

KERROBERT GROWTH INVESTMENT COOPERATIVE LIMITED  
Bylaws – Amended March 4, 2025

## **1. Interpretations**

### 1.01 Definitions

- a) The “Act” refers to the Saskatchewan *Cooperatives Act, 1996*.
- b) “Bylaws” refer to these Bylaws created by KERROBERT GROWTH INVESTMENT COOPERATIVE LIMITED (referred to hereafter as the Cooperative).
- c) The “Articles” refer to the Articles of Incorporation that were filed to create the Cooperative.
- d) The “Board” and “Directors” refer to the Board of Directors of the Cooperative.
- e) A “Dividend” is a payment to Shareholders as defined in Section 4.
- f) “Director” refers to a Member that has been elected to the Board of Directors of the Cooperative.
- g) A “Member” refers to an individual or body corporate that has fulfilled the requirements of Membership set by these Bylaws and have been approved by the Board of Directors.
- h) An “Ordinary resolution” refers to a resolution that requires a majority of votes to be accepted.
- i) “Patronage returns” refers to profits that are shared with Members in proportion to business done with the Cooperative.
- j) A “Special resolution” refers to a resolution that requires at least a two-thirds majority of the votes cast to be accepted.
- k) A “Shareholder” refers to an individual or body corporate that has purchased a minimum of one preferred share.
- l) The “Regulations” refer to the Saskatchewan Cooperatives Regulations.

### 1.02 Conflicts with the Act and Regulations

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

## **2. Administration and Dissolution**

### 2.01 Fiscal Year

- a) The fiscal year of the Cooperative shall begin on the first day of July and end on the thirtieth day of June each year.

### 2.02 Registered Office

- a) The registered office of the Cooperative shall be within the trading area of the Cooperative in the province of Saskatchewan as decided by the Board from time to time.

## 2.03 Dissolution

- a) A special resolution to dissolve the Cooperative must be approved by the Members and Shareholders of the Cooperative.
- b) The resolution must be accompanied by a statement of dissolution that outlines the conversion of the Cooperatives assets into cash. Assets shall first be distributed to creditors before redeeming any shares. Preferred shares shall be redeemed before common shares and any cash not claimed by creditors, shareholders, or Members shall be given to members in proportion to the amount of business they have done with the Cooperative.
- c) A resolution to dissolve the Cooperative must include a statement of dissolution that provides a recipient for unclaimed assets.

## 3. Membership

### 3.01 Qualifications of Membership

- a) Membership in the Cooperative is open to any person or body corporate that:
  - i. In the case of an individual, is at least 18 years old;
  - ii. In the case of a body corporate, can appoint an individual to represent their interests that is at least 18 years old;
  - iii. Agrees to use the services of the Cooperative;
  - iv. Agrees to purchase the required number of common shares set out in subsection b)ii;
  - v. Agrees to purchase at least one preferred share;
  - vi. Can meet the responsibilities of a Member in the Cooperative; and
  - vii. Is willing to meet the requirements of Membership outlined in the Bylaws.
- b) No Member shall become a Member of the Cooperative until:
  - i. The prospective Member has submitted a written application for Membership, in a form approved by the Board from time to time, to the Board along with payment for fifty (50) common shares;
  - ii. The Board, by ordinary resolution, accepts the application to become a Member; and
  - iii. The acceptance of the Member has been recorded in the minutes for that Board meeting.

### 3.02 Joint Membership

- a) Two or more individuals may purchase a membership in the Cooperative pursuant to section 3.01.
- b) Either party to the joint membership is entitled to vote and exercise full rights and responsibilities of membership but cannot both exercise a vote at a members' meeting.
- c) Only one party to a joint membership may serve as a director at any one time unless one of the parties also holds a separate, individual membership in the Cooperative.
- d) The parties to a joint membership are jointly and severally liable for all assessments, fees, and other charges imposed or payable with respect to membership.
- e) In the event one of the parties to a joint membership dies or moves out of the trading area the, the remaining party may hold the membership as an individual.

- f) An application to withdraw a joint membership from the Cooperative must be signed by all parties to the joint membership.

### 3.03 Withdrawal of Membership

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

### 3.04 Termination of Membership

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

### 3.05 Redemption of Shares

- a) In accordance with the bylaws and the Act, within sixty months of the approval of a withdrawal or termination or transfer of a Membership by the Board, the Cooperative shall purchase all of the Member's common and preferred shares at their par value.
- b) If the payment of amounts owed to a Member would, in the opinion of the Board, impair the financial state of the Cooperative or act against the interests of remaining Members, the Board may prioritize payment first to terminated Members, then  
Members that have died or moved out of the trading area, then all other withdrawals.
- c) The Board may delay payment for the redemption of shares beyond the period set out in subsection a) for the reasons set out in subsection b).

## 4. Preferred Shareholders

### 4.01 Definitions

- a) For the purposes of this section, a "share" or "preferred share" shall refer to a preferred share in accordance with the Articles and the Act; and
- b) A "dividend" refers to a payment to shareholders in accordance with the Act.

#### 4.02 Issuing Preferred Shares

- a) The Board, or an individual authorized by the Board, shall oversee the issuance of preferred shares in accordance with the Articles, the Bylaws, the Act, and the Regulations.
- b) Preferred shares may only be purchased by Members of the Cooperative.
- c) A Member may purchase preferred shares upon application for Membership in the Cooperative in accordance with section 3.01 (b) or at a time when preferred shares are issued.
- d) A member may purchase a preferred share(s) from an existing member as long as the existing member has:
  - i. applied to redeem their preferred share(s);
  - ii. the Board approves the transfer of the preferred share(s);
  - iii. the transfer and purchase is facilitated through the Cooperative; and
  - iv. the purchasing member has applied and been successfully approved by the Board to become a Member.

#### 4.03 Rights, Privileges and Restrictions

- a) Preferred shareholders' rights shall be set out in an agreement with the Cooperative in accordance with these Bylaws and the Act and updated by the Board from time to time.
- b) Shareholders must receive notice of the annual meeting or any special or general meeting. Shareholders shall have the right to attend Members' meetings and, if they hold a Membership in the Cooperative, may vote in accordance with section 5.05.
- c) Shareholders shall be given preference and issued dividends, at rates determined by the Board, when a surplus is declared in accordance with section 7.01.
- d) In accordance with section 2.03, Shareholders shall have their preferred shares redeemed before common shares.
- e) Shareholders shall have the right to convene meetings of shareholders and vote on resolutions in accordance with the Act.
- f) Shareholders shall not be entitled to elect any Directors to the Board.
- g) At any Shareholder meeting, each share gives its holder one vote.
- h) Any proposed amendment of the Bylaws that would alter section 4 or any other section affecting preferred shareholders, must also be approved by special resolution of the Shareholders.
- i) Any vote on the amalgamation, dissolution, or continuance of the Cooperative must also be approved by special resolution of the Shareholders in accordance with the Act.
- j) Preferred Shareholders may not apply to redeem their shares for a period of no less than sixty months from the date of purchase. Shareholders must apply to withdraw their Shares from the Board 30 days before the date they wish to redeem their shares.

### 5 Members Meetings

#### 5.01 Place and Time of Members' Meetings

- a) Annual meetings shall be held within the trading area of the Cooperative and determined annually by the Board.
- b) The notice of a Members meeting shall contain the time, date, and location of a meeting.
- c) The Cooperative may host a Members' meeting using electronic means if consented to by participating Members of the Cooperative.

d) The Cooperative shall host an annual meeting once per year.

#### 5.02 Quorum

a) Quorum at annual or special meetings shall be the lesser of 25% of the Members or 15 Members.

b) Where a quorum is not present for a meeting, those in attendance may adjourn the meeting or hold discussion, but cannot transact any business of the Cooperative.

#### 5.03 Notice of Meetings

a) The Cooperative shall not give less than 21 and not more than 50 days' notice to all Members and Shareholders.

b) Notice shall be posted in the Cooperative's locations and otherwise circulated as determined by the Board.

c) Notice of the meeting will specify the purpose for the meeting. In the event a document or statement is required to carry on the business of the Cooperative at the annual meeting, a description of the document or statement must accompany notice of the meeting. The Cooperative must make this document or statement available to those that inquire as such.

#### 5.04 Special Business

a) Any special business to be discussed at a Members' meeting must be included in the notice of the meeting issued to Members.

b) The Board may call a special meeting at any time if notice is provided to Members and the special business to be discussed is included in the notice.

c) The greater of 40% or 20 Members may submit a request to the Board to call a special meeting. The purpose of the special meeting must be included in the request to the Board.

#### 5.05 Voting

a) Each Member is entitled to one vote for any decision at a special or annual meeting.

b) Voting will be by show of hand unless a secret ballot is requested by no fewer than 3 Members.

c) Voting by proxy or mail shall be prohibited

d) In the event of a tie, the chair may cast a deciding vote, but cannot vote again if a vote was already cast.

e) In the event of a tie where the chair cannot cast a deciding vote the motion/resolution is defeated.

#### 5.06 Amending Bylaws

a) At any annual or special meeting, the Members may enact, amend, repeal, or replace Bylaws by special resolution.

b) In the event a two-thirds majority is not achieved the resolution is defeated.

## 6 Directors

### 6.01 Duties of Directors

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

### 6.02 Qualifications of Directors

- a) A Member seeking the office of director must meet the following qualifications:
  - i. Must be an individual;
  - ii. Must be 18 years or older;
  - iii. Must be of sound mind;
  - iv. Must not have the status of bankrupt;
  - v. Must be a Member of the Cooperative; and
  - vi. Must live within the trading area of the Cooperative
- b) Directors shall serve a two-year term of office.

### 6.03 Directors' Meetings

- a) Directors are entitled to meet as often as necessary.
- b) Meetings may be called by the President or by two Directors at any time provided five days' notice is given.
- c) Unless otherwise provided in these Bylaws or the Act, decisions made at Board meetings require an ordinary resolution.
- d) Board meetings may utilize a telephone system or other means of electronic communication for the purposes of coordinating a meeting with all Directors if all Directors consent.
- e) A written resolution that is approved by the Directors comes into effect on the day the last Director consents to the resolution. Approval of written resolutions that are approved outside of Board meetings shall be recorded in the minutes of the following Board meeting.

### 6.04 Officers

- a) At the first meeting of the Board, the Directors shall vote on office holders from among the Directors. These offices must include:
  - i. A President
  - ii. A Vice-president
  - iii. A Secretary-treasurer
  - iv. Any other office as deemed necessary by the Board to carry out the business of the Cooperative.
- b) Directors shall not hold more than 1 office.
- c) The office of secretary-treasurer may be held by a staff Member or contracted service-provider.
- d) It shall be the responsibility of the Board to develop and approve the duties of each office in accordance with the Act and generally accepted duties of such offices.

## 6.05 Termination of a Director

- a) A director will be removed from the board if they:
  - i. Die or resign;
  - ii. Are removed from office by the Members in accordance with subsection b;
  - iii. Are removed by ordinary resolution of the board because they have not attended three (3) consecutive board meetings without cause; and
  - iv. Become ineligible to hold the office of director under the conditions set out in 6.02.
- b) A director may be removed from office by the Members by special resolution at a special or annual meeting.
- c) A vacancy on the Board created by a situation outlined in subsection b) may be filled at the same meeting or by the Board by ordinary resolution at a Board meeting.

## 6.06 Remuneration

- a) The Cooperative shall pay its Directors at a rate determined at the annual meeting by resolution of the members.
- b) The Cooperative shall reimburse Directors for any reasonable out-of-pocket expenses necessary to carry out the business of the Cooperative.
- c) The Cooperative shall reimburse Directors for the reasonable use of their personal vehicle for purposes necessary to carry out the business of the Cooperative using the rate set by the Government of Saskatchewan.
- d) The Board shall create and maintain a policy concerned with expense claims for Directors and staff.

## 6.07 Committees

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

## 6.08 Nominations

- a) Prior to the issuance of notice for the annual meeting, the Board will appoint a nominating committee to obtain nominations from the Members for candidates to serve on the Board.
- b) A Member may be nominated as a candidate for the Board of Directors by submitting a written application in a form approved by the Board from time to time.
- c) At least 7 days before the annual meeting no more nominations will be accepted, and the list of candidates shall be made available to the Members.

## 6.09 Elections

- a) When the number of nominees exceeds the maximum number of allowed Directors set out in the Articles, the election of Directors will be determined by secret ballot.
- b) Each voting Member shall cast a ballot voting for the maximum number of eligible Board positions.
  - i. Any ballots containing fewer votes than the maximum number of Board positions is valid; and
  - ii. Any ballots that contain a vote for a candidate that is not a nominee or contains more votes than the maximum number of eligible Board positions are invalid.
- c) At the first annual meeting of the Cooperative, the half of the Directors (to a maximum of five) elected with the most votes shall serve a two-year term and the half of the Directors elected with the fewest votes shall serve a one-year term. At all subsequent annual meetings, Directors shall be elected to a two-year term.

## **7 Finances**

### **7.01 Allocation of Surplus**

- a) It shall be the responsibility of the Board to allocate any surplus revenue in each fiscal year.
- b) The Directors shall set aside no less than 10% of any surplus revenue in a reserve fund before allocating dividends.
- c) The Board may, by ordinary resolution, allocate surplus revenue to matters that further the mandate and general well-being of the Cooperative.
- d) The Board may allocate dividends from any unallocated surplus from the previous fiscal year, or any previous fiscal years by ordinary resolution.
- e) Dividends shall be issued to Shareholders at a rate determined, by ordinary resolutions, by the Board.
- f) The Cooperative will not issue patronage dividends, dividends, or common share redemption for amounts less than \$10.00.

### **7.02 Auditor**

- a) The Members, by ordinary resolution, at each annual meeting shall appoint an auditor to hold that office until the close of the following year's annual meeting.
- b) In the event an auditor cannot be appointed at an annual meeting the incumbent auditor shall continue to hold that office until a successor is appointed.
- c) Members of the Co-operative may waive appointing an auditor by special resolution if the Co-operative has fewer than 20 members in accordance with The Co-operatives Act, 1996 (The Act)

## **8 Execution of Documents**

### **8.01 Corporate Seal**

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

## 8.02 Signing Authority

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



President:

Date: March 4, 2025

Secretary-Treasurer:



Date: March 4, 2025