



SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

General Bylaw

The Co-Operatives Act, 1996

Updated: ~~January~~ August 2023

Approved by the Members: [Date]

Approved by the Registrar: [Date]

A bylaw relating generally to the transaction of the business and affairs of the SK Livestock Finance Co-Operative Ltd.

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BE IT ENACTED as a bylaw of the Co-operative as follows:

Article I. Interpretation

1.01 Definitions - In the bylaws of the Co-operative, unless the context otherwise requires:

"Act" means *The Co-operatives Act, 1996* (Saskatchewan) and any statute that may be substituted therefor, as from time to time amended;

"Articles" means the original Articles of Incorporation, as well as any Articles of Amendment, Articles of Amalgamation, Articles of Continuance, Articles of Reorganization, Articles of Dissolution and Articles of Revival, as may be is effective from time to time, and Articles has the meaning given that term in the Act;

"Board" and "board" means the board of directors of the Co-operative;

"Bylaws" means this bylaw and all other bylaws of the Co-operative from time to time in force and effect;

"Co-operative" means SK Livestock Finance Co-Operative Ltd.;

"Directors" means the Members of the Board of Directors of the Co-operative;

"Meeting of Members" means the annual meeting of Members and a special meeting of Members;

“Member” means a member of the Co-operative;

1.02 *Interpretation* - Except as may be otherwise specifically provided or unless context otherwise requires, in these bylaws:

- (a) the terms “hereto,” “hereof,” “herein,” “hereby,” “hereunder” and similar expressions refer these bylaws in its entirety and not to any particular provision hereof;
- (b) references to an “Article” or “Section” followed by a number or letter refer to the specified Article or Section to these bylaws;
- (c) the division of these bylaws into articles, sections and schedules and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of these bylaws;
- (d) words importing the singular number only shall include the plural and vice versa, words importing the use of any gender shall include all genders and the neuter;
- (e) the words “include,” “includes” and “including” shall be deemed to be followed by the words “without limitation”;
- (f) the words “in writing” include readable electronic communications;
- (g) the word “or” is not exclusive; and
- (h) any reference to these bylaws, means these bylaws as amended, modified, replaced or supplemented from time to time.

1.03 *Terms Defined in the Act* - Except as may be otherwise specifically provided or unless context otherwise requires, the meanings given to the words in section 2 of the Act have the same meanings when used in these bylaws.

1.04 *Rules of Order* - When a matter arises relating to proceedings not covered by a provision of these bylaws, the matter shall be decided by reference to the most current edition of Robert’s Rules of Order. In the event of a conflict between these bylaws and Robert’s Rules of Order, these bylaws shall apply.

1.05 *Interpretation Act* - Where applicable and appropriate, these bylaws shall be interpreted with reference to *The Interpretation Act, 1995* (Saskatchewan).

1.06 *Conflicts with Act* – If these Bylaws, or any bylaws of the Corporative, conflict with the Act, the Act shall apply.

Article II. Business of the Co-operative

2.01 *Registered Office* - Until changed in accordance with the Act, the registered office of the Co-operative shall be in the Province of Saskatchewan, and at such other location as the Board may from time to time determine.

- 2.02 *Corporate Seal* – The Board shall adopt a corporate seal at the first meeting of the directors. The Board may at any time change the corporate seal adopted at the first meeting of the directors.
- 2.03 *Financial Year* - Until changed by the Board, the financial year of the Co-operative shall end on the last day of August in each year.
- 2.04 *Execution of Instruments* - Subject to any resolution of the Board to the contrary, deeds, transfers, assignments, contracts, obligations, certificates and other instruments may be signed on behalf of the Co-operative by any of the persons holding the offices of President, Secretary or such other person or persons as the Board may direct by resolution. In addition, the Board may from time to time appoint the person or persons by whom any particular instrument or class of instruments may or shall be signed. Any signing officer, as designated in this paragraph, may affix the corporate seal to any instrument requiring the same.
- 2.05 *Banking or other Financial Arrangements* - The banking or other financial business of the Co-operative shall be transacted with such banks, credit unions, trust companies or other bodies corporate or organizations as may from time to time be designated by or under the authority of the Board. All cheques, drafts, notes, acceptances or orders for payment of money may be endorsed for deposit to the credit of the Co-operative's bank account by any one of the following: President, Secretary or such other person or persons as the Board may from time to time appoint for that purpose, or if the Board so determines, by means of a rubber stamp.

Article III. Directors

- 3.01 *Number and Quorum* – Subject to the Act and the Articles, there shall be a minimum of five (5) and a maximum of thirteen (13) Directors of the Co-operative. A majority of the Directors in office constitute a quorum at any meeting of Directors and, notwithstanding a vacancy among the Directors, a quorum of Directors may exercise all of the powers of the Directors. When a quorum ceases to exist at a meeting the Chair shall adjourn the meeting.
- 3.02 *Qualification* - No person shall be qualified for election as a Director if such person is less than 18 years of age; is of unsound mind and has been so found by a court in Canada or elsewhere; is not an individual; or if such person has the status of a bankrupt. A majority of Directors shall be resident Canadians. In addition to satisfying the qualifications of Directors provided in the Act, no person shall be qualified for election as a director unless such person, at the time of their election, is a Member of the Co-operative or a designee of a ~~member of the Co-operative.~~ Member of the Co-operative, in every case in good standing and not in default, and never having been in material default, of its membership and contractual obligations to the Co-operative. Additionally, no person shall be qualified for election of as a director, unless such person, at the time of their election, meet the following criteria:
- (a) Shall have financial literacy capable of understanding financial statements that present the breadth and level of complexity of accounting issues that is comparable to the breadth and complexity of the issues that can be reasonably expected to be raised by the Co-operative's financial statements;
 - (b) shall have the time, capacity and competency to meaningfully participate in the oversight and management of the Co-operative, including attendance at all meetings of the Directors, or committees thereof;
 - (c) in the past 5 years, not have had any material conflict of interest with the Co-

operative (excluding any its membership and contractual obligations to the Co-operative);

- (d) in the past 10 years, not have been directly or indirectly (as a director, officer or equity owner) subject to or became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;
- (e) in the past 10 years, not have been directly or indirectly (as a director, officer or equity owner) subject to penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a member making a decision to elect an individual to the Board of Directors; and
- (f) shall have completed a background and criminal record check, the results of which are satisfactory to the Board confirming there exists no records of any criminal or regulatory offence of the type or nature that would provide doubt or apprehension as to either the individual's suitability or integrity as a director of the Co-operative.

3.03 *Election and Term of Directors* - The election of the Directors shall take place at the first meeting of the Members and at the meeting of the Members held prior to or concurrently with each annual meeting of the Members. The number of Directors to be elected at any such meeting shall be the number of Directors then in office unless the Directors or Members otherwise determine. The election shall be by resolution. If an election of Directors is not held at the proper time, the incumbent Directors shall continue in office until their successors are elected.

3.04 *Nomination of Directors* - Subject to the Act and the Articles, only those individuals nominated in accordance with the procedures set out in this 3.04 **Error! Bookmark not defined.**3.04 shall be eligible for election to the Board.

- (a) Nominations of individuals for election to the Board may only be made at any annual meeting of members, or at a special meeting of member called for any purpose, which includes the election of directors, as follows:
 - (i) by or at the direction of the Board, including pursuant to a notice of meeting;
 - (ii) by or at the direction or request of one or more members pursuant to a proposal made in accordance with the provisions of the Act, or a requisition of members meeting by one or more members made in accordance with the Act; or
 - (iii) by any person who is a member in good standing (a "Nominating Member") and who complies with the notice procedures set forth in this 3.04 **Error! Bookmark not defined.**3.04.
- (b) For the avoidance of doubt, the procedures set forth in this 3.04 **Error! Bookmark not defined.**3.04 shall be the exclusive means for any member to bring nominations for election to the Board at or in connection with any annual or special meeting of members of the Co-operative.
- (c) A Nominating Member must give written notice of its director nomination, the contents of such notice are set out in this 3.04 **Error! Bookmark not**

defined.3.04 (such notice, a “Nomination Notice”), to the chairperson of the Governance and Human Resources Committee of the Board even if such matter is already the subject of a notice to the members. The Nomination Notice must be received by the Co-operative:

- (i) in the case of an annual meeting of members, not less than 30 days before the date of such meeting; provided that, if (i) an annual meeting is called for a date that is less than 50 days after the Meeting Notice Date, notice by the Nominating Member shall be made not less than the close of business on the 10th day after the Meeting Notice Date;
 - (ii) in the case of a special meeting (which is also an annual meeting) of members called for the purpose of electing directors (whether or not also called for the purpose of conducting other business), not later than the close of business on the 15th day after the Meeting Notice Date.
 - (iii) In the event of an adjournment or postponement of an annual meeting or special meeting of members, a new time period shall commence for the giving of a timely notice under this 3.04
Error! Bookmark not defined.3.04(c).
- (d) To be in proper written form, a Nomination Notice must comply with this 3.04
Error! Bookmark not defined.3.04 and must disclose or include, as applicable:
- (i) as to each individual whom the Nominating Member proposes to nominate for election as a director (each a “Proposed Nominee”):
 - (A) the name, age and business and residential address of the Proposed Nominee;
 - (B) a statement indicating whether the Proposed Nominee meets the requirements of section 75 the Act and section 3.02 of this Bylaw;
 - (C) the principal occupation, business or employment of the Proposed Nominee, both at present and within the five years preceding the notice;
 - (D) a description of any relationship, agreement, arrangement or understanding (including financial, compensatory or indemnity related or otherwise) between the Nominating Member and the Proposed Nominee, in connection with the Proposed Nominee's nomination and election as a director;
 - (E) whether the Proposed Nominee is a party to any existing or proposed relationship, agreement, arrangement or understanding with any competitor of the Co-operative or any other third party which may give rise to a real or

perceived conflict of interest between the interests of the Co-operative and the interests of the Proposed Nominee;

(F) any other information relating to the Proposed Nominee that would be required to the Act, Articles this Bylaw or the policies of the Board in effect from time to time; and

(ii) as to each Nominating Member:

(A) the name, business and, if applicable, residential address of such Nominating Member;

(B) the name of any other person with whom such Nominating Member is acting jointly or in concert as of the date of such Nomination Notice;

(C) any other information relating to such Nominating Member that would be required to the Act, Articles this Bylaw or the policies of the Board in effect from time to time; and

(iii) a written consent duly signed by each Proposed Nominee to being named as a nominee for election to the Board and to serve as a director of the Co-operative, if elected.

(iv) Reference to "Nominating Member" in this 3.04 **Error! Bookmark not defined.**3.04(d) shall be deemed to refer to each member that nominates or seeks to nominate a person for election as a director in the case of a nomination proposal where more than one member is involved in making the nomination proposal.

(e) The Co-operative may require any Proposed Nominee to furnish such other information as may be reasonably required by the Co-operative to determine whether the Proposed Nominee would be considered qualified and independent under applicable laws in the same manner as such standards are applicable to the Co-operative's other directors.

(f) In addition to the provisions of this 3.04 **Error! Bookmark not defined.**3.04, a Nominating Member and any Proposed Nominee shall also comply with all of the applicable requirements of the Act, Articles and Bylaws regarding the matters set forth in this 3.04 **Error! Bookmark not defined.**3.04.

(g) All information to be provided in a Nomination Notice shall be provided as of the date of such Nomination Notice. To be considered timely and in proper form, a Nomination Notice shall be promptly updated and supplemented, if necessary, by the Nominating Member so that the information provided or required to be provided in such Nomination Notice shall be true and correct as of the record date for the meeting.

(h) Notwithstanding any other provision of this By-law, a Nominating Member shall deliver the Nomination Notice to the Co-operative's registered office. A Nomination Notice shall be delivered by personal delivery, nationally recognized

overnight courier, facsimile or email of a PDF document (with confirmation of transmission) or certified or registered mail (in each case, return receipt requested, postage prepaid).

- (i) The chair of any meeting of members of the Co-operative shall have the power to determine whether a nomination was made in accordance with the provisions of this 3.04_Error! Bookmark not defined.3.04_ and, if any proposed nomination is not in compliance with this 3.04_Error! Bookmark not defined.3.04_, to declare that such defective nomination shall be disregarded.
- (j) The Board may, in its sole discretion, waive any requirement of this 3.04_Error! Bookmark not defined.3.04_.

~~3.04~~3.05 *Removal of Directors - Vacation of Office*

- (a) Subject to and in accordance with the provisions of the Act, the Members may by ordinary resolution at a special meeting of the Members remove any Director from office and the vacancy created by such removal may be filled at the same meeting.

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- (b) a Director ceases to hold office upon: death; is removed from office by the Members; ceases to be qualified for election as a director; breaches its fiduciary obligation to the Co-operative; fails to regularly attend meeting of directors, which failure will occur if a director fails to attend two consecutive meetings, or 50% of meetings in any calendar year (unless such absence has received prior approval from the chair of the Board of Directors); or when written resignation is sent or delivered to the Co-operative, or if a time is specified in such resignation, the time so specified, whichever is the later.

~~3.05~~3.06 *Election and Term* - The election of Directors shall be held at the annual meeting of the Members. Any election of Directors may be by a show of hands or by resolution of the Members unless a poll is demanded by any Member, or where the number of nominees exceeds the number of directors to be elected, the election of directors must be by secret ballot. The term of office of any Director shall be for a three-year period beginning from the date of his or her election or appointment and ending the third annual meeting following, unless his or her office is earlier resigned or vacated.

~~3.06~~3.07 *Removal of Directors* - Subject to and in accordance with the provisions of the Act, the Members may by ordinary resolution at a special meeting of the Members remove any Director or Directors from office and the vacancy created by such removal may be filled at the same meeting.

~~3.07~~3.08 *Vacancies* - Subject to the Act and Section 3.06, vacancy shall be filled in accordance with section 74(1)(e) of the Act.

~~3.08~~3.09 *Action by the Board* - Subject to the Articles, the Board shall manage the business and affairs of the Co-operative. Subject to the Act and Section 3.09 hereof, the powers of the Board may be exercised by resolution passed at a meeting at which a quorum is present or by resolution in writing signed by the Directors entitled to vote on that resolution at a meeting of the Board. Where there is a vacancy in the Board, the remaining Directors may exercise all the powers of the Board so long as a quorum remains in office.

~~3.09~~3.10 *Meetings by Telephone or Communication Facilities* - If all the Directors of the Board or a committee thereof, as the case may be, consent, a Director may participate in a meeting of the Board or of a committee of the Board by means of such telephone or other communication facilities as permit all persons participating in the meeting to hear each other, and a director participating in such meeting by such means is deemed to be present at the meeting. Any consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the Board and committees of the Board held while a director holds office. Any consent so given shall be valid for the purposes of a particular meeting unless revoked by notice in writing received by the Co-operative prior to the meeting in respect of which such revocation relates.

~~3.10~~3.11 *Place of Meetings* - Subject to any resolution of the Board to the contrary, meetings of the Board may be held at any place in Canada.

3.113.12 *Calling of Meetings* - Meetings of the Board shall be held subject to Section 3.10 at such place and at such time as (in order of priority of determination) the Chair of the Board or, failing a decision of the Chair of the Board, any three Directors determine.

3.123.13 *Notice of Meeting* - Notice of the time and place of each meeting of the Board shall be given in the manner provided in Section 9.01 to each director not less than 48 hours before the time the meeting is to take place. A notice of meeting of Directors need not specify the purpose of or the business to be transacted at a meeting except where the Act requires such purpose or business to be specified, but notice shall be given of any proposal to:

- (a) terminated a Member's membership in the Co-operative;
- (b) submit to the Members any question or matter requiring approving of the Members;
- (c) fill a vacancy among the Directors who are not Representative Directors, or in the office of auditors;
- (d) issue securities except in the manner and on terms authorized by the Directors;
- (e) purchase, redeem or otherwise acquire securities issued by the Co-operative;
- (f) approve any financial statements; or
- (g) adopt, amend or repeal bylaws.

A Director may in any manner waive notice of or otherwise consent to a meeting of the Board.

3.133.14 *First Meeting of New Board* - Provided a quorum of Directors is present, each newly elected Board may, without notice, hold its first meeting immediately following the meeting of Members at which such Board is elected.

3.143.15 *Adjourned Meeting* - Notice of an adjourned meeting of the Board is not required if the time and place of the adjourned meeting is announced at the original meeting.

3.153.16 *Regular Meetings* - The Board may appoint a day or days in any month or months for regular meetings of the Board at a place and hour to be named. A copy of any resolution of the Board fixing the place and time of such regular meetings shall be sent to each Director forthwith after being passed, but no other notice shall be required for any such regular meeting except where the Act or this bylaw requires the purpose thereof or the business to be transacted thereat to be specified.

3.163.17 *Chair* - The Board shall select from among its members a chair. The chair of any meeting of the Board shall be the first mentioned of such of the following officers as have been appointed and who is a Director and is present at the meeting: the chair of the Board, the President or the Secretary. If no such person is present, the Directors present shall choose one of their number to be chair for the purpose of such meeting.

3.173.18 *Votes to Govern* - At all meetings of the Board and any committees of the Board, every question shall be decided by a majority of the votes cast on the question. In the case of an equality of votes, the chair shall not have a second or casting vote and a resolution or questions in respect of which an equality of votes are cast shall be deemed to be lost.

~~3.18~~3.19 *Remuneration and Expenses* – The Directors shall be entitled to reasonable remuneration for services to the Co-operative as a Director or member of a committee thereof, and shall be entitled to reimbursement of all pre-approved and reasonably incurred expenses such as travelling or out-of-pocket expenses incurred as a Director or in any other capacities which are authorized by the Board, in amounts fixed from time to time by the Board. Nothing herein contained shall prevent any Director from serving the Co-operative in any other capacity and receiving remuneration therefor.

~~3.19~~3.20 *Conflict of Interest* - A Director or officer who is a party to or who is a director or officer of or has a material interest in any person who is a party to a material contract or a proposed material contract with the Co-operative shall promptly upon discovery disclose to the Board the nature and extent of their interest. Any such contract or proposed contract shall be referred to the Board for approval even if such contract is one that in the ordinary course of the Co-operative's business would not require approval by the Board. A Director interested in a contract so referred to the Board shall not vote on any resolution to approve the same unless the contract or proposed contract is:

- (a) an arrangement by way of security for money lent to or obligations undertaken for the benefit of the Co-operative or an affiliate;
- (b) a contract relating primarily to remuneration as a director, officer, employee or agent of the Co-operative or an affiliate;
- (c) a contract for indemnity or insurance under Section 91 of the Act as amended from time to time or any successor to such Section; and
- (d) a contract with an affiliate.

Subject to the Act, and provided a Director acts in accordance with the provisions hereinbefore mentioned, no such contract, proposed contract or arrangement shall be voidable by the Co-operative and such Director or Directors shall not be liable to account to the Co-operative for any profit accruing to them by virtue of any such contract or arrangement. Notwithstanding that a Director does not vote in respect of any contract, proposed contract or arrangement in which such Director has a material interest, such Director may be included to determine the presence of a quorum at a meeting of Directors or committee of Directors at which such resolution was taken.

~~3.20~~3.21 *Remuneration of Employees* - The Directors shall fix the remuneration of employees of the Co-operative and shall determine all terms and conditions of employment of employees of the Co-operative.

~~3.21~~3.22 *Validity* - Any act of a Director or officer is valid notwithstanding an irregularity in their election or appointment or a defect in his qualifications.

~~3.22~~3.23 *Appointment of Advisors* - The Board may appoint members of the Co-operative as advisors to it, without *vote*, to provide specialized knowledge. The term of these appointments, including the extent of admission to Board proceedings, to be reviewed at the pleasure of the Board with reappointment subject to majority decision of the Board.

~~3.23~~3.24 *Board Observers* - The Board may by resolution appoint observers, without *vote*, to the proceedings of the Board with or without an entitlement to participate in the deliberations of the

Board. The term of such appointment shall be at the pleasure of the Board with any renewal or revocation of such appointment determined by a majority resolution of the Board.

~~3.24~~3.25 *Confidentiality of Board Proceedings* - All advisors or observers appointed by the Board shall, prior to attendance at any meeting of the Board, execute an agreement of non-disclosure and confidentiality in favour of the Co-operative specifying that such observer or advisor should retain as confidential all information provided such person by the Co-operative and all proceedings conducted by the Board, and, shall not disclose the same to any person except with the consent of the Co-operative. Such agreement shall otherwise be on such terms and conditions as the Co-operative shall determine from time to time.

~~3.25~~3.26 *Resolution in Writing* - A resolution in writing signed by all the Directors of the Co-operative entitled to vote on that resolution at a meeting of Directors or committee of Directors is as valid as if it had been passed at a meeting of the Directors or a committee of Directors and satisfies all the requirements of the Act relating to meetings of Directors or committee of Directors. Such resolution may be in two or more counterparts which together shall be deemed to constitute one resolution in writing. Such resolution shall be filed with the minutes of the proceedings of Directors and shall be effective on the date signed thereon or the latest date signed on any counterpart.

Article IV. Committees

- 4.01 *Committee of Directors* - The Board may appoint committees of Directors, however designated, and delegate to such committee any of the powers of the board except those which under the Act a committee of Directors has no authority to exercise and those powers listed in Section 5.09(a) to 5.09(f) inclusive. A majority of the members of such committee shall be resident Canadians.
- 4.02 *Transaction of Business* - Subject to the provisions of Section 3.08, the powers of a committee of Directors may be exercised by a meeting at which a quorum is present or by resolution in writing signed by all the Members of such committee who would have been entitled to vote on that resolution at a meeting of the committee. Meetings of such committee may be held at any place in Canada.
- 4.03 *Procedure* - Unless otherwise determined by the Board, each committee shall have the power to fix its quorum at not less than a majority of its members to elect its chair and regulate its procedure. Each committee shall adopt procedures and terms of reference that are not inconsistent with the Act,

Article V. Officers

- 5.01 *Appointment* - The Board may from time to time appoint a President, Secretary and such other officers as the Board may determine. The Board may specify the duties of and in accordance with this bylaw and subject to the provisions of the Act, delegate to such officers powers to manage the business and affairs of the Co-operative. Those officers of the Co-operative who are not Members of the Board shall not vote at any meetings of Members of the Board which they attend.
- 5.02 *President* - The President shall be the chief operating and executive officer and subject to the authority of the Board, shall have general supervision of the business and affairs of the Co-operative; and shall have such other powers and duties as the Board may specify.
- 5.03 *Secretary* - The Secretary shall:

- (a) attend and be the secretary of all meetings of the Board, Members and committees of the Board and shall enter or cause to be entered in records kept for that purpose minutes of all proceedings thereat;
- (b) give or cause to be given, as and when instructed, all notices to Members, Directors, officers, auditors and Members of committees of the Board;
- (c) be custodian of the stamp or mechanical device generally used for affixing the corporate seal of the Co-operative and of all books, papers, records, documents and instruments belonging to the Co-operative, except when some other officer or agent has been appointed for that purpose; and
- (d) have such other powers and duties as the Board or the chief executive officer may specify.

- 5.04 *Powers and Duties of Other Officers* - The powers and duties of all other officers shall be such as the terms of their engagement call for or as the Board may specify. Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant, unless the Board or the chief executive officer otherwise directs.
- 5.05 *Variation of Powers and Duties* - The Board may from time to time and subject to the provisions of the Act, vary, add to or limit the powers and duties of an officer.
- 5.06 *Terms of Office* - The Board, in its discretion, may remove any officer of the Co-operative, without prejudice to such officer's rights under any employment contract. Otherwise, each officer appointed by the Board shall hold office until his successor is appointed.
- 5.07 *Terms of Employment and Remuneration* - The terms of employment and remuneration of officers appointed by the Board shall be settled by it from time to time.
- 5.08 *Conflict of Interest* - An officer shall disclose their interest in any material contract or proposed material contract with the Co-operative in accordance with Section 3.18.
- 5.09 *Delegation of Powers* - Directors may delegate to the officers any powers that the Directors may lawfully delegate pursuant to the Act and the bylaws except powers to:
- (a) submit to the Members any question or matter requiring the approval of the Members;
 - (b) fill any vacancy among the Directors or the office of auditors;
 - (c) issue securities including memberships in the manner and on the terms authorized by the Directors;
 - (d) purchase, redeem or otherwise acquire securities issued by the Co-operative;

- (e) approve any financial statements of the Co-operative; or,
 - (f) adopt, amend or repeal bylaws.
- 5.10 *Agents and Attorneys* - The Board shall have power from time to time to appoint agents or attorneys for the Co-operative in or outside Canada with such powers of management or otherwise (including the power to sub-delegate) as may be thought fit.
- 5.11 *Confidentiality Agreements - Officers and Employees* - All officers and employees of the Co-operative shall execute an agreement of non-disclosure and confidentiality in favour of the Co-operative specifying that such officer or employee shall retain as confidential all information provided such person by the Co-operative or such information as may come into the possession of such person in the course of or incidental to such persons' duties and responsibilities as an officer or employee of the Co-operative, and, shall not disclose the same to any person except with the consent of the Co-operative. Such agreement shall otherwise be on such terms and conditions that the Co-operative shall determine from time to time.

Article VI. Protection of Directors, Officers and Others

- 6.01 *Limitation of Liability* - No Director or officer shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee, or for joining in any receipt or other act for conformity, or for any loss, damage or expense happening to the Co-operative through the insufficiency or deficiency of title to any property acquired for or on behalf of the Co-operative, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Co-operative shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any other person with whom any of the moneys, securities or effects of the Co-operative shall be deposited, or for any loss occasioned by any error of judgement or oversight on their part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of their office or in relation thereto, UNLESS the same are occasioned by the Director's or officer's own wilful neglect or default and provided that nothing herein shall relieve any Director or officer from the duty to act in accordance with the Act and the regulations thereunder or from liability for any breach thereof.
- 6.02 *Indemnity* - Subject to the limitations contained in the Act, the Co-operative shall and does hereby indemnify a Director or officer, a former Director and officer, or a person who acts or acted at the Co-operative's request as a Director or officer of a body corporate of which the Co-operative is or was a member or creditor (or a person who undertakes or has undertaken any liability on behalf of the Co-operative or any such body corporate) and such person's heirs and legal representatives, against all costs, charges, and expenses, including an amount paid to settle an action or proceeding to which such person is made a party by reason of being or having been a Director or officer of the Co-operative or any such body corporate, if:
- (a) such person 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 monetary penalty, they had reasonable grounds for believing that their conduct was lawful;

Provided, however that:

- (c) the person seeking indemnification has given the Co-operative prompt written notice of any such claim, law suit or action for which indemnification is sought; and
- (d) they cooperate in all reasonable manner with the Co-operative and its agents in defence of any such claim, law suit or action.

6.03 *Insurance* - Subject to the limitations contained in the Act, the Co-operative may purchase and maintain such insurance for the benefit of its Directors and officers as such as the Board may from time to time determine.

Article VII. Members' Interests

7.01 *Membership* - Only those persons who have been approved by the Board for Membership in the Co-operative shall become Members of the Co-operative and subject to compliance with the Act, Articles and Bylaws, membership shall be in effect on the date specified by the Board, or if no such date is specified, on the date the Board approves such person for membership in the Co-operative.

7.02 *Application for Membership* –

- (a) A person wishing to become a member of the Co-operative shall complete and submit an application as required by the Directors.
- (b) The application for membership must be accompanied by the annual membership fee or any other fee payable, as determined as set by the Board, for the use of the Co-operative's services or facilities.
- (c) A person does not become a member of the association until his or her application for membership is approved by the directors in accordance with Section 7.01.

7.03 *Rights and Obligations of Members* -

- (a) Every member of the association is entitled to take part in all activities and to use all the services and facilities established by the association for the promotion of its objects, subject to
 - (i) the Act and the regulations promulgated thereunder;
 - (ii) any rules that the directors may from time to time establish; and
 - (iii) the payment of any additional fee that the directors may from time to time establish for specific activities.
- (b) A member shall
 - (i) uphold and adhere to the objects and bylaws of the association;

and

- (ii) pay an annual membership fee at the time and in the amount determined by the members at each annual general meeting.

7.04 *Voting* - Each member has one vote at a meeting of the association.

7.05 *Termination of Membership* - A Membership interest of a Member in the Co-operative is not transferable and is terminated:

- (a) when a Member dies or resigns; or
- (b) when a Member's term of membership expires without renewal; or
- (c) on receipt by a Member of notice of a resolution of the Board terminating such membership interest passed by two thirds of the Directors who attended the meeting at which such resolution was put forward or a written resolution to such effect signed by all the Directors;
- (d) upon the expiration of 90 days, without payment of the amounts specified in such notices, from the date of notice from the Co-operative to the Member specifying that such Member's annual dues (as established by the Board from time to time) or other fees or amounts owing the Co-operative are due and unpaid; and
- (e) upon the Co-operative being liquidated or dissolved.

Article VIII. Meetings of Members

8.01 *Annual Meeting* - The annual meeting of the Members shall be held at such time in each year and, subject to Section 8.03 at such place as the Board may from time to time determine for the purpose of considering the financial statements and reports required by the Act to be placed before the annual meeting, electing Directors, appointing auditors and for the transaction of such other business as may properly be brought before the meeting.

8.02 *Special Meetings* - The Board shall have the power to call a special meeting of the Members at any time.

8.03 *Place of Meetings* - Meetings of the Members shall be held at such place in Saskatchewan as the Board shall determine or, if all the Members entitled to vote at the meeting so agree, at such place outside of Saskatchewan.

8.04 *Notice of Meetings* – Subject to the Act, notice of the time and place of each meeting of the Members shall be given in the manner provided in Section 9.01 not less than fifteen (15) nor more than fifty (50) days before the date of the meeting to each Director, to the auditor and to each Member entitled to such notice. Notice of the meeting of Members called for any purpose other than consideration of financial statements and auditors reports, election of Directors, reappointment of the incumbent auditor and consideration of bylaws submitted by the Directors in accordance with the Act shall state the nature of such business in sufficient detail to permit the Member to form a reasoned judgement thereon and shall state the text of any special resolution

to be submitted to the meeting. A Member may in any manner waive notice of or otherwise consent to a meeting of Members.

- 8.05 *Record Date for Notice* - The Board may fix in advance a record date, preceding the date of any meeting of Members by not more than fifty (50) days and not less than eleven (11) days, for determination of the Members entitled to notice of the meeting. If no record date is so fixed, the record date for determination of the Members entitled to notice of the meeting shall be:
- (a) the record date for the determination of members who are entitled to receive notice of a general meeting is deemed to be at the close of business on the day immediately preceding the day on which the notice is given; and
 - (b) the record date for the determination of members for any purpose other than that described in clause (a) is deemed to be at the close of business on the day on which the directors pass a resolution relating to that purpose.
- 8.06 *Meetings Without Notice* - A meeting of Members may be held without notice at such place in Saskatchewan as the Board may determine, if:
- (a) all Members entitled to vote thereat are present in person or if those not present waive notice or otherwise consent to such meeting being held;
 - (b) if the auditors and Directors are present or waive notice of or otherwise consent to such meeting being held.
- At such meeting any business may be transacted which the Co-operative at a meeting of Members may transact.
- 8.07 *Chair, Secretary* - The Chair of any meeting of Members shall be the first mentioned of the following officers as have been appointed and who is present at the meeting: the chair of the Board, the President, or the Secretary. If no such officer is present within thirty (30) minutes from the time fixed for holding of the meeting, the persons present and entitled to vote shall choose one of their number to be the chair. The Secretary shall act as secretary of the meeting and in his absence, the chair shall appoint some Member who is present, to act as secretary of the meeting.
- 8.08 *Persons Entitled to be Present* - The only persons entitled to be present at the meeting of Members shall be those entitled to vote thereat, the Directors and auditors of the Co-operative and others who, though not entitled to vote, are entitled or required under the provisions of the Act or the Articles or Bylaws to be present at the meeting. Any other person may be admitted only on the invitation of the chair of the meeting or with the consent of the meeting.
- 8.09 *Quorum* - A quorum of Members is present at a meeting of Members when the requirements of section 107 of the Act are met.
- 8.10 *Votes to Govern* - At any meeting of Members every question shall, unless otherwise required by the Act, Articles or Bylaws, be determined by a majority of votes cast on the question. In the case of an equality of votes, the chair shall not have a second or casting vote and a resolution or questions in respect of which an equality of votes are cast shall be deemed to be lost.

- 8.11 *Show of Hands* - Subject to the provisions of the Act, any question at a meeting of Members shall be decided by a show of hands unless a ballot thereon is required or demanded as hereinafter provided. Upon a show of hands every person who is present and entitled to vote shall have one vote. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon is so required or demanded, a declaration by the chair of the meeting that the vote upon a question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be prima facie evidence of the fact without proof of the number or proportion of votes recorded in favour of or against any resolution or other proceeding in respect of the said questions, and the result of the vote so taken shall be a decision of the Members upon the said question.
- 8.12 *Ballots* - Upon any question proposed for consideration at a meeting of Members whether or not a show of hands has been taken, a Member is entitled to vote at a meeting may require or demand a ballot. Any ballot so required or demanded shall be taken in such manner as the chair shall direct. A requirement or a demand for a ballot may be withdrawn at any time prior to taking of the ballot. If a ballot is taken each Member present shall be entitled to one vote, and the result of the ballot so taken shall be a decision of the Members upon the said question.
- 8.13 *Adjournment* - If a meeting of Members is adjourned by one or more adjournments for less than thirty (30) days, it shall not be necessary to give notice of such adjourned meetings other than by announcement of the meeting from which it is adjourned. Provided that if a meeting is adjourned for an aggregate of thirty (30) days or more notice shall be given as per an original meeting. If any adjournment is occasioned as a result of a quorum not being present at the opening of a meeting of Members, then such meeting shall automatically be adjourned for seven (7) days to the same place and at the same time and at such adjourned meeting the quorum for the transaction of business shall be those Members present irrespective of the number of votes such Members shall be entitled to cast.
- 8.14 *Resolution in Writing* - A resolution in writing signed by all the Members entitled to vote on that resolution at a meeting of Members is as valid as if it had been passed at a meeting of the Members unless a written statement with respect to the subject matter of the resolution is submitted by a director or the auditors in accordance with the Act.

Article IX. Notices

- 9.01 *Method of Giving Notices* - Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served) pursuant to the Act, the regulations thereunder, the Articles, the bylaws or otherwise to a Member, director, officer, auditor or Member of a committee of the Board shall be sufficiently given if delivered personally to the person to whom it is to be given or if delivered to his recorded address by any means of prepaid transmitted or recorded communication. A notice so delivered shall be deemed to have been given when it is delivered personally or delivered to the recorded address as aforesaid; a notice so mailed shall be deemed to have been given 48 hours after being deposited in a post office or public letter box; and a notice so sent by any means of transmitted or recorded communication shall be deemed to have been given 24 hours after being dispatched or delivered to the appropriate communication company or agency or its representative for dispatch. The secretary may change or cause to be changed the recorded address of any Member, director, officer, auditor or Member of a committee of the Board in accordance with any information believed by the Secretary to be reliable.

- 9.02 *Undelivered Notices* - If any notice given to a Member pursuant to Section 9.01 is returned on three (3) consecutive occasions because such Member cannot be found, the Co-operative is not required to send any further notices or documents to the Member until he informs the Co-operative in writing of his new address.
- 9.03 *Omissions and Errors* - The accidental omission to give any notice to any Member, Director, officer, auditor or Member of a committee of the Board of the non-receipt of any notice by any such person or any error in any notice not affecting the substance thereof shall not invalidate any action taken by any meeting held pursuant to such notice or otherwise founded thereon.
- 9.04 *Waiver of Notice* - Any Member, Director, officer, auditors or member of a committee of the Board may at any time waive any notice, or waive or abridge the time for any notice, required to be given to him under any provision of the Act, the regulations thereunder, the Articles or the bylaws or otherwise and such waiver or abridgment shall cure any default in the giving or in the time of such notice, as the case may be. Any such waiver or abridgment shall be in writing except a waiver of notice of a meeting of Members or of the Board which may be given in any manner.
- 9.05 *Consents* - Any consents or approvals required to be obtained pursuant to the provisions of the Articles, the bylaws of the Co-operative must be evidenced in writing and be dated stating the specific use for which such consent or approval was obtained. Unless otherwise stated in such written instrument, such consent shall be valid for a period of sixty (60) days after the date stated thereon. If such period shall lapse, the Board shall be required to obtain additional evidence of such consent in the form hereinbefore mentioned.

Article X. Accounting

- 10.01 *Directors to Keep Accounts* - The Directors shall cause true accounts to be kept of the sums of money received and disbursed by the Co-operative, the matters in respect of which said receipts and disbursements take place, all sales and purchases of the Co-operative, the assets and liabilities of the Co-operative and all other transactions materially affecting the financial position of the Co-operative.
- 10.02 *Auditor* - The Members of the Co-operative shall appoint an auditor, independent of the Co-operative, for the performance of the duties of an auditor pursuant to the Act.
- 10.03 *Location of Books of Account* - The books of accounts shall be kept at the business office of the Co-operative and shall be open for inspection upon approval of the Board.
- 10.04 *Financial Statements* - The Board shall lay before each annual meeting of the Members a financial statement and the report of the auditor, if any, to the Members thereat. The financial statement shall:
- (a) be approved by the Board and signed by two (2) Directors thereof;
 - (b) cover the period that began on the day the Co-operative came into existence and ended not more than four (4) months before the annual meeting or, if the Co-operative has completed a financial year, the period that began immediately after the end of the last completed financial year and ending not more than four (4)

months before the annual meeting;

- (c) include:
 - (i) a statement of the assets and liabilities of the Co-operative in the form of a balance sheet;
 - (ii) a statement of the revenue and expenditures of the Co-operative; and
 - (iii) the report of the Auditor, if any.

10.05 *Forwarding of Financial Statements* - A copy of the financial statement and a copy of the auditor's report shall be sent to each Member and the Director appointed under the Act not less than ten (10) days before the date of the annual meeting.

Article XI. Dissolution

11.01 Upon the dissolution of the Co-operative in accordance with the Act, the distribution of property and unallocated surplus shall be distributed to the members according to the special resolution to dissolve the Co-operative.

Article XII. Effective Date

12.01 Effective Date - This Bylaw shall come into force upon issuance of the Articles of Incorporation and upon approval by the registrar and shall continue in full force and effect until the amended, repealed, replaced in accordance with the Act. 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.

12.02 ~~Ratification—At the first meeting of Members, the~~ Member Approval - The Directors of the Co-operative shall submit this bylaw to the Members of the Co-operative and the Members shall either confirm, reject or amend the same by ordinary resolution.