a tie, the ordinary resolution fails.

Vacancies

(b) In the case of a vacancy, the remaining directors of the board or committee of the board may exercise the powers of the Co-operative so long as there is a quorum at their meetings.

**Resolutions in Writing**

**3.12** An ordinary or special resolution of the board must be in writing and the decision must be recorded in the minutes of the Co-operative.

**Meetings by Telephone or Other Electronic Means**

**3.13** Directors may participate in committee or board meetings by telephone, electronic or other means. All participants, however, must be able to communicate adequately with each other. Directors participating in such meetings are deemed to be present at the meetings.

**Time and Place of Meetings**

**3.14** Board meetings must be held in Saskatchewan at a time and place of the board's choosing.

**Notice of Meeting**

**3.15** Notice of the time, place and purpose of each board meeting must be given to each director not less than three (3) days before the meeting. A director may waive the three-day notice period.

**Regular Meeting**

**3.16** The board may set a day, time and place for regular meetings of the board. A notice to that effect must be given to each director. Subject to the Act, no other notice is required.

**Chairperson**

**3.17** The chairperson of any meeting of the board is the president or vice-president. Another director may be appointed chairperson by the directors at the meeting.

**Conflict of Interest & Remuneration**

**3.18** A director or officer who has a conflict of interest must declare their conflict of interest in accordance with that section. The following rules apply:

(a) All officers, directors or committee members must carry out their duties honestly, in good faith and in the best interests of the Co-operative rather than in their own best interest.

(b) Directors and officers may not be compensated for board activities. Directors and officers may be employees or contractors for the Wascana Solar Co-op and may be compensated for those activities.

(c) If there is a conflict of interest, the director cannot vote on the matter and may be asked to recuse themselves from the discussion on that matter.

(d) Directors and Officers may be paid for travel or other expenses while doing business for the Co-operative. The board must authorize these expenses. Directors and officers cannot receive compensation for lost income while doing business for the Co-operative.

## **SECTION 4 - COMMITTEE AND OFFICERS**

### **Committees of Directors**

**4.01** The board may appoint committees of directors (minimum of three (3) directors per committee) whose members hold office at the will of the board. The board must determine the functions and duties of each committee. However, the committee may set out its own procedure in accordance with the Act.

### **Officers**

**4.02** The officers of the Co-operative include the president, vice-president, secretary, treasurer and any other officers as determined by the board. The board may specify the duties, powers, term, and remuneration of the officers to manage the business and affairs of the Co-operative.

## **SECTION 5 - DUTY OF CARE AND INDEMNITY OF DIRECTORS AND OFFICERS**

### **Duty of Care of Directors and Officers**

**5.01** Directors and officers of the Co-operative must:

(a) act honestly and in good faith with a view to the best interests of the Co-operative;

(b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances; and

(c) not disclose confidential information about the affairs of the Co-operative, its members or employees.

### **Indemnity**

**5.02** Subject to the Act, the Co-operative must indemnify directors and officers, former directors and officers, and persons who undertake or have undertaken any liability on behalf of the Co-operative, and their heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgement, reasonably incurred by them in any proceeding to which they are made a party by reason of being or having been directors or officers of the Co-operative, if:

- (a) they acted honestly and in good faith with a view to the best interests of the Co-operative; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, they had reasonable grounds for believing that their conduct was lawful.

### **Dissent**

**5.03** Directors are deemed to have consented to any resolution passed or action taken at a meeting of the board or a committee of the board unless they record their dissent.

## **SECTION 6 - MEMBERSHIP SHARES, MEMBERSHIPS AND TRANSFERS**

### **Membership Qualifications**

**6.01** (i) No person can become a member of the Co-operative unless that person:

- (a) if an individual, is at least 18 years of age;
- (b) has submitted a written application for membership that has been approved by the board or a person authorized by the board to approve membership applications; and
- (c) has purchased and paid for one Class A Common Share. The par value and issue price for each Class A Common Share shall be fixed at \$100.

(ii) No corporation can become a member of the Co-operative without the approval of the Directors of the Co-operative.

(iii) A member may hold more than one (1) Class B Preferred Share or Class C Preferred Share but no member may hold more than one (1) Class A Common Share of the Co-operative.

### **Joint Membership**

**6.02** Two or more persons may apply to the board of directors for joint membership in the co-operative. Parties to the joint membership shall have one vote and shall determine which party to the membership shall cast that vote. Only one party to the joint membership may hold office as a director at any one time. Each party to a joint membership shall have the right of joint survivorship.

### **Class A Common (Membership) Share Certificate**

**6.03** The Co-operative is not required to issue formal certificates for Class A Common Shares (also referred to herein as "membership shares"). The Co-operative must, if requested by a member, provide a receipt for the purchase of membership shares.

### **Transfer of Shares or Memberships**

**6.04** transfer of a membership, membership share, or Class B Preferred Share, or a Class C Preferred Share is invalid unless it is completed in accordance with the Articles and bylaws.

### **Lien for Indebtedness**

**6.05** If a member owes a debt to the Co-operative, the Co-operative has and may enforce a lien on:

- (a) the member's shares in the Co-operative;



(b) any interest of the member in the property of the Co-operative; and

(c) any sum payable by the Co-operative to the member.

#### **Withdrawal of Membership and Share Disposal**

**6.06** A member may withdraw their membership in the Co-operative by giving the Co-operative thirty (30) days notice of their intention to withdraw. The board or a person authorized by the board may, in writing, accept the member's withdrawal on shorter notice. A member may dispose of their share(s) by donating those share(s) to any person or approved corporation as per 6.01 Membership Qualification, but shall not be permitted to sell their share(s) to any other person, and shall not dispose of the same by any other means unless such disposition is approved by the directors. At the discretion of the Board, the Co-operative may buy a share, including purchasing a member's share upon withdrawal, at any time.

#### **Automatic Withdrawal – Death or Dissolution**

**6.07** An individual's membership in the Co-operative is deemed to be withdrawn on their date of death. By ordinary resolution, the board may deem a body corporate's membership in the Co-operative to be withdrawn if that body corporate has commenced dissolution proceedings or is dissolved by its corporate regulator.

#### **Conditions upon which a co-operative shall purchase a member's shares or repay a member's loans upon withdrawal**

**6.08** The Co-operative shall pay all amounts held to the credit of a member within the time period of one (1) year of the Board's acceptance of the member's application to withdraw or upon written notice of death or dissolution.

#### **Termination of Membership for Cause**

**6.09** The board may by special resolution at a meeting of the board terminate the membership of a member for cause.

#### **Meaning of "for Cause"**

**6.10** For the purpose of by-law 6.09, "for cause" means:

(a) the failure of the member to meet any contractual or debt obligation owing to the Co-operative;  
or

(b) the conduct of the member that is detrimental to the welfare of the Co-operative.

#### **Notice of the Board Meeting to Terminate**

**6.11** The member must be given at least seven (7) days' written notice of the board meeting under by-law 6.09 and the notice must include a statement of the grounds for termination. Notice must be given in a manner that enables the Cooperative to prove delivery. The member is entitled to appear at the board meeting and must be given an opportunity to be heard, including through an agent or counsel.

### **Notice of Termination Following Decision of the Board**

**6.12** In accordance with section 121 of the Act, the directors may, by at least a two-thirds vote of the directors present at a meeting called for the purpose, order the termination of a member from the co-operative. The Co-operative must give written notice to the person whose membership is terminated within seven (7) days of the board resolution. Notice must be given in a manner that enables the Co-operative to prove delivery.

### **Right of Appeal**

**6.13** Within thirty (30) days of receiving the notice of termination under by-law 6.12, the person whose membership was terminated may file a written notice of appeal with the Co-operative. The appeal must be heard at the next meeting of members. Where the member makes the appeal, a two-thirds majority shall be required to rescind the order.

### **Conditions upon which a co-operative shall purchase a member's shares or repay a member's loans upon termination**

**6.14** Where a co-operative terminates the membership of a member under bylaw 6.12, pursuant to this section:

(a) the co-operative shall: (i) within a period of one year, purchase from the member at par value all shares in the capital stock of the co-operative held by the member; and (ii) pay to the member all amounts held to the member's credit, together with any interest accrued on those amounts and the amount outstanding on loans made to the co-operative by the member with any interest accrued on those amounts;

(b) the secretary of the co-operative shall, within 10 days after the day on which the order is made, notify the member of the order.

## **SECTION 7 - ALLOCATION OF GENERAL RESERVE, SHAREHOLDER REVENUE, AND SURPLUS**

### **Minimum Reserve**

**7.01** The general reserve of the Co-operative must accumulate to a minimum of 1% of the total assets of the Co-operative as reported in the year-end financial statements. No allocation of revenue or patronage dividend under section 7.02 or 7.03 of these Bylaws, is payable to members if the general reserve is or would, as a result of a payment, fall below the minimum percentage of assets.

### **Allocation of Surplus**

**7.02** As soon as practicable following each fiscal year-end of the Co-operative the directors shall, in accordance with sound business judgment and generally accepted Canadian accounting principles consistently applied from year to year, determine:

a) the profit earned by the Co-operative in that fiscal year;

b) the amount, if any, to be allocated from such profit to the general reserve in addition to any amount required to be so allocated under section 7.01; and

c) the amounts, if any, to be allocated from such profits to payment of a patronage dividend under section 7.03 of these Bylaws.

#### **Distribution of Patronage Dividends**

**7.03** The directors shall distribute to the holders of Class B and Class C Preferred Shares as a patronage dividend any surplus remaining after provision for the allocations referred to in subsections 7.02(b) and (c) of these Bylaws. For the purpose of determining the manner of distribution of patronage dividends under this section 7.03, the directors acknowledge that at any particular time the holder of each Class B or Class C Preferred Share owns and makes available to the Co-operative in respect of each such Share that fraction of the productive capacity of all solar power generating facilities operated from time to time by the Co-operative which that Share bears to all of the Class B or Class C Preferred Shares issued and outstanding at that time. Accordingly, where any sum is made available by the directors for the payment of a patronage dividend under the provisions of section 7.02, the directors shall allocate such patronage dividend among the Class B and/or Class C Preferred Shareholders in proportion to the number of Class B and/or Class C Preferred Shares owned by each of them, such allocation reflecting the proportion in which each such Shareholder does business with the Co-operative within the meaning and purpose of Subsection 35(4) of the Act, or any successor provisions. For the purpose of making the foregoing calculation the directors may consider any Class B or Class C Preferred Share issued between the date the patronage dividend is declared and the date the preceding patronage dividend was declared to count for only that fraction of a whole Share that corresponds to the portion of the intervening period after the Share was issued.

### **SECTION 8 – MEETINGS OF MEMBERS**

#### **Annual Meetings**

**8.01** The directors of the Co-operative must hold an annual meeting of members not later than six months after the end of each financial year of the Cooperative. The annual meeting is held for the purpose of considering the directors' annual report, the financial statements, the appointment of auditors, the election of directors, and other business as permitted by the Act.

#### **Special Meetings**

**8.02** A special meeting may be called by the board at any time, or by 10% of the members who sign and send a written requisition to the board.

#### **Meetings of Members**

**8.03** Meetings of members are held in Saskatchewan at a place determined by the Board.

#### **Place of Meetings Electronic Meeting**

**8.04** Where the Co-operative has adequate facilities and at the discretion of the Board, members may participate in meetings of members by telephone or electronic means. All participants, however, must be able to communicate adequately with each other. Members participating in such meetings are deemed to be present, including for the purpose of quorum.

#### **Notice of Meetings**

**8.05** Notice in writing of the time, place, and purpose of each meeting of members must be given to the members between ten (10) and fifty (50) days in advance of the meeting.

**Chairperson (and Secretary)**

**8.06** The chairperson of the meeting of members is the president or, in the president's absence, the vice-president. By ordinary resolution, another person may be appointed chairperson. Where the secretary is not present, the chairperson may appoint another person to be secretary for the meeting.

**Persons Entitled to be Present**

**8.07** Only members and the Co-operative's auditors are entitled to be present at a meeting of members. The chairperson may invite other attendees.

**Quorum**

**8.08** Quorum at a meeting of members is the Quorum lesser of either the majority of members or the number of directors plus five (5).

**Voting at the Meeting**

**8.09** A person that is on the members' register at the time notice of a meeting is sent is entitled to vote. Voting is governed by these rules:

- (a) votes are counted on a one-member, one-vote basis;
- (b) votes, other than on special resolutions, are passed by a majority of members present who are entitled to vote;
- (c) an ordinary resolution or motion fails in case of a tie vote;
- (d) votes are decided by show of hands and the results, other than votes taken by secret ballot, are reported in minutes of the meeting; and
- (e) a member entitled to vote at the meeting may demand a ballot vote before or after a vote takes place.

**Voting by Mail-In or Electronic Ballot**

**8.10** Where the Co-operative has adequate facilities and at the discretion of the Board, voting (including the election of directors) may take place in advance of the members meeting by mail-in or electronic ballot. A person that is on the members' register at the time notice of a meeting is sent is entitled to vote by mail-in or electronic ballot. Voting is governed by these rules:

- (a) votes are counted on a one-member, one-vote basis;
- (b) votes, other than on special resolutions, are passed by a majority of members who are entitled to vote and have actually voted within the time period set by the board;
- (c) an ordinary resolution fails in case of a tie vote; and

(d) votes are counted on the day of the members' meeting and the results are reported at that meeting.

## **SECTION 9 – NOTICES IN WRITING**

### **Method of Giving Notices in Writing**

**9.01** Where written notices are required to be given to members, officers, directors or committee members, those notices must be sent to the person's recorded address. Additional notices can be sent or published using any type of media as determined by the board. Notice can be waived by the recipient in accordance with the Act.

### **Undelivered Notices**

**9.02** If a notice in writing to a member is returned undelivered on three (3) consecutive occasions, the Co-operative does not need to give further notice until the member provides a new recorded address.

## **SECTION 10 – DISSOLUTION**

### **Distribution of the Assets upon Dissolution**

**10.1** Upon the dissolution of the Co-operative, assets shall be converted to cash and any surplus will be allocated, first to repay any debts of the Co-operative, second to the redemption or repurchase of any Class B and Class C Preferred Shares of the Cooperative held by members in accordance with the provisions for redemption or repurchase stated therein, and third to repurchase at par any Class A Common Shares held by members. Unallocated surplus shall be donated to a non-profit organization according to the Special Resolution to Dissolve the Co-operative.