

# Bylaws for Community Energy Cooperative Canada

## 1. Interpretation

### 1.01 Definitions

- a) The “Act” refers to the Canada *Cooperatives Act*.
- b) “Bylaws” refer to these bylaws created by 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 Cooperative. e) The “Cooperative” refers to the Canadian Community Energy Cooperative. f) “Director” refers to a member that has been elected to the board of directors of Canadian Community Energy 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” or “patronage dividends” 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) The “Regulations” refer to the Canada Cooperatives Regulations.

## 2. Membership

### 2.01 Classes of Membership

- a) There shall be two classes of membership with the following rights, privileges, and restrictions:

| <b>Class of Membership</b> | <b>Rights, privileges, and restrictions</b>  |
|----------------------------|--|
| Community Energy Member    | Members of this class shall: <ul style="list-style-type: none"><li>● Be cooperatives incorporated under relevant legislation or other community-oriented organizations whose purpose is to provide or support community-generated renewable energy; and</li><li>● Be entitled to any other rights as defined in the articles, bylaws, and the Act.</li></ul> |

|                         |  |
|-------------------------|--|
| <p>Supporter Member</p> | <p>Members of this class shall:</p> <ul style="list-style-type: none"> <li>● Be individuals or body corporates including educational institutions or government entities;</li> <li>● Support the mission, vision and values of the Cooperative;</li> <li>● Elect no more than 50% of directors; and</li> <li>● Be entitled to any other rights as defined in the articles, bylaws, and the Act.</li> </ul> |
|-------------------------|--|

b) A member shall only hold membership in one class of membership.

c) Board membership is defined by the CECC articles of incorporation

(minimum of three to a maximum of twelve members)

*2.02 Qualifications of Membership*

- a) Subject to section 2.01, membership in the Cooperative is open to any individual or body corporate that is:
  - a. In the case of an individual, is at least 18 years of age;
  - b. In the case of a body corporate, can appoint an individual to represent its interests in the Cooperative;
  - c. Supports the mission, vision, and values of the Cooperative; and
  - d. Has submitted an application for membership in the form provided by the Board.

*2.03 Application for membership*

- a) No individual or body corporate may be admitted to membership in the Cooperative until:
  - i. The person has submitted an application for membership in the form approved by the board; and
  - ii. The application for membership has been approved by the board.
- b) Membership is effective on the day that the application is approved.

*2.04 Joint Membership*

- a) The Cooperative is prohibited from issuing joint memberships.

*2.05 Rights and Obligations of Members*

- a) Members of the Cooperatives shall have the right to:
  - i. One vote on all matters to be decided by the members;
  - ii. Nominate candidates to or be nominated to serve on the board;
  - iii. Attend all meetings of the members of the Cooperative;

- iv. Receive information concerning the Cooperative;
  - v. Submit resolutions and/or proposals at members' meetings; and
- b) Members of the Cooperative shall:
- i. Use the Cooperative's services; and
  - ii. Adhere to these bylaws, the regulations, and the Act.

#### *2.06 Withdrawal of Membership*

- a) A member of the Cooperative may withdraw their membership in the Cooperative by providing notice to the board.
- b) The withdrawal will be effective on the later of the date stated in the notice and the date on which the Cooperative receives the notice.
- c) The withdrawal of a member does not release the member from any debt, obligation, or contract to the Cooperative.

#### *2.07 Termination of Membership*

- a) In accordance with the Act, the directors may, by special resolution, terminate the membership of a member of the Cooperative by giving notice of the termination within 10 days of the special resolution.
- b) The effective date of the termination is the later of the date specified on the notice and 30 days of the member's receipt of the notice.
- c) A member whose membership has been terminated by the board may appeal the decision of the board at the next members' meeting if the member provides the board notice of his/her intention to appeal no more than 30 days after receiving notice of the resolution to terminate.
- d) Notice to appeal the directors' decision will suspend the resolution until the vote of the members meeting.
- e) The members may, by ordinary resolution, at a duly called members' meeting, reverse the resolution of the board.
- f) A member's membership may be terminated by the members, by special resolution, at a duly called members' meeting.

### **3. Members' Meetings**

#### *3.01 Place and Time of Members Meetings*

- a) Meetings of the members of the Cooperative are to be held at a time and place in Canada as determined 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 the members of the Cooperative.
- d) The Cooperative shall host a general meeting of members meeting at least once per year.

### 3.02 *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 25% or 5 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.

### 3.03 *Notice of Meetings*

- a) Notice of all members' meetings must be provided to all members of the Cooperative not less than 21 days and not more than 50 days before the date of the meeting.
- b) The board shall determine how notice will be distributed to members.

### 3.04 *Quorum*

- a) Quorum for all members' meetings shall be the lesser of 15 or 25% of the members of the Cooperative.
- b) If quorum is not present at the open of the meeting the members must adjourn the meeting and no business can be transacted.

### 3.05 *Voting*

- a) Voting at all members meetings shall be conducted by a show of hands or any other method as determined by the chair.
- b) If five or more members request that a decision be decided by secret ballot, the Cooperative must accommodate the request.
- c) In the event a resolution is not approved by Community Energy Members, the resolution shall be defeated.
- d) The chair may cast a vote in the event of a tie, but cannot cast a second vote if a previous vote was cast.
- e) In the event of a tie, the resolution is defeated.
- f) Proxy voting is prohibited.

### 3.06 *Amending Bylaws*

- a) The board may, by special resolution, amend the bylaws of the Cooperative. A resolution made by the board must be confirmed by the members, by special resolution, at a duly called members' meeting.
- b) The members may, by special resolution, amend the bylaws at a duly called members meeting.
- c) A bylaw or amendment will come into force on the day it is approved by the members.

## **4. Directors**

### *4.01 Qualifications of Directors*

- a) No member of the Cooperative is eligible to serve on the board of directors if that person is:
  - i. Not an individual;
  - ii. Less than 18 years old;
  - iii. Found to be incapable by a court;
  - iv. Bankrupt. and/or
  - v. Not a Canadian citizen, permanent resident, or residing in Canada.
- b) Any member that is not disqualified is eligible for nomination by submitting a nomination form prepared by the board.

### *4.02 Election of Directors*

- a) Director elections shall take place at the annual meeting.
- b) In accordance with section 2.01, nominees must indicate their membership class and shall only seek election to represent their class of membership.
- c) The Cooperative shall close nominations not less than 14 days before the annual meeting and make the list of nominees available to the membership.
- d) If nominees for each membership class number less than or equal to vacancies for that class no vote will occur but members will be asked to approve election by acclamation of all candidates.
- e) Voting in all elections shall be conducted by open or secret ballot in a form determined by the board. Each ballot must contain the names of all nominees.
- f) Members can vote for the maximum number of positions available. Ballots with more than the maximum number will be considered invalid. Ballots with fewer than the maximum number will be considered valid.
- g) The nominees that receive the greatest number of votes will be elected.
- h) If two nominees receive an equal number of votes for the last vacancy on the board for a class of members, the candidates shall participate in a run-off election for the last position on the board.

### *4.03 Term of Office*

- a) Directors shall serve a term of office of two (2) years commencing at the close of the annual meeting where the director was elected.
- b) Directors may seek re-election at the end of their term.
- c) At the first annual meeting of the members all board positions shall be vacant and the members will elect the maximum number of directors for their class.
- d) The directors, from among their number, shall determine half of the directors for each class of membership that shall serve a two-year term and half of the directors for each class that shall serve a one-year term.
- e) At all subsequent annual meetings, directors shall be elected to two-year terms.
- f) If a director is appointed to fill the vacancy of a director that did not complete their term of office, the appointed director will only serve for the remaining 2-year term.

#### 4.04 *Officers and Committees*

- a) Following the annual meeting, the board shall meet to appoint the officers of the Cooperative:
  - a. President;
  - b. Vice-president;
  - c. Secretary; and
  - d. Treasurer.
- b) The board may determine the duties assigned to each office.
- c) The board may, by ordinary resolution, strike any committee deemed necessary to the management of the Cooperative. The board must appoint the following committees:
  - i. Finance and audit
  - ii. Governance
- d) The board may appoint any directors or members to the committee provided the individuals meet the qualifications set out in section 4.01(a).
- e) Each committee shall appoint a chair and secretary from among the committee members.

#### 4.05 *Removal of Directors and Vacancies*

- a) A director shall cease to hold office if that director:
  - i. Dies;
  - ii. Resigns;
  - iii. No longer meets the qualifications set out in section 4.01(a); or
  - iv. Is removed from office.
- b) If there is a vacancy on the board resulting from a situation set out in subsection a, and the board still has quorum, the board may choose not to fill the vacancy or appoint a director to fill the vacancy. If a vacancy results in the board's inability to achieve quorum, the board must call a special meeting for the purpose of electing directors.
- c) Failing to elect the maximum number of allowed directors or increasing the maximum number of directors does not give the board the authority set out in subsection b.
- d) A director may be removed from office by ordinary resolution of the members at a special meeting. The director will be provided an opportunity to address the meeting or submit a written statement to the Cooperative explaining his/her opposition to the resolution.
- e) A vacancy created by the situation set out in subsection d may be filled by the members at the same special meeting.

#### 4.06 *Indemnity*

- a) At any time deemed necessary by the board, the Cooperative shall indemnify an individual who is or was a director or officer of the Cooperative or who acts or acted at the Cooperative's request against all costs, charges, and expenses incurred by the individual in respect of any civil, criminal, administrative, investigative, or any other proceeding related to the individual's association with the Cooperative.
- b) The Cooperative shall not indemnify an individual whose conduct was knowingly unlawful or unethical.

#### 4.07 *Meetings of Directors*

- a) Board meetings are to be held at a place and time as determined by the board, including virtually and electronically.
- b) Not less than 5 days' notice must be provided to directors of a board meeting unless waived by the board.
- c) The President or Vice President or any two directors may call a board meeting.
- d) Quorum for board meetings shall be a majority of directors.
- e) All directors are entitled to one vote on all decisions of the board, including electronically.
- f) In the event of a tie of votes, the chair may cast a deciding vote, but cannot cast a second vote if they have already voted on the resolution.
- g) In the event of a tie of votes, the resolution is defeated.

### **5. Conflicts of interest**

- a) Pursuant to the Act a director shall have a conflict of interest if:
  - i. A director will benefit from a contract or transaction that is being decided by the board
  - ii. A director is a director or officer of a party that will benefit from a contract or transaction being decided by the board
  - iii. A director has a relationship with a party that will benefit from a contract or transaction being decided by the board.
- b) Pursuant to the Act, a director faced with a conflict of interest must disclose the conflict to the board.
- c) If the director fails to disclose the conflict of interest, any member of the board has an obligation to notify the board of the conflict of interest.
- d) In the case of a conflict of interest the board (through the chair), using its discretion and maintaining transparency, must determine whether the affected director can participate in the discussion or vote on the decision.

### **6. Patronage Returns**

- a) The Cooperative shall not pay any form of patronage returns or dividends.

### **7. Auditor**

- a) The auditor will be appointed each year at the annual meeting by ordinary resolution of the members, unless waived by ordinary resolution..
- b) The auditor shall hold that office until the opening of the following annual meeting.
- c) The board shall determine the remuneration for the auditor.

### **8. Execution of Documents**

#### 8.01 *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 individuals with signing authority shall be required.

May 7, 2024 version: Voted on by board