



BOW VALLEY GREEN ENERGY COOPERATIVE

Bylaws

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ARTICLE 1 - INTERPRETATION

1.1 Definitions

In these Bylaws:

- (a) **“Act”** means the Cooperatives Act, S.A. 2001, c. C-28.1 as amended;
- (b) **“Articles”** means the Articles of Incorporation of the Cooperative, as amended;
- (c) **“Board”** means the Board of Directors of the Cooperative;
- (d) **“Bylaws”** means these Bylaws, as amended;
- (e) **“Chair”** means the chairperson of the Board;
- (f) **“Cooperative”** means BOW VALLEY GREEN ENERGY COOPERATIVE and its successors;
- (g) **“Director”** means a member of the Board of Directors;
- (h) **“Good Standing”** means, with respect to any Member, being in compliance with obligations to the Cooperative as determined by the Board, and not being in breach of any agreement entered into between the Member and the Cooperative;
- (i) **“Investment Opportunity”** means any development, project, financing or other agreement that is approved by the Board with a view to earning a return on investment;
- (j) **“Investment Shares”** means shares as described by the Articles, and in accordance with the Act, in any Investment Opportunity approved by Board that Members may purchase;
- (k) **“Member”** means a person who has been approved by the Board to become a member of the Cooperative, and **“Members”** means all such persons collectively;
- (l) **“Membership”** shall mean any interest and right of any person in any obligation of the Cooperative as a consequence of such person becoming a Member or the delegated representative of a Member, but does not include the rights that such person may have in relation to Investment Shares;
- (m) **“Meeting of Members”** means the first meeting of the Members, an annual meeting of the Members, or a special meeting of the Members;
- (n) **“Officer”** means an officer of the Cooperative appointed from time to time by the Board;
- (o) **“Patronage Returns”** means payments or like consideration that may be payable to Members for their patronage of the Cooperative, including for example, those Members who enter into contractual relationships with the Cooperative to host solar panels and purchase electrical power;

- (p) **“Recorded Address”** means the last address of a Member, Shareholder, or Director as recorded in the records of the Cooperative;
- (q) **“Regulations”** means the regulations created pursuant to the Act, as amended;
- (r) **“Service Fee”** means a service fee charged by the Cooperative to the Member or Non-member with respect to services provided by the Cooperative to the Member or non-member pursuant to agreements made between the parties;
- (s) **“Share Subscription Agreement”** means any agreement between the Cooperative and a Member or Shareholder by which a Member or Shareholder applies for Membership and/or subscribes for Investment Shares in the Cooperative;
- (t) **“Shareholder”** means a person holding Investment Shares described in the Articles;
- (u) **“Special Resolution”** means a resolution passed by a majority of not less than two thirds of the Members who are entitled to vote on the resolution and who do vote on the resolution; and
- (v) **“Surplus Earnings”** means the surplus income of the Cooperative as determined by the Cooperative’s accountants using Generally Accepted Accounting Principles.

1.2 Context of These Bylaws

These Bylaws are subject to the provisions of the Act, the Regulations and the Articles. In the event of any conflict between a provision of these Bylaws, and a provision of any of the Act, the Regulations or the Articles, the latter shall prevail.

ARTICLE 2 - BUSINESS OF THE COOPERATIVE

2.1 Authorization and Execution

- (1) All contracts entered into, or other obligations assumed, by the Cooperative must be authorized by the Board.
- (2) Unless otherwise determined by the Board, all such contracts and obligations shall be in writing and executed on behalf of the Cooperative by two (2) Directors.
- (3) The Board may by resolution delegate its authority with respect to the negotiation and execution on behalf of the Cooperative of any contract, series of related contracts or other obligation to one or more individuals.
- (4) The Board may adopt a corporate seal for the Cooperative. If a corporate seal is adopted, the Board will prescribe all formalities with respect to its use.

2.2 Fiscal Year

The Fiscal Year of the Cooperative shall begin and end on such date as may be fixed by the Board.

2.3 Member and Share Certificates

The Cooperative may issue certificates for Membership and Investment Shares. At the Board's discretion, the original certificates so issued may be either delivered to owners, or retained in the possession of the Cooperative, with only copies provided to owners.

2.4 Information Available to Members and Shareholders

- (1) Subject to the Act and the Regulations, no Member or Shareholder shall be entitled to any information respecting the Cooperative's business which, in the opinion of the Board, would be prejudicial to the interests of the Cooperative. The Board may, from time to time, determine the conditions on which the accounts, records, and documents of the Cooperative shall be open to inspection by Members or Shareholders.
- (2) At the meeting of Directors held before the annual meeting, the Directors will adopt a report covering all of the activities of the Cooperative for the preceding year, which will be presented to the Members at the annual meeting.

2.5 Business Not Restricted to Members

The Cooperative may enter into agreements with both Members and non-Members.

2.6 Business to be Conducted by the Board

- (1) Subject to the Act, the Regulations, the Articles, and these Bylaws, the business of the Cooperative shall be directed and supervised by the Board, and the Board may exercise all the powers of the Cooperative that are not required to be exercised by the Cooperative at a Meeting of Members.
- (2) The Board may, from time to time, at its discretion, raise or borrow money for the purpose of the Cooperative's business and may secure the repayment of the same by mortgage, charge, or other security upon the undertaking and assets of the Cooperative, both present and future.
- (3) The Board will require records to be kept of all business transactions and of all actions of the Board.
- (4) The Board may appoint persons or employ a manager or such other agents, employees, consultants, or independent contractors for defined purposes to assist the Board in the discharge of its duties.

ARTICLE 3 - DIRECTORS

3.1 Election of Directors by Members

- (1) All Directors shall be elected by the Members by a simple majority as provided in these Bylaws at the first Meeting of Members and at each annual meeting thereafter.
- (2) Members will have the opportunity to nominate candidates for election to the office of Director at each Meeting of Members. Subject to Section 3.1 (6), The Directors may nominate a slate of Directors to be considered for election by the Members, provided these nominees are disclosed to the Members.
- (3) The election of Directors shall be conducted in accordance with the process prescribed by the Chair at the first Meeting, and by the Board for any election of Directors thereafter.
- (4) Subject to the Chair's discretion pursuant to Section 3.1(3) of this Article, at the first meeting of the Members of the Cooperative, one-half (½) of the Directors shall be elected for terms of one (1) year and one-half of the Directors (½) shall be elected for terms of two (2) years.
- (5) Except as provided in Section 3.1(4) of this Article, the term of the office of a Director to be elected by Members shall be two (2) years. Retiring Directors are eligible for re-election.
- (6) In recognition of the encouragement and financial support of the Biosphere Institute of the Bow Valley (the "**Biosphere**") in the formation and advancement of the Cooperative, a representative of the Biosphere shall be included in the slate of recommended Directors for the initial Directors' election and in any subsequent Directors' election as required to insure that Members can elect at least one Director representing the Biosphere to the Board at all times.

3.2 Board Meetings

- (1) Subject to Section 3.2(2) of this Article, the Board will hold meetings, not less than once every three (3) months, on days and at places and times decided on by the Board. 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, and no other notice shall be required for any such regular meeting.
- (2) Special meetings of the Board may be called at the request of two (2) Directors or by the Chair. The Directors or Chair calling the meeting will fix the time, place, and date of the meeting.
- (3) Notice of the time and place of special meetings of the Board shall be given to each Director not less than five (5) days before the time when the meeting is to be held if the notice was delivered personally to each Director or by means of email to the last recorded email address of each Director, and not less than ten

(10) days' notice if it is given by mail at the last recorded address of the Director or by any other means.

- (4) Regular or special meetings of the Board may be held in person or by conference phone call, video conference, or any other communication facility that permits all persons participating in the meeting to communicate adequately with each other during the meeting. Any such meeting that is to be held in person only shall be held in Canmore, Alberta unless the Directors unanimously agree to waive this condition.

3.3 Board Quorum and Voting

- (1) A majority of the Directors constitutes a quorum for the transaction of business at a meeting of the Board.
- (2) The act of a majority of the voting Directors present at a meeting at which a quorum is present will be the act of the Board, unless the act of a greater number is required by law or these Bylaws.

3.4 Qualifications of Directors

- (1) No fewer than two thirds (2/3) of the Directors must be Members of the Cooperative. A majority of the Directors must not be full-time officers or employees of the Cooperative.
- (2) No person shall be a Director if that person is:
 - (a) under 18 years of age;
 - (b) an individual who is an assisted adult or an assisted person as defined in the *Dependent Guardianship and Trustee Act*, or who has been found a person of unsound mind by a court elsewhere than in Alberta;
 - (c) an undischarged bankrupt; or
 - (d) not in Good Standing, if the Director is a Member of the Cooperative.

3.5 Removal of Directors

- (1) The Board may remove any Director and declare that Director's office vacant if the Director:
 - (a) remains in default under any agreement with the Cooperative, or is not in Good Standing, after 14 days' notice has been given to that Director to remedy the default by a person so authorized by the majority of the Board;
 - (b) fails to attend three (3) consecutive regular meetings of the Board of which the Director has been duly notified, unless the Director's absence has been explained to the satisfaction of the Board;
 - (c) is convicted of an indictable offence;

- (d) has been established to the satisfaction of the Board to be guilty of disloyalty to the Cooperative; or
 - (e) has otherwise been established to the satisfaction of the Board to be no longer qualified.
- (2) A Director may resign from the Board by giving the Board notice of his resignation in writing.

3.6 Ceasing to Hold Office/Filling Vacancies

- (1) A Director ceases to hold office when that Director dies, resigns, is removed from office, or becomes disqualified from continuing as a Director under the Act. If a Director's office is vacant, vacancy may be filled in accordance with the Act.
- (2) The Board shall have power from time to time and at any time, to appoint any other person as a director, either to fill a casual vacancy or as an addition to the board, but so that the total number of Directors shall not at any time exceed the maximum number fixed by the Articles of Incorporation.

3.7 Conflict of Interest

- (1) A Director or Officer of the Cooperative must, in accordance with the Act, disclose to the Cooperative the nature and extent of any interest that the Director or Officer has in a material contract or transaction, or a proposed material contract or transaction, with the Cooperative and any material change to any such interest. The Board shall keep a register of all potential conflicts of interest that have been disclosed to it by any of the Directors and Officers.
- (2) This provision does not require disclosure of any agreement, contract or transaction that is available to and customarily entered into between the Cooperative and its Members or Shareholders if the said agreement, contract, or transactions are on the same terms as are generally available to Members.
- (3) An Officer or Director of the Cooperative may not be an officer or director of, or otherwise be in a position to direct or control, a business or entity with which the Cooperative competes or is likely to compete, unless such position or holding has been disclosed to the Board, and the Board has passed a resolution waiving this prohibition.
- (4) An Officer or a Director may not vote on matters involving Agreements, contracts, or transactions entered into between the Cooperative and the Director or Officer, any entity in which such individual has an interest, or in relation to the waiver contemplated in Section 3.7(3) of this Article.

3.8 Directors' Expenses and Compensation

- (1) The Directors shall be entitled to be reimbursed for travelling and other expenses properly incurred by them in attending meetings of the Board or any committee thereof.
- (2) Directors shall also be entitled to such compensation (if any) for their services to the Cooperative as the Members may from time to time approve, by ordinary resolution at Meetings of the Members. Nothing in these Bylaws shall preclude any Director from serving the Cooperative in any other capacity and receiving remuneration for such service.

ARTICLE 4 - COMMITTEES, OFFICERS, AND STAFF

4.1 Committees

- (1) The Board may create and appoint other committees from the Board or the Membership to assist with the governance and planning of Cooperative operations. At least one Member of the Board must serve on any committee.
- (2) 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 committee chair, and to regulate its procedure.

4.2 Officers

- (1) Immediately after the first meeting of Members and immediately after each subsequent annual meeting, the Board will meet and appoint from their own number a Chair of the Board; and also from its own number or from amongst other Members:
 - (a) a President;
 - (b) a Secretary;
 - (c) a Treasurer; and
 - (d) any other Officer the Board deems advisable, from time to time, at its discretion.
- (2) The Chair will preside at all meetings of the Cooperative and of the Board and be an *ex officio* Member of all committees of the Board.
- (3) The Chair may also hold a position as an Officer, including the office of President.
- (4) The Chair will present to the first Meeting of Members and each annual general meeting of the Members the Directors' report of the Cooperative's activities for the previous fiscal year.

- (5) In case of the absence of the Chair, the Board may nominate one of the Members of the Board who are present or participating by telephone to act as chair of a meeting of Directors or Members.
- (6) Subject to Section 4.2(8) of this Article, the Secretary will:
- (i) attend all meetings of the Cooperative and of the Board and keep correct minutes of the meetings;
 - (ii) have charge of the correspondence, records, and books of the Cooperative; and
 - (iii) perform such other duties as are assigned from time to time by the Board.
- (7) Subject to Section 4.2(8) of this Article, the Treasurer will:
- (i) receive and deposit in the bank, treasury branch, credit union, or place of safekeeping designated by the Directors, all money paid to the Cooperative, and issue receipts for that money;
 - (ii) keep a proper set of books, showing accurately the dealings of the Cooperative;
 - (iii) present a full and detailed account of the receipts and disbursements to the Board whenever requested by it;
 - (iv) prepare for submission to the annual meeting of the Cooperative, a complete statement of the financial position of the Cooperative; and
 - (v) perform such other duties as are assigned from time to time by the Board.
- (8) The duties of the Secretary and Treasurer, referred to in Sections 4.2(6) and 4.2(7), respectively, of this Article, may be modified or altered in keeping with the assignment of duties to any manager or other Officers of the Cooperative by the Board.
- (9) The Officers shall be entitled to be reimbursed for travelling and other expenses properly incurred by them in discharging the duties assigned to them by the Board.
- (10) Officers shall also be entitled to such compensation (if any) for their services to the Cooperative as the Members may from time to time approve, by ordinary resolution at Meetings of the Members. Nothing in these Bylaws shall preclude any Officer from serving the Cooperative in any other capacity and receiving remuneration for such service.
- (11) All Officers will serve at the pleasure of the Board. The Board will have the right to remove any Officer.

- (12) The Board may fill any office of a required Officer of the Cooperative which becomes vacant with a successor.

4.3 Auditor

At the first annual Meeting of the Cooperative, and at each subsequent annual Meeting of Members, the Members shall appoint an Auditor in accordance with the Act. The Members may, by special resolution, resolve not to appoint an Auditor at the first meeting of the Cooperative and at each subsequent annual Meeting of the Cooperative.

ARTICLE 5 - DUTY OF CARE AND PROTECTION OF DIRECTORS, OFFICERS, AND OTHERS

5.1 Duty of Care of Directors and Officers

Directors and Officers of the Corporation, in exercising their powers and discharging their duties, shall:

- (a) act honestly and in good faith with a view to the best interests of the Cooperative; and
- (b) exercise the care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances.

5.2 Insurance

The Cooperative shall purchase and maintain such directors and officers insurance for the benefit of those persons that the Cooperative is indemnifying pursuant to Section 5.3 of this Article, as the Board may, from time to time, determine.

5.3 Indemnity

Subject to the limitations contained in the Act, the Cooperative shall indemnify all Directors and Officers, former Directors and Officers, and their respective heirs, legal representatives, and successors, against all costs, charges, and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by them in respect of any civil, criminal, or administrative action or proceeding to which they are made a part of by reason of being or having been Directors or Officers of the Cooperative, provided that such individual:

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

ARTICLE 6 - SHARES, MEMBERSHIPS, AND TRANSFERS

6.1 Qualifications for Membership

Subject to the provisions of the Articles, a person shall only be qualified to apply for Membership in the Cooperative if that person:

- (a) if an individual, is 18 years of age or older;
- (b) is not an undischarged bankrupt; and
- (c) meets such other conditions as may be stipulated by the Board.

6.2 Application for Membership

A person who qualifies for Membership in the Cooperative may apply for Membership by submitting to the Board each of the following:

- (a) an application for Membership;
- (b) a Share Subscription Agreement and such other agreements, documents or materials as may be stipulated by the Board; and
- (c) payment for the Membership.

6.3 Subscription for Investment Shares

- (1) Subject to the Articles, the Board may issue Investment Shares in the number and according to the share class that the Board determines is appropriate for use in relation to any Investment Opportunity that is approved by the Board.
- (2) Subject to the Articles, the Board may authorize the sale and issuance of Investment Shares. Preference for any such issue of Investment Shares shall be given to Members.
- (3) A subscription for Investment Shares in the Cooperative shall consist of the following submissions to the Board:
 - (a) a subscription application for Investment Shares according to the share number and class as may be issued by the Board;
 - (b) a Share Subscription Agreement and such other agreements or documents as may be stipulated by the Board; and
 - (c) payment for the Investment Shares subscribed for on such terms as may be approved by the Board.

6.4 Refusal of Membership Applications and Subscriptions

All Applications for Membership in the Cooperative and subscriptions for Shares in the Cooperative shall be subject to the approval of the Board. Subject to the Articles and these Bylaws, the Board, in its sole discretion, may refuse any Application for Membership or subscription for Investment Shares.

6.5 Member Votes

Each Member shall have one (1) vote on matters brought for Membership votes. For clarity, the voting rights of Members shall not be affected by virtue of their ownership or non-ownership of Investment Shares.

6.6. Investment Shareholder Votes

For any matter that the Board determines to require a vote of the Shareholders of any class of Investment Shares that have been issued, each Shareholder of Investment Shares of such class shall be entitled to have one (1) vote for each Investment Share that it holds in the particular class of Investment Shares.

6.7 Members, Shares and Representatives

- (1) At least 90 percent of the Cooperative's members shall be individuals, other co-operative corporations, or corporations or partnerships that carry on the business of farming.
- (2) At least 90 percent of the Cooperatives shares shall be held by members, or by trusts governed by registered retirement savings plans, the annuitants, holders or subscribers under which are members.
- (3) Any Member or Shareholder that is not an individual shall designate by notice to the Cooperative, an individual to represent it at meetings and to vote on its behalf. The representative of any such Member or holder of Investment Shares may be changed by written notice to the Cooperative.

6.8 Transfers

- (1) No transfer or transmission of Memberships or Investment Shares shall take effect unless a written application by the transferee has been approved and the transfer or transmission has been authorized by the Board. The form of such application shall be prescribed by the Board.
- (2) Memberships and Investment Shares shall only be transferable to the extent permitted by law and to the extent permitted by any Subscription Agreements signed by the Member or Shareholder at the time of issue.

6.9 Duty of Members

- (1) Members shall be bound by the Bylaws and any other Agreements with the Cooperative signed by the Member. A Member who is not in Good Standing shall not be entitled to vote at a Meeting of Members.
- (2) Any Member who does not fulfill the Member obligations under these Bylaws shall be deemed not to be in Good Standing, and in such event irrevocably appoints the Cooperative as its attorney-in-fact and agent to sign and deliver in the name of the Member all such documents necessary to complete any action deemed necessary by the Board to fulfill the purpose of the Cooperative. Such

appointment, being coupled with an interest, is not revoked by the incapacity of the Member who hereby ratifies and confirms all that the Cooperative may lawfully do or cause to be done pursuant to this section to give full effect to such Power of Attorney

6.10 Withdrawal of Members

Subject to: (i) the approval of, and any conditions imposed by, the Board, (ii) the terms of any agreement between the Cooperative and a Member, and (iii) the Act, a Member may withdraw from the Cooperative by giving ninety (90) days' notice in writing of their intention to withdraw. The Board, in its sole discretion, may accept any application for withdrawal upon shorter notice. A withdrawing Member must satisfy all that Member's obligations to the Cooperative prior to withdrawal, including the Member's obligations under any agreement with the Cooperative.

6.11 Termination of Membership for Cause

- (1) The Board shall have the right, by resolution, to terminate the Membership of any Member if the Board determines that the Member remains in default under any agreement with the Cooperative, or is otherwise not in Good Standing, after fourteen (14) days' notice has been given to the Member to remedy the default in question, or for any such other reason as the Board deems just cause.
- (2) Within seven (7) days after the date on which the resolution to terminate the Membership of a Member is passed by the Board, the Cooperative shall, in the same manner as that provided for the giving of notice of a Meeting of Members, notify the person whose Membership has been terminated.
- (3) A person whose Membership is terminated for cause or by resolution of the Board may appeal the decision to the next Meeting of Members. At the next Meeting of Members, the Members may, by ordinary resolution, affirm or overturn that termination. The outcome shall be final and binding on the Member.

ARTICLE 7 - MEETINGS OF MEMBERS

7.1 Ordinary and Special Meetings of Members

- (1) The Board shall call a first Meeting of Members within twelve (12) months after the Cooperative comes into existence.
- (2) The Board shall call the first annual Meeting of Members not later than eighteen (18) months after the Cooperative comes into existence. Subsequent annual meetings of Members must be held not later than the earlier of fifteen (15) months after the holding of the preceding annual meeting and six (6) months after the end of the preceding fiscal year of the Cooperative.
- (3) The Board may at any time call a special Meeting of Members.

- (4) Twenty percent (20%) of the total number of Members or five (5) Members of the Cooperative, whichever is the greater number, may by written requisition require the Board to call a special Meeting of Members for the purposes stated in the requisition.

7.2 Place of Meetings

Meetings of Members shall be held at the business office of the Cooperative or elsewhere in Alberta, or electronically, as the Board may determine. If a Meeting of Members is to be held outside of Canmore, Alberta, then provision shall be made to allow for participation and voting by Members through electronic means.

7.3 Notice of Meetings

- (1) Notice of the time and place for each Meeting of Members shall be given not less than fourteen (14) days and no more than forty-five (45) days before the date of the meeting.
- (2) The notice shall be given to each Director, to the auditor, if any, and to each Member registered in the records of the Cooperative at the close of business on the date immediately preceding the day on which the notice is given.
- (3) Notice of a Meeting of Members called for any purpose other than the consideration of the matters referred to in any of Section 7.8(a) through 7.8(h), inclusive, and Section 7.8(l), all of this Article must include sufficient details of any such other matter to permit Members to form a reasoned judgment thereon, together with the text of any resolution to be proposed in respect of such matter.

7.4 Persons Entitled to be Present

The only persons who are entitled to be present at a Meeting of Members are the Members, the Members' delegates, Directors and Officers, the Cooperative's legal and accounting advisors, and the auditor and invitees of the Chair.

7.5 Quorum

A quorum for the transaction of business at any Meeting of Members shall be a minimum of the lesser of (i) ten (10) Members and (ii) one third ($\frac{1}{3}$) of the total number of Members (or their respective delegates), present and entitled to vote at the meeting.

7.6 Record Date

- (1) The Record Date for each Meeting of Members is one day prior to that meeting.
- (2) Only Members or their delegates, who have been entered on the Member or delegate register by the Record Date are entitled to vote at the Meeting of Members and in the election of Directors, provided that the chair of the meeting may permit a non-registered delegate to vote in place of a Member, if the chair of the meeting is satisfied that the delegate has the authority to do so.

7.7. Order of Business

- (1) So far as applicable at any particular Meeting of Members of the Cooperative, the order of business is as follows:
 - (a) calling of a meeting to order by the chair of the meeting;
 - (b) approval of Minutes of the preceding meeting;
 - (c) business arising out of the Minutes of the preceding meeting;
 - (d) report(s) of the Officers and Board of Directors and committee reports (if any);
 - (e) consideration of financial statements;
 - (f) report of the auditor;
 - (g) nomination and election of Directors by Members;
 - (h) nomination and appointment of the auditor, subject to Section 4.3 of these Articles;
 - (i) consideration and voting of any proposed compensation for Directors and/or Officers, if applicable;
 - (j) consideration and voting on any fees that are to be payable by Members, including annual Membership fees or similar levies;
 - (k) new business; and
 - (l) adjournment.
- (2) At any Meeting the Members may amend the agenda, add items to it, or delete items from it in accordance with normal rules of practice for the conduct of business and meetings, and in accordance with the direction of the chair of the meeting. Any such new business shall, however, be subject to Section 7.3(3) to the extent that a resolution is required to be voted on by Members in respect of such new business.

7.8 Member Votes

- (1) At any Meeting of Members, every question shall, unless otherwise required by the Act or these Bylaws, be determined by the majority of the Members' votes cast by show of hands on the question, unless provision has been made for mail ballots.
- (2) In case of an equality of votes on any vote of Members, the motion shall be lost.
- (3) The Board may authorize and provide for the voting on any matter by mail ballot, or by a combination of mail ballot voting and voting by show of hands at a Meeting of Members.

7.9 Adjournment

If a Meeting of Members is adjourned for less than thirty (30) days, it shall not be necessary to give notice of the adjourned meeting, other than by announcement at the adjourned meeting. If a Meeting of Members is adjourned by one or more adjournments for an aggregate of thirty (30) days or more, notice of the adjourned meeting shall be given.

ARTICLE 8 - ALLOCATION OF REVENUES

8.1 Disposition of Surplus Earnings

Subject to the Articles, the disposition of Surplus Earnings by the Cooperative at the end of a fiscal year shall be dealt with as follows:

- (a) the Board shall retain for future use such cash reserves as the Board considers reasonably necessary to meet any of its accrued financial obligations and for the ongoing maintenance, operation and administration of the Cooperative's assets and business;
- (b) subject to Section 8.1(c), if there are still remaining Surplus Earnings following the application of Section 8.1(a), the Board shall determine the disposition of such Surplus Earnings on the following basis:
 - (i) an amount not to exceed [twenty-five percent (25%)] of such surplus earnings from any fiscal year may be allocated at the discretion of the Board to community initiatives deemed consistent with the objectives of the Cooperative as set forth in its Articles. Without limiting the generality of this Section 8.1(b)(i), such community initiatives may include: (A) investment in additional green energy assets within the Bow Valley; (B) community education endeavours relating to green energy generation, energy conservation, or environmental protection more generally; or (C) other community-building investments within the Bow Valley; and
 - (ii) any portion of the Surplus Earnings for any fiscal year not allocated pursuant to Section 8.1(b)(i) shall be allocated as dividends to each outstanding class of Investment Shares in accordance with the Cooperative's obligations under the applicable Share Subscription Agreements for each such class of Investment Shares;
- (c) the Cooperative may set off against any dividends otherwise payable to a Shareholder or Member, as applicable, any amounts payable by such Shareholder or Member to the Cooperative. Dividends are not payable to a Member at any time that such Member is not in Good Standing.

8.2 Patronage Returns Possible

The Board may decide to structure contracts for the Cooperative's services that are entered into with Members so as to include provision for Patronage Returns. In such event, any liability for such Patronage Returns shall be included in the calculation of amounts to be retained from Surplus Earnings pursuant to Section 8.1(a) of these Bylaws. For clarity, no Patronage Returns shall be made payable in respect of any fiscal year if the Cooperative does not have Surplus Earnings in such year.

ARTICLE 9 - NOTICES

9.1 Method of Giving Notice

- (1) Any notice required or permitted to be given under the Bylaws to a Director, Member, Shareholder will be in writing and may be given or delivered by:
 - (a) Personal Delivery to the Director, Member or Shareholder;
 - (b) By sending it via mail to the postal address last provided by the Director, Member or Shareholder to the Cooperative; or
 - (c) By sending it via email to the last email address provided by the Director, Member or Shareholder to the Cooperative.
- (2) A notice delivered by hand or electronically shall be deemed to be given when it is delivered or transmitted as the case may be. A notice given by mail shall be deemed to be received on the fifth (5th) business day following mailing.
- (3) Each Director, Member and Shareholder will provide the Cooperative with its current mailing and email addresses for the purposes of receiving notices under these Bylaws.

9.2 Notices to Cooperative

Any notice or mail ballot required or permitted to be given under the Bylaws to the Cooperative by a Director, Member or a Shareholder will be in writing and will be given to the Cooperative by mailing it or delivering it to the Cooperative at its business office, or by email to the Cooperative's facsimile number or email address. Current mailing and email address contact information for the Cooperative are available on its website at [bvgreenenergy.org](https://www.bvgreenenergy.org).

9.3 Change of Address

Any person entitled to any form of notice under the Bylaws may by written notice to the Cooperative advise of any change of address, facsimile number, or email address of such person. From and after the Cooperative's receipt of such notice, the revised contact information therein specified will be deemed to be the contact information of such party

for the purpose of all subsequent notices to be sent by the Cooperative under these Bylaws. To the extent necessary, the Cooperative will promptly advise any Directors, Shareholders or Members of any such change of contact information and such change shall be binding upon those persons upon receipt.

ARTICLE 10 - AMENDMENT TO BYLAWS

10.1 Amendment by Members

- (1) Section 8.1(b) of these Bylaws (allocation of dividends to Shareholders from Surplus Earnings) may only be amended, repealed or replaced in accordance with the requirements for the same that may be specified in any Share Subscription Agreement relating to the Investment Shares that might otherwise be affected.
- (2) Section 8.1(c) of these Bylaws (allocation of dividends to Members from Surplus Earnings) may only be amended, repealed, or replaced in whole or in part by a special resolution of the Members, at any meeting duly constituted for that purpose.
- (3) All remaining bylaws may be amended by ordinary resolution of the Members.

10.2 Amendment by Directors

The Directors may, by ordinary resolution, make or amend a Bylaw, provided that such Bylaw or amendment is not contrary to a Bylaw made and approved by the Members, nor inconsistent with the restrictions of Section 10.1 of this Article, and provided further that the Bylaw or amendment as the case may be will be presented to the Members at the next Meeting of Members for confirmation or amendment, failing which the Bylaw or amendment as the case may be will be deemed to be repealed as of the date of the Meeting of Members at which it was not confirmed.