



Bylaws of
Riverside Co-operative Limited

The Co-operatives Act
Province of Saskatchewan

ARTICLE 1 DEFINITIONS

1.1 Definitions

In these and all other bylaws of the Co-operative, unless the context otherwise requires or specifies:

- (a) “**Act**” means *The Co-operatives Act, 1996, c. C-37.3*, amended from time to time, as and in the case of an amendment, any references in the bylaws shall be read as referring to the amended provisions;
- (b) “**articles**” mean the articles of the Co-operative;
- (c) “**the Co-operative**” means The Riverside Co-operative Limited;
- (d) “**Board**” and “**directors**” means the directors of the Co-operative for the time being;
- (e) “**bylaws**” means these bylaws and all amendments, additions, deletions, or replacements of the bylaws as they are in force from time to time;
- (f) “**individual**” means a natural person;
- (g) “**in writing**” and “**written**” include words printed, painted, engraved, lithographed, photographed or represented or reproduced by any mode of representing or reproducing words in visible form;
- (h) “**member**” means a person who:
 - (i) has met the conditions of membership set out in the bylaws; and
 - (ii) the Board has accepted as a member under paragraph 3.2;
- (i) “**ordinary resolution**” means a resolution that is passed by a majority of the members who vote on the resolution;
- (j) “**person**” includes an individual, partnership, association, public body, body corporate, trustee, executor, administrator, or legal representative;
- (k) “**regulations**” means the regulations, from time to time, passed by the Lieutenant Governor in Council under the Act;
- (l) “**special resolution**” means a resolution that is:
 - (i) passed by two-thirds of the members who vote on the resolution where at least 10 days’ notice has been given to the members of the intention to propose the resolution as a special resolution; or

- (ii) consented to in writing by all of the members who are entitled to vote on that resolution at a general or special meeting.
- (m) **“surplus”** as applied to the operations of the Co-operative in a fiscal year, means any amount that remains after deducting from the operating revenue, charges to members and patrons, and other revenue in that fiscal year:
 - (i) the operating expenses and any losses in the fiscal year, including proper allowances for depreciation, expenses incurred but not paid, and proper charges against operations; and
 - (ii) any refunds and interim and final payments to members and patrons in that fiscal year as required in contracts made with them or under the bylaws.
- (n) **“trading area”** means the geographic area or areas in which the Co-operative carries on its business activities;
- (o) terms defined in the Act have those meanings in the bylaws;
- (p) the headings used in the bylaws are inserted for reference only and are not to be considered in construing the terms used in the bylaws nor are they to be deemed to clarify, modify, or explain the effect of any terms in the bylaws; and
- (q) words that mean the singular shall include the plural and vice versa.

ARTICLE 2 BUSINESS OF THE CO-OPERATIVE

2.1 Registered Office

The registered office of the Co-operative shall be located in the town of Tisdale, in the province of Saskatchewan.

2.2 Fiscal Year

The fiscal year of the Co-operative shall end on the 31st day of January each year.

2.3 Execution of Instruments

- (a) Contracts, documents or instruments in writing requiring execution by the Co-operative shall be signed on behalf of the Co-operative by two persons; and, subject to clause (b), either the President or the Secretary shall sign such contracts, documents or Instruments in writing on behalf of the Co-operative.
- (b) The Board is authorized, from time to time, to appoint, by resolution any officer or officers or any persons on behalf of the Co-operative either to sign contracts, documents or instruments in writing generally or to sign specific contracts, documents or instruments in writing.

2.4 Corporate Seal

- (a) The corporate seal, if any, shall be in the form determined by the Board and shall be kept at the registered office of the Co-operative.
- (b) The corporate seal, when required, shall be affixed to contracts, documents, and instruments in writing signed as authorized by the bylaws or by any officer or officers appointed by resolution of the Board.

2.5 Borrowing Powers

- (a) The borrowing powers shall be as specified in the Act.
- (b) The Board, from time to time, may delegate to one (1) or more of the directors, officers, or employees of the Co-operative all or any of the borrowing powers conferred on the Board by the Act to the extent and in the manner that the Board determines at the time of delegation.

2.6 Financial Arrangements

- (a) The financial business of the Co-operative, including without limitation, the borrowing of money and the giving of security for it, shall be transacted with the credit unions, credit union centrals, banks, trust companies, or other bodies corporate or organizations that may, from time to time, be designated by or under the authority of the Board.
- (b) Financial business shall be transacted under agreements, instructions, and delegations of powers that the Board from time to time specifies or authorizes.

ARTICLE 3 EQUITY AND MEMBERSHIPS

3.1 Memberships

Subject to paragraph 3.2, membership in the Co-operative is open to any person who:

- (a) can reasonably use the services of the Co-operative;
- (b) can reasonably meet the responsibilities of membership in the Co-operative; and
- (c) in the case of an individual, is 16 years of age or older.

3.2 Approval of Membership

- (a) No person may become a member of the Co-operative until:
 - (i) that person has submitted to the Co-operative a written application for membership;

- (ii) the Board has approved the person's application for membership; and
- (iii) the Board's approval of the person's application for membership has been recorded in the minutes of the Board meeting.

3.3 Share Purchase Requirements

- (a) Applicants for membership are required to purchase five (5) common shares of the Co-operative.
- (b) The five (5) common shares must be paid for at the time of application for membership.

3.4 No Interest or Dividend on Common Shares

The Co-operative is not required to issue share certificates for common shares, but shall make available to any member a patronage statement indicating the number of shares held by that member in those years when allocations have been made.

3.5 Responsibility of Members

Members shall faithfully support the business and affairs of the Co-operative and shall be bound by the bylaws and policies of the Co-operative.

3.6 Lien and Set-Off

- (a) The Co-operative has a lien on every share standing to the credit of a member or the legal representative of a member for a debt of that member to the Co-operative.
- (b) The Co-operative's lien on a member's shares, whether held solely or jointly with others, shall be a first and paramount lien whether or not the time for payment of the member's debt has arrived.
- (c) The Co-operative may redeem any member's shares and set off against the proceeds of the redemption all debts of the member that are due by the member to the Co-operative at the time of redemption.
- (d) The Co-operative may refuse to register a transfer, or acknowledge an assignment, of any share.
- (e) The Co-operative may set off against amounts standing to the credit of a member all debts of that member that may be due to the Co-operative.

3.7 Transfer of Shares and Membership

The rules relating to the transfer of shares and memberships shall be as specified in the Act.

3.8 Withdrawal of Membership

- (a) Subject to subparagraph (b), a member may apply to withdraw from the Co-operative by giving to the secretary of the Board at least six (6) months' written notice of intention to withdraw.
- (b) The Board, by resolution, may accept any application to withdraw on less than six (6) months' written notice.
- (c) Written notice to the Co-operative of the dissolution of a partnership, association, public body, or body corporate that is a member of the Co-operative shall have the same force and effect as an application to withdraw.
- (d) Written notice to the Co-operative of the bankruptcy, receivership, or proposal of a member shall have the same force and effect as an application to withdraw.
- (e) Written notice to the Co-operative, together with proof satisfactory to the Board that a member died shall have the same force and effect as an application to withdraw.
- (f) Written notice to the Co-operative, together with proof satisfactory to the Board that a member has permanently moved out of the trading area shall have the same force and effect as an application to withdraw.
- (g) The payment of amounts owing to members who withdraw from membership is subject to the provisions of paragraph 3.13.

3.9 Members Who Have Reached the Age of 65

- (a) Without withdrawing from membership, individual members who have reached the age of sixty-five (65) years may request redemption of and payment for shares owned by them in the Co-operative, except for the shares required to be maintained as a condition of membership, as described in paragraph 3.3.
- (b) Redemption of and payment for shares of members under subparagraph (a) is subject to the provisions of paragraph 3.13.

3.10 Cessation or Termination of Membership

A membership ceases when:

- (a) the Board approves withdrawal; or
- (b) the Board issues an order of termination of the membership that is not appealed, or, if appealed, the appeals have been exhausted and the termination order has been upheld.

3.11 Membership Termination Order

The Board, by a two-thirds (2/3) vote at any directors' meeting, may order the termination of a membership.

3.12 Appeal of Membership Termination Order

A person whose membership has been terminated by the Board may appeal the decision to the next general meeting of the Co-operative in the manner specified in the Act and the regulation; and the directors' order can be rescinded only by a majority of at least two-thirds of the members present and casting votes at the general meeting.

3.13 Payment to Members

- (a) Subject to subparagraph (d), when a member withdraws from membership for one of the following reasons:
 - (i) death of the member; or
 - (ii) the member has permanently moved out of the trading area;

the Co-operative shall redeem and purchase all of the withdrawing member's shares at their par value within five (5) years after the date the Board approves the withdrawal.
- (b) Subject to subparagraph (d), when the Board has ordered the termination of a membership, the Co-operative shall pay the amounts due to that member in the manner provided in the Act.
- (c) Subject to subparagraph (d), when withdrawal or termination of a membership is for reasons other than those described in subparagraphs (a) and (b):
 - (i) within one (1) year after the Board approves a withdrawal, the Co-operative shall redeem and purchase at their par value the member's shares required as a condition of membership, as described in paragraph 3.3; and
 - (ii) within a period not exceeding twenty (20) years after the Board approves the withdrawal, the Co-operative shall redeem and purchase at their par value the member's shares purchased on behalf of the member by the application of patronage dividends credited to the member.
- (d) When, in the opinion of the directors, but subject to the Act, payment of all amounts due to members would:
 - (i) impair the financial stability of the Co-operative; or
 - (ii) be contrary to the interests of the remaining members;

the directors shall pay amounts payable according to the following order of priority:

- (iii) to persons whose memberships have been terminated and all appeals have been exhausted;
- (iv) to estates of deceased members;
- (v) to individual members who have reached the age of sixty-five (65) and requested redemption and repayment of shares under paragraph 3.9;
- (vi) to members who have withdrawn from membership because they have permanently moved out of the trading area; and
- (vii) to members whose membership in the Co-operative has been terminated or who have withdrawn for other reasons, including, but not limited to; liquidation and dissolution, or receivership, of a member that is an entity; and bankruptcy of the member.
- (viii) The directors may purchase at par value a member's shares, except for those required to be maintained as a condition of membership, in amounts that the directors, in their discretion, believe the financial position of the Co-operative permits.

3.14 Joint Memberships

- (a) Two individuals may apply to be joint holders of a membership.
- (b) All joint memberships shall be joint tenancy with right of survivorship.
- (c) Each of the parties to a joint membership is entitled to vote at meetings of the Co-operative.
- (d) Business that one of the parties to a joint membership does with the Co-operative as a party to that joint membership is deemed to be business that the joint membership has done with the Co-operative.
- (e) An application for withdrawal from membership by joint members must be in writing and signed by both holders of the joint membership.
- (f) If the Co-operative receives proof satisfactory to it that one of the parties to a joint membership has died, it may treat the surviving joint holder as the sole holder of the membership.
- (g) The death of one of the parties to a joint membership does not constitute withdrawal from membership of either or both of the parties to the joint membership.
- (h) Notice to the Co-operative that one of the parties to a joint membership has permanently moved out of the trading area does not constitute notice that the parties

to that joint membership are withdrawing from membership due to permanently moving out of the trading area.

- (i) Without withdrawing from membership, when the older of the parties to a joint membership has reached the age of sixty-five (65) years, both parties to the joint membership may request redemption of and payment for shares they jointly own in the Co-operative, except for the shares required to be maintained as a condition of membership, as described in paragraph 3.3.
- (j) Except as otherwise provided in this paragraph 3.14, redemption of and payment for the shares of parties to a joint membership are subject to the provisions of paragraph 3.13.

ARTICLE 4 GENERAL MEETINGS

4.1 Place of General Meetings

General meetings of the Co-operative shall be held in the trading area of the Co-operative, at the place determined by the Board. The Board of Directors may permit members to attend a meeting of members by means of telephonic, electronic or other communication facility that permits all persons participating in the meeting to communicate adequately with each other during the meeting.

4.2 Quorum at the General Meetings

The quorum at any annual or special meeting shall be the lesser of:

- (a) fifteen (15) members; and
- (b) ten (10%) percent of the membership.

4.3 Appointment of Auditor

- (a) The members, by ordinary resolution at each annual general meeting, shall appoint an auditor to hold office until the close of the next annual meeting.
- (b) Despite the provisions of subparagraph (a), where an auditor is not appointed at an annual general meeting, the incumbent auditor continues in office until the successor is appointed.

ARTICLE 5 ALLOCATIONS

5.1 Allocation of Surplus in a Fiscal Year

The provisions regarding the allocation of surplus in a fiscal year shall be as specified in the Act.

5.2 Patronage Dividends Applied to Shares

The directors may allocate among and credit or pay to the members as a patronage dividend.

- (a) any reserves, other than reserves the Co-operative is required to maintain pursuant to the Act; and
- (b) any unallocated earnings from previous years; in proportion to the business done by the members with or through the Co-operative in the immediately preceding fiscal year, in the manner specified in the Act, and at a rate or rates set by the directors.

5.3 Patronage Dividends Applied to Shares

- (a) In lieu of payment in cash of patronage dividends to members, the directors may annually apply the patronage dividends that have been declared pursuant to the Act or bylaws to the purchase of shares of the Co-operative.
- (b) The members hereby apply for the shares and assign, transfer and set over to the Co-operative all or any portion of the patronage dividends allocated to them, and each of them by the Co-operative, to be applied to the payment of shares in the current year and in each fiscal year thereafter.
- (c) If the amount of patronage dividends in any year is not an even multiple of the par value of one share, the member hereby applies for a share to which the balance of the amount shall be applied as part payment.

ARTICLE 6 DIRECTORS

6.1 Qualifications of Directors

- (a) No person shall be a director if that person:
 - (i) is not an individual;
 - (ii) is less than eighteen (18) years of age;
 - (iii) is of unsound mind and has been so found by a court in Saskatchewan or elsewhere;
 - (iv) has the status of bankrupt; or
 - (v) is a member of a class of persons described in the regulations.
 - (vi) is an employee of the Co-operative or a spouse or common law spouse of an employee of the cooperative.

- (b) No person shall be a director if that person, or an entity of which that person is an officer, director, or member, has an account with the Co-operative that is more than ninety (90) days in arrears.
- (c) No person shall be a director unless that person, or an entity of which that person is an officer, director, or member:
 - (i) is a member of the Co-operative; and
 - (ii) has purchased goods or services, or a combination of both, from the Co-operative during the preceding fiscal year, worth the collective amount of at least \$2,500.00
- (d) Not less than a majority of the directors shall be ordinarily resident in Canada.

6.2 Number of Directors

The number of directors required to constitute a full Board shall be no more than 9 persons and no less than 7 persons.

6.3 Term of Office

- (a) Except as otherwise provided in this paragraph, a director's term of office expires at the conclusion of the third annual general meeting after being elected.
- (b) A director elected by the members to fill a vacancy that occurs before the normal expiry of a director's term shall serve the balance of the term of the director being replaced.
- (c) A director appointed by the Board to fill a vacancy that occurs before the normal expiry of a director's term shall serve as a director until the next annual general meeting.
- (d) To provide for a rotation of terms, the members, by ordinary resolution at a general meeting and before elections are held at that meeting, may provide for directors' terms of office that are shorter than those provided for in subparagraph (a).

6.4 Removal of Directors from Office.

The members of the Co-operative may remove any director from the office of director by a resolution approved by a majority of at least two-thirds (2/3) of the votes cast at a general meeting.

6.5 Directors Ceasing to Hold Office

A director ceases to hold office when the director:

- (a) dies or resigns;
- (b) is removed from office under paragraph 6.4; or

- (c) becomes disqualified from being a director when the director fails to meet the qualifications in 6.1.

6.6 Vacancies on the Board

In addition to the provisions set out in the Act, the following provisions apply to vacancies on the Board:

- (a) where there is a quorum of directors in office, the remaining directors may exercise all of the powers of the directors or may appoint one or more directors to fill the vacancies until the next annual general meeting; and
- (b) where there is not a quorum of directors in office, the remaining directors shall call a general meeting for the purpose of electing directors to fill vacancies.

6.7 Nominating Procedures

- (a) At least ninety (90) days before the annual general meeting, the nominating committee shall meet to review nominations procedures.
- (b) At least sixty (60) days before the annual general meeting, the nominating committee shall call for nominations to fill vacancies or expired terms by displaying notices prominently where they can be seen by members.
- (c) Any two (2) members may nominate a candidate for director by providing to the nominating committee a form or letter signed by both nominators and containing the signed consent of the nominee.
- (d) Director nominations from the members shall be submitted to the nominating committee within thirty (30) days after the date that the nominating committee calls for nominations under subparagraph (b).
- (e) The nominating committee, in its discretion, may nominate additional candidates for the position of director, and shall use its best efforts to ensure there are at least as many candidates as there are positions to be filled.

6.8 Director Elections

- (a) Where the number of director nominees exceeds the number of directors to be elected, the election of directors must be by secret ballot.
- (b) Every member casting a ballot in a director election shall vote for a number of director nominees equal to or fewer than the number of directors to be elected.
- (c) Any ballot, otherwise valid, that contains votes for fewer director nominees than the number of directors to be elected is deemed to be valid.

- (d) Any ballot that:
 - (i) contains a vote for anyone other than a director nominee; or
 - (ii) votes for more director nominees than the number of directors to be elected is deemed to be void.
- (e) The procedure for elections of directors to the Board shall be through an election held in the 30-day period preceding the Annual Meeting.
- (f) The Board may determine that elections be conducted by any one or any combination of the following methods:
 - (i) in-store voting
 - (ii) any secure electronic means
- (g) The results of the election and duration of the term of membership to the Board of Directors shall be announced at the Annual Meeting.

6.9 Place and Notice of Directors' Meetings

- (a) The directors are entitled to meet at any place, and on any notice, that they consider appropriate.
- (b) The president:
 - (i) is entitled to call a directors' meeting at any time; and
 - (ii) on the written request of at least two (2) directors, shall call a meeting within two (2) weeks after the request.
- (c) Notice of a directors' meeting need not specify the purpose of, or the business to be transacted at, the meeting.
- (d) Attendance of a director at a Board meeting is deemed to be a waiver of notice of the meeting, unless the director attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.
- (e) Where the time and place of an adjourned Board meeting is announced at the original Board meeting, notice of an adjourned Board meeting is not required to be given.

6.10 Quorum

The quorum necessary for the transaction of business by the directors at any board meeting shall be a majority of the directors.

6.11 Transacting Business at Board and Committee Meetings

- (a) All questions at regularly and legally constituted meetings of the Board or any committee of the Board shall be decided by a simple majority vote.
- (b) The presiding officer at Board and committee meetings is entitled to vote on any resolution but shall not have a second or casting vote in the event of a tie.
- (c) Except as provided in subparagraph (d), a resolution of the Board may be passed without a meeting where:
 - (i) all the director's consent in writing or email to the resolution; and
 - (ii) the consent is filed with the minutes of the proceedings of the directors.
- (d) No Board resolution that involves the expenditure of money may be passed without a meeting of directors being held.
- (e) Where all the directors consent, a meeting of the Board or a committee of the Board may be held by means of a telephone system or a communications facility other than a telephone system that permits all individuals participating in the meeting to hear and speak to each other, and an individual so participating is deemed to be present at that meeting.

6.12 Directors' Duties and Powers

- (a) The directors shall:
 - (i) exercise the powers of the Co-operative directly or indirectly through the employees and agents of the Co-operative;
 - (ii) direct the management of the business and affairs of the Co-operative; and
 - (iii) exercise the borrowing and other powers of the Co-operative as described in the Act.
- (b) The directors, in addition to the general powers specified in subparagraph (a), shall:
 - (i) appoint a general manager for the Co-operative, define the duties of that position, and supervise the carrying out of those duties;
 - (ii) fix the remuneration of the general manager and approve the scale of remuneration for the management group reporting directly to the general manager; and
 - (iii) fix the amount of the bond, if any, required for the general manager and other officers of the Co-operative and the employees.

6.13 Officers

- (a) At its first meeting after the annual general meeting in each year, the Board shall elect or appoint, from among the directors:
 - (i) a president;
 - (ii) a vice-president;
 - (iii) a secretary;
 - (iv) other officers if it deems it necessary to properly conduct the affairs of the Co-operative.
- (b) No director shall hold more than one (1) office.
- (c) The president shall:
 - (i) chair all general meetings of the Co-operative unless some other member is appointed by the meeting to do so;
 - (ii) chair all Board meetings unless some other director is appointed by the directors to do so;
 - (iii) be an ex-officio member of all committees appointed by the Board;
 - (iv) perform other duties and exercise other functions that are incidental to the office of president or that the Board requires from time to time.
- (d) The vice-president, in the absence of the president, shall discharge the duties of the president described in subsection (iv) of subparagraph (c).
- (e) The secretary shall:
 - (i) be responsible to ensure that correct minutes are kept of all general meetings and Board meetings.
 - (ii) perform or delegate other duties and exercise other functions incidental to the office of secretary or that the Board requires from time to time.
- (f) If the Board appoints officers other than the president, vice-president, secretary, it will specify their powers and duties at the time of appointment.
- (g) The Board shall not delegate to any officer, or any other individual or committee, any of the powers, described in the Act, that the Board is prohibited from delegating.

- (h) The Board, in its discretion, may remove any officer of the Co-operative from his or her position as an officer of the Board and elect or appoint another individual to fill the unexpired portion of that individual's terms.

6.14 Directors' Committees

The provision regarding committees of directors shall be as specified in the Act.

6.15 Directors' Remuneration

The Co-operative shall:

- (a) pay to directors an annual retainer in an amount equal to 10% of the director retainer payable by Federated Co-operatives Limited for the same year. The Board chair will receive an annual retainer in an amount equal to 15% of the retainer payable by Federated Co-operatives Limited for the same year and Vice Chair and Secretary will receive 12.5% of the retainer payable by Federated Co-operatives Limited for the same year.
- (b) pay to directors a per diem amount for attendance at board meetings equal to 50% of the per diem amount payable by Federated Co-operatives Limited for the same year.
- (c) pay to directors amounts in respect of travel time required to attend board meetings, at 30% of retail per diem per hour of travel. Directors will be reimbursed for mileage, at the Saskatchewan Government publicized rate as set for the year.
- (d) reimburse its directors for reasonable out-of-pocket expenses incurred while carrying out their activities as directors.

ARTICLE 7 ENACTMENT, AMENDMENT AND REPEAL OF BYLAWS

7.1 Enactment, Amendment and Repeal of Bylaws

- (a) The members, at any annual or special meeting called for the purpose, may enact, amend, repeal, or replace any bylaws where written notice of the proposed enactment amendment, repeal or replacement has been:
 - (i) sent to the members with the notice of the meeting at which the enactment, amendment, repeal, or replacement is to be considered, by a simple majority of the votes cast at the meeting; or
 - (ii) not forwarded to each member with the notice of meeting at which the enactment, amendment, repeal, or replacement is to be considered, by a two-thirds (2/3) majority of the votes cast at the meeting.

- (b) In lieu of the written notice required to be sent to the Co-operative's members under subparagraph (a), the Co-operative may:
 - (i) insert the notice in not less than two (2) issues of the newspaper circulating in the trading area; and
 - (ii) post the notice in a place that, in the opinion of the directors, is prominent and accessible to the members;

and the provisions of the Act respecting newspaper notices for annual or special meetings shall apply.

ARTICLE 8 DISSOLUTION

8.1 Statement of Dissolution

Upon the dissolution of the Co-operative, the distribution of the property shall be in accordance with the Statement of Dissolution.

8.2 Unclaimed Funds

Unclaimed funds will be handled in accordance with the Act.