



POWER UP!

Renewable Energy Co-operative

GENERAL BY-LAWS

Of

Power-Up Renewable Energy Co-operative Incorporated

Incorporated under the *Co-operative Corporations Act*

GENERAL BY-LAWS

Power-Up Renewable Energy Co-operative Incorporated

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GENERAL BY-LAWS

Of

Power-Up Renewable Energy Co-operative Incorporated

The following is enacted as By-law 1 of Power-Up Renewable Energy Co-operative Incorporated (the Co-operative):

1. REQUIREMENTS OF CO-OPERATIVE CORPORATIONS ACT
- 1.1 Co-operative Corporations Act -- The affairs of the Co-operative will be governed by and conducted in accordance with the *Co-operative Corporations Act* of Ontario (the *Act*). Certain provisions of that *Act* relate to various matters not dealt with in the by-laws of the Co-operative and should be consulted where appropriate. If any conflict arises between the mandatory provisions of the *Act* and the by-laws of the Co-operative, such provisions of the *Act* shall govern.
- 1.2 Records -- Pursuant to the *Act*, copies of the following documents shall be kept at the head office of the Co-operative:
 - (a) a copy of the Articles of Incorporation;
 - (b) all by-laws;
 - (c) a register of members and security holders in which is set out the information required by the *Act* (Section 114, paragraph 3 of the *Act*);
 - (d) a register of directors in which is set out the names and resident addresses while directors, including the street and number, if any, of all persons who are or who have been directors of the Co-operative with the several dates on which they have become or ceased to be directors;
 - (e) all accounting books and documents (Section 114, paragraph 5 of the *Act*);
 - (f) the minutes of all meetings of members, directors and any executive or other committee; and
 - (g) a register of transfers of securities.

These records shall be available for examination by any director and, with the exception of accounting records and minutes of proceedings at meetings of directors and any committee, by members and creditors or their agents or personal representatives during normal business hours for purposes consistent with the good faith exercise of membership rights and responsibilities in the Co-operative.

2. MEMBERSHIP

- 2.1 Qualifications for Membership -- The board of directors may admit as a new member of the Co-operative a person who has paid the required membership fee in full and agrees with the aims and objectives of the Co-operative.
- 2.1a Annual dues: Payable by thirty days after the start of each financial year
 Individual: \$20.00
 Family: \$35.00 (one vote)
 Individual over 60 or under 21 years of age: \$15.00
- 2.1b Life memberships:
 Individual life membership: \$500.00
 Family life membership: \$900.00 (Family means up to two spouses and all dependant children.)
- 2.1c Corporate:
 10 employees or less: \$100.00
 11 – 50 employees: \$250.00
 51 – 100 employees: \$500.00
 100 employees: \$1000.00
- 2.2 Benefits of Membership -- Members shall enjoy the following rights of membership:
- (a) the right to vote at annual and special meetings of members;
- (b) the right to receive patronage dividends in accordance with the *Act*, and
- (c) all rights of members otherwise set out in the *Act*, the articles and the by-laws of the Co-operative.
- 2.3 Transfer of Membership -- Membership shall not be transferable.
- 2.4 Withdrawal -- A member of the Co-operative may withdraw from membership by giving to the Secretary 6 months notice of her/his intention to withdraw. Such withdrawal will be under the terms of the *Act*.

- 2.5 Expulsion -- A member of the Co-operative may be expelled from the membership by the directors in accordance with Section 66 of the *Act*.
- 2.6 Automatic Termination -- If a member ceases to be qualified for membership pursuant to paragraph 2.1, that person automatically ceases to be a member.
- 2.7 Purchase of Shares on Termination of Membership -- The Co-operative shall purchase from a person whose membership has terminated, all shares which the Co-operative is required to purchase pursuant to the *Act* in the manner, and at the times required by the *Act*.
- 2.8 Agreement to Comply with By-Laws -- Upon becoming a member of the Co-operative, a person is deemed to have entered into an agreement with the Co-operative to comply with and be bound by the by-laws of the Co-operative, as amended from time to time.
- 2.9 Confidentiality -- Upon being admitted to membership in the Cooperative, members are deemed to have entered into a confidentiality agreement with the Co-operative and shall not disclose to third parties any information pertaining to the Co-operative which, directly or indirectly,
- could be prejudicial to the interests of the Co-operative,
 - could place the Co-operative at a competitive disadvantage with respect to existing or potential competitors, or
 - could cause material damage to the reputation or image of the Co-operative or the Co-operative's products,

except for information which is generally known, other than as a result of a disclosure in breach of this paragraph, is rightfully in the possession of a member prior to the date when the information was disclosed to the member by the Co-operative, or becomes available to the member on a non-confidential basis from a source which is not prohibited from disclosing such information by a legal, contractual or fiduciary obligation.

3. MEETINGS OF MEMBERS

- 3.1 Annual Meetings -- The annual meeting of the members shall be held within 6 months of the financial year-end, and within 15 months of any previous annual meetings. The board of directors shall fix the date, time, and location of the annual meeting. The annual meeting shall be held for the purpose of electing the directors, receiving the financial statements and any auditor's report thereon, and the transaction of any

other business that may properly be brought before an annual meeting of the members.

- 3.1a Special Meetings -- Other meetings of the members may be called by order of the President, Vice-President or the directors, or by written requisition of 5% of the members in accordance with the Act, at any time and at any place within the province of Ontario, and the Secretary shall send the requisite notice of such meeting to members of the Co-operative at any place within the province of Ontario fixed by the person or persons calling the meeting.
- 3.1b Business Transacted -- At meetings of the members, only the business stated in the notice calling such a meeting may be transacted.
- 3.2 Record Date -- The board of directors may fix in advance a record date preceding the date of any meeting of members for the determination of the members and shareholders who shall receive notice of the meeting. That date shall not be more than 3 business days prior to the date on which the notice of the meeting is given, and not more than 50 days before the date of the meeting.
- 3.3. Notice of Meetings -- A written notice of each annual or special membership meeting stating the time, place and purpose shall be posted in the place of business and shall be given by the Secretary at least 10 days but no more than 50 days before the meeting, to each member (and to each preference shareholder who is not a member) and to the auditor (if any) of the Co-operative.
- 3.4 Where Notice Not Required -- No notice of any annual or other meetings of the members shall be necessary:
- (a) where all the members entitled to vote at such a meeting and all preference shareholders, are present in person, and in the case of an annual meeting, consent to the transaction of the business, or in the case of any other meeting, consent to the transaction of the business for which such meeting is being held; or
 - 3.□ where all members entitled to vote at such meeting and all preference shareholders who are not present, waive notice of the meeting in writing, or in the case of a meeting other than the annual meeting, notice of the meeting and the purpose for which it is being held.
- 3.5 One Member – One Vote – Each member at a meeting is entitled to one and only one vote on any matter requiring a vote of the members.

- 3.6 Corporate Proxy -- A corporate member may appoint one of its directors or officers to attend and vote on its behalf at meetings of members. No other member of a Co-operative may vote by proxy.
- 3.7 Quorum -- A quorum for any meeting of the members shall be 10 members, or 20% of the members, whichever is the lesser. No business shall be transacted at any meeting unless the requisite quorum is present.
- 3.8 Voting -- Except as required by these by-laws or the *Act*, questions arising at any meeting of members shall be decided by a majority of votes. Any questions shall be decided by a show of hands unless, prior to any vote by show of hands, a member requests a ballot. A ballot shall be taken in such manner as the Chair of the meeting shall direct. The Chair, as a member, may exercise his/her vote on a question, and shall not have a second vote in the event of a tie.
- 3.9 Presiding Officer-- The President or other designee, as determined by the board of directors, shall preside at membership meetings. However, if at a meeting the board's designee is not present within 15 minutes after the time appointed for the holding of the meeting, the members present shall choose a person from their number to be the chair, provided a quorum is present.
- 3.10 Adjournment -- If a meeting of members is adjourned for less than 30 days, it shall not be necessary to give notice of the adjourned meeting other than by an announcement at the meeting that is adjourned. If a meeting of members is adjourned by one or more adjournments for a total of 30 days or more, notice of the adjourned meetings shall be given as for the original meeting.

4. BOARD OF DIRECTORS

- 4.1 Powers -- The board of directors shall manage or supervise the management of the affairs and business of the Co-operative.
- 4.2 Qualifications -- Each director shall be at least 18 years of age, and a member of the Co-operative (or, if the member is a corporation, he or she is a director, officer, shareholder or member of that corporate member), and shall not be an undischarged bankrupt or a mentally incompetent person. A majority of directors shall be resident Canadians.
- 4.3 Election and Size -- The board of directors shall consist of 11 directors (the exact number to be determined from time to time by the directors) who shall be elected for a term of 3 years, arranged so that one-third of the directors are elected each

year. Directors shall be eligible for re-election upon completion of their term,

- 4.4 Tenure -- Except as otherwise provide by law, by the articles, or by these by-laws, directors shall hold office until their successors are elected.
- 4.5 Nominations -- At a meeting where directors are to be elected, the meeting, before nominations are called for, shall choose its chair for the purpose of conducting the elections. Nominations shall be on an individual basis and the chair shall not accept a blanket motion to elect directors until after nominations have been closed.
- 4.6 Election -- Every member entitled to vote at an election of directors, if she/he votes, shall cast a number of votes equal to the number of directors to be elected, and the member shall distribute the votes among the candidates in such a manner as she/he sees fit, but no candidate shall receive more than one vote from each member.
- 4.7 Vacation of Office -- The office of a director shall be vacated:
- (a) if she/he ceases to have the necessary qualifications for office;
 - (b) if she/he is absent without leave of the directors for three consecutive regular meetings of the directors;
 - (c) if by notice in writing to the Co-operative she/he resigns her/his office, or
 - (d) if by resolution passed by a majority of the votes cast at a meeting of the members called for that purpose, she/he is removed from office;
 - (e) if he/she dies.
- 4.8 Vacancy -- Whenever any vacancy occurs on the board of directors, provided a quorum of directors remains in office, the directors may appoint a director to fill such vacancy, to serve for a term ending on the date of the next annual general meeting.
- 4.9 Meetings of Directors -- Regular meetings of the directors shall be held as often as the business of the Co-operative may require but in any event not less than quarterly.

- 4.10 Place of Meeting -- Meetings of the directors may be held either at the head office of the Co-operative or elsewhere within or outside Ontario as the directors from time to time may determine, but in any financial year of the Co-operative a majority of the meetings shall be held at a place within Canada.
- 4.11 Notice of Meetings -- A meeting of the directors may be convened by the President or any three directors at any time. Notice of such meeting shall be delivered, or mailed or faxed or telephoned or e-mailed to each director not less than 7 business days before the meeting is to take place.
- 4.12 Waiver of Notice -- Meetings of the directors may be held without formal notice if all the directors are present or those absent have before or after the meeting waived notice or have signified their consent in writing to the meeting being held in their absence. Attendance of a director at a meeting of directors constitutes a waiver of notice of such meeting except where the director attends for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called. Notice of any meeting or any irregularity in any meeting or notice thereof may be waived by a director.
- 4.13 First Meeting After Annual General Meeting -- In the case of the first meeting of the directors to be held immediately following an annual meeting, or in the case of a director elected to fill a vacancy of the board, it shall not be necessary to give notice of such a meeting to the newly elected director or directors in order to legally constitute the meeting, provided that a quorum of directors is present
- 4.14 Telephone Meetings -- If all directors of the Co-operative consent thereto generally or in respect of a particular meeting, a director may participate in a meeting of the board of directors or of a committee of the board of directors by means of such telephone, electronic or other communications facilities as permit all persons participating in the meeting to communicate with each other, simultaneously and instantaneously, and a director participating in such a meeting by such means is deemed to be present at the meeting. Any such consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the board and of committees of the board. If a majority of the directors participating in a meeting so held are then in Canada, the meeting shall be deemed to have been held in Canada.
- 4.15 Adjourned Meeting -- Notice of an adjourned meeting of the directors is not required to be given if the time and place of the adjourned meeting is

announced at the original meeting.

- 4.16 Regular Meetings -- The directors may, by resolution, appoint a day or days in any month or months for regular meetings of the board at a place and hour named. A copy of any such resolution shall be sent to each director after it has passed, and no other notice shall be required for any such regular meeting.
- 4.17 Quorum -- A majority of the directors shall constitute a quorum.
- 4.18 Voting -- Questions arising at any meeting of the board of directors shall be decided by a majority of votes. Where a meeting cannot reach a consensus, a director may make a special motion requiring the main motion be decided by a majority of two thirds of the directors present. The motion, which must have a seconder, may not be debated and must itself have a majority of two thirds of the directors present. The Chair, as a director, may exercise his/her vote on a question, and shall not have a second vote in the event of a tie.
- 4.19 Remuneration -- The directors shall not receive remuneration for serving the co-operative as directors, but may be paid for other services rendered to the Co-operative. The directors may be reimbursed for travelling and other expenses properly incurred by them in attending meetings of the board or any committee thereof or incurred by them as directors in connection with the business of the Co-operative. This shall not preclude any director from serving in the Co-operative in any other capacity and receiving compensation for such service.
- 4.20 Executive Committee -- Where the number of directors is more than five, the directors may elect from among their number an executive committee consisting of not fewer than three, and may delegate to the executive committee any powers of the board of directors, subject to restrictions, if any, imposed from time to time by the directors. A majority of the executive committee shall constitute a quorum.
- 4.21 Indemnity -- Subject to paragraph 4.22 of these by-laws, every director and officer of the Co-operative and his/her heirs, executors, administrators and other legal personal representatives shall be indemnified and saved harmless by the Co-operative from and against,
- (a) any liability and all costs, charges and expenses that she/he sustains or incurs in respect of any action, suit or proceeding that is proposed or commenced against her/him for or in respect of anything done or permitted by her/him in respect of the execution of the duties of office; and

- (b) all other costs, charges and expenses that she/he sustains or incurs in respect of the affairs of the Co-operative.
- 4.22 Limitation of Indemnity -- No director or officer of the Co-operative shall be indemnified by the Co-operative in respect of any liability, costs, charges or expenses that she/he sustains or incurs in or about any action, suit or other proceeding as a result of which she/he is adjudged to be in breach of any duty or responsibility imposed upon her/him under the *Act* or under any other statute unless, in an action brought against her/him in her/his capacity as director or officer, she/he has achieved complete or substantial success as a defendant.
- 4.23 Insurance -- The Co-operative may purchase and maintain insurance for the benefit of its directors and officers.
- 4.24 Conflict of Interest -- A director of the Co-operative who is a party to, or has a material interest in any person who is a party to, a material contract or transaction or proposed material contract or transaction with the Co-operative, unless the subject of the contract or transaction is of a type available to all members of the Co-operative, shall:
- (a) disclose to the Co-operative the nature and extent of his interest at the time and in the manner provided by the *Act*;
 - (b) shall abstain from discussion of and shall not vote on any resolution to approve such a material contract or transaction except as provided by the *Act*; and
 - (c) shall not attend or otherwise participate in any portion of a meeting of the board of directors at which the board is considering engaging such director in any capacity for remuneration, other than in his or her capacity as a director of the Co-operative.
- 4.25 Deemed Material Interest -- For the purposes of paragraph 4.24, and without limiting its generality, a director shall be deemed to have a material interest in a party if, where the party is a corporation, the director is a director or officer of that corporation or beneficially owns, directly or indirectly, securities holding more than ten per cent of the voting rights of that corporation, or, where the party is a natural person, if the director is the spouse, parent, son or daughter of such party.
5. OFFICERS
- 5.1 Election and Appointment -- The directors shall annually or as often as

may be required, elect a President, and elect or appoint a Vice-President, a Secretary, a Treasurer. None of the said officers, except the President, need be a member of the board of directors. Any two of these offices may be held by the same person, except those of the President and Vice President. The directors may from time to time elect or appoint such other officers and agents as they shall deem necessary who shall have such authority and shall perform such duties as the directors from time to time shall prescribe.

- 5.2 Remuneration and Removal -- The remuneration of all officers elected or appointed by the directors shall be determined from time to time by resolution of the directors. The fact that any officer or employee is a director or member of the Co-operative shall not disqualify her/him from receiving remuneration as may be determined. All officers, in the absence of agreement to the contrary, shall be subject to removal by resolution of the directors at any time, with or without cause.
- 5.3 Delegation -- In the case of the absence or inability to act of the President, Vice-President or any other officer of the Co-operative or for any other reason that the directors may deem sufficient, the directors may delegate all or any of the powers of such officer to any other officer or to any director for the time being, provided that a majority of directors concur therein.
- 5.4 Duties of President -- The President shall , if present, preside at all meetings of members and directors. She/he shall sign all instruments which require her/his signature and shall perform all duties incident to her/his office and shall have such other powers and duties as may from time to time be assigned to her/him, by the directors.
- 5.5 Duties of Vice-President -- In the absence or disability or refusal to act of the President, the Vice-President shall be vested with all the powers and she/he shall perform all the duties of the President.
- 5.6 Duties of Secretary -- The Secretary shall issue or cause to be issued notices for all meetings of the members and directors when directed to do so, and shall keep or cause to be kept all records required by paragraph 2.2 of these by-laws. She/he signs with the president or other signing officer or officers of the Co-operative such instruments as require her/his signature and shall perform such other duties as the terms of her/his engagement call for or the directors may from time to time require of her/him.
- 5.7 Duties of Treasurer -- The Treasurer shall have the care and custody of all the funds and securities of the Co-operative and shall deposit the

same in the name of the Co-operative in the financial institutions designated pursuant to paragraph 8.2. She/he shall keep or cause to be kept proper accounting records in accordance with the *Act*. She/he shall at all reasonable times exhibit, or cause to be exhibited, books and accounts to any director upon application at the office of the Co-operative during business hours. She/he shall sign such instruments as require her/his signature and shall perform all other duties incident to her/his office or that are properly required of her/him by the directors. She/he shall be required to give such bond as directors may require. No director shall be liable for failure to require any bond or for the insufficiency of any bond or for any loss by reason of the failure of the Co-operative to receive any indemnity thereby provided. The Treasurer may delegate any or all of his/her duties to other officers, or to staff of the Co-operative.

- 5.8 General Manager -- The directors may from time to time appoint a general manager who shall not be one of the directors of the Co-operative and may delegate to her/him full authority to manage and direct the affairs of the Co-operative (except such matters and duties as by law must be transacted or performed by the directors or by the members in general meeting), and to employ, discharge, and fix wages or salaries of employees of the Co-operative. The general manager shall at all reasonable times give to the directors or any of them all information they require regarding the affairs of the Co-operative.
- 5.9 Vacancy -- An officer's position shall become vacant by reason of death, resignation, disqualification or removal, the directors by resolution may elect or appoint an officer to fill such vacancy.
6. DISTRIBUTION OF SURPLUS
- 6.1 Retained Earnings -- Before any distribution of the surplus arising from the business of the Co-operative in each fiscal year, the Co-operative may, by resolution of the directors:
- (a) set aside such sum or sums as the directors deem advisable as retained earnings for such purpose or purposes as the directors deem conducive to the interest of the co-operative or its members, and may invest the several sums so set aside in such investments as the directors think fit from time to time,
 - (b) deal with and vary such investments, and
 - (c) subject to the *Act*, dispose of all or any part thereof for the benefit of the Co-operative.

- 6.2 Dividends on Shares -- Before any distribution of the surplus remaining after allocation as retained earnings pursuant to paragraph 6.1 above, the Co-operative may, by resolution of the directors, provide for the payment of dividends on the share capital of the Co-operative in accordance with the articles of the Co-operative, subject to the *Act*.
- 6.3 Member Loans other than Patronage Loans -- The Co-operative may borrow money from its members not being compulsory loans of patronage returns in such amounts and upon such terms and rates as the directors may by resolution determine.
- 6.4 Lien -- The Co-operative has a lien, to the extent of the debt, on the shares or loans registered in the name of a member who is indebted to the Co-operative.
7. SHARE AND LOAN CERTIFICATES (IF ISSUED)
- 7.1 Shareholder's Entitlement -- Every shareholder or lender is entitled to a share certificate in respect to the shares held or loans made by him/her.
- 7.2 Signatures -- Each share or loan certificate shall bear two signatures, one of which shall be the manual signature of an officer of the Co-operative. The other signature will be that of another officer of the Co-operative, and may be printed, engraved, lithographed or otherwise mechanically reproduced on the certificate.
- 7.3 Loss of Certificate -- In the case of loss, defacement or destruction of a certificate held by a member, the Act of such loss, defacement or destruction shall be reported by such member to the Co-operative with her/his statement verified by oath or statutory declaration as to the loss, defacement or destruction and the circumstances attending the same and with her/his request for the issuance of a new certificate to replace the one so lost, defaced or destroyed. Upon giving to the Co-operative a bond of a surety company or other security approved by the directors indemnifying the Co-operative against all loss, damage or expense to which the Co-operative may be put by reason of the issuing of a new certificate held by a shareholder or lender, a new certificate may be issued to take the place of the one lost, defaced or destroyed if such issuance is ordered by the President for the time being or by the directors.
- 7.4 Transfer of Certificates -- Share and loan certificates shall not be transferable without the consent of the directors, except as permitted by the articles of the Co-operative.

8. FINANCIAL

- 8.1 Cheques -- All cheques, drafts or other orders for the payment of money and all notes and acceptances and bills of exchange shall be signed by such officer or officers or person or persons whether or not officers of the Co-operative and in such manner as the directors may from time to time designate.
- 8.2 Banking Arrangements -- The banking business of the Co-operative shall be transacted in such banks, trust companies, credit unions or caisse populaires as may from time to time be designated by resolution of the board of directors. Such banking business or any part thereof shall be transacted under such agreements, instructions, and delegations of power as the directors may from time to time prescribe or authorize by resolution.
- 8.3 Custody of Securities -- All shares and securities owned by the Co-operative shall be placed for safe keeping (in the name of the Co-operative) with a credit union, chartered bank or trust company, or the Province of Ontario Savings Office, or with such other corporation as may be determined from time to time by the directors.
- 8.4 Dishonesty -- For the Co-operative's protection, either
- a. the Co-operative may maintain fidelity insurance in such amounts as reasonably protects it against dishonesty of its employees, or
 - b. every officer or employee of the Co-operative who has charge of or handles money or securities belonging to the Co-operative may be bonded with a surety company selected by directors for such amounts as may from time to time be prescribed by the directors, but in no case for an amount less than \$1,000.
The directors may prescribe that any other employee or employees of the Co-operative (whether handling money or securities of the Co-operative or not) shall be bonded in such an amount as the directors determine.
- 8.5 Financial Year -- The financial year of the Co-operative shall terminate on the last day of September in each year.
- 8.6 Dissolution -- In the event of dissolution of the Co-operative, after payment of all its debts and liabilities the remaining property of the Co-operative shall be paid as set out in the Articles.

9. AUDITORS

- 9.1 Appointment and Remuneration -- The members at each annual meeting shall appoint an auditor, when it is required by the *Act*, who is familiar with co-operative accounting and practice. The auditor when appointed shall hold office until the next annual meeting, and if an appointment is not made, the auditor in office shall continue until a successor is appointed. The remuneration of the auditor shall be fixed by the directors.
- 9.2 Access to Books and Information -- The auditor shall at all reasonable times have access to the books, accounts and vouchers of the Co-operative and may require from the directors and officers such information and explanations as may be necessary for the performance of her/his duties.
- 9.3 Report -- The auditor, if required by the *Act* or the Treasurer, shall make a report to the members on the financial statements to be laid before the Co-operative at each annual meeting during her/his term of office and shall state in her/his report whether in her/his opinion the financial statement referred to therein presents fairly the financial position of the Co-operative and the results of its operation for the period under review.

10. EXECUTION OF DOCUMENTS

- 10.1 Execution of Documents -- Aside from cheques (see paragraph 8.1) documents requiring the signature of the Co-operative may be signed by any 2 of the directors, officers and/or staff members who have been given signing authority by the directors. All documents so signed shall be binding upon the Co-operative without any further authorization or formality. The directors shall have power from time to time by resolution to appoint any officer or officers, person or persons to sign documents generally or to sign specific contracts, documents and instruments in writing on behalf of the Co-operative.
- 10.2 Seal -- The seal of the Co-operative shall be in the custody of the Secretary and may when required, be affixed by her/him or by any officer or officers, person or persons appointed by resolution of the directors to contracts, documents and instruments in writing signed as aforesaid.

11. NOTICES

- 11.1 Signatures -- The signatures on any notice to be given by the Co-operative may be written, stamped, typewritten, printed or affixed electronically.
- 11.2 Method of Giving -- Any notice to be given (which term includes sent, delivered, or served) pursuant to the *Act*, the regulations under the *Act*, the articles, the by-laws, or otherwise to a member, shareholder, director, officer, auditor, secretary or general manager or member of a committee of the board of the Co-operative shall be sufficiently given if delivered personally to the person to whom it is to be given, mailed to him at his latest address in the records of the Co-operative by prepaid mail, or sent to that person at his/her latest recorded fax or electronic address in the records of the Co-operative by fax or e-mail.
- 11.3 Deemed Receipt -- A notice delivered personally shall be deemed to have been given when it is delivered to the recorded address as stated above. A mailed notice shall be deemed to have been given on the fifth day after it is deposited in a post office or public letter box, unless there is a reasonable apprehension of a labour dispute which would interrupt mail delivery. A notice sent by means of facsimile transmission or e-mail shall, if sent during normal business without indication of failure, be deemed to have been given at the time of transmission or, if outside of such business hours, on the next following business day.
- 11.4 More Than One Name -- All notices with respect to any membership shares or loans registered in more than one name shall be given to whichever of the persons is named first in the books of the Co-operative and notice so given shall be sufficient notice to all holders of such share or loan.
- 11.5 Undelivered Notices -- If any notice given to a member pursuant to Paragraph 11.2 above is returned on three consecutive occasions because he cannot be found, the Co-operative is not required to send any further notices to such member until the member informs the Cooperative in writing of his/her new address.
- 11.6 Omissions and Errors -- The accidental omission to give any notice to any member, director, officer, auditor or member of a committee of the board, or the non-receipt of any notice by any such person, or any error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice.
- 11.7 Transfer of Loans -- Every person who by operation of law, transfer or by other means whatsoever shall become entitled to any share or loan shall be bound by every notice in respect of such share or loan which

previous to her/his name and address being entered on the books of the Co-operative was duly given to the person from whom she/he derives her/his title to such share or loan.

- 11.8 Certificate of Secretary -- A certificate of the Secretary or other duly authorized officer of the Co-operative in office at the time of the mailing of the certificate, as to facts in relation to the giving of notice to any member, director or officer shall be conclusive and binding on every member, director or officer of the Co-operative as the case may be.
- 11.9 Waiver of Notice -- Where a notice is required to be given by the *Act*, the regulations under the *Act*, the articles, the by-laws, or otherwise, the giving of the notice may be waived or the time for the notice may be waived or abridged with the consent in writing of such person, whether before or after the time prescribed.
- 12 FUNDAMENTAL CHANGES
- 12.1 Sales of Assets -- The sale, lease, exchange, or other disposition of all or substantially all of the property of the Co-operative, or a decision to dissolve or wind up the Co-operative, to amalgamate the Co-operative with any other corporation, or to continue the Co-operative as any other type of corporation, shall be authorized by a special resolution passed by 80% of the members in attendance at a duly called meeting of members.
- 12.2 Limitation upon Subsequent Proposals -- Where a proposal to undertake the sale, lease, exchange or other disposition of all or substantially all of the property of the co-operative, or to dissolve the Co-operative, amalgamate the Co-operative with any other Corporation, or continue the Co-operative as any other type of Corporation is not passed or confirmed in accordance with the preceding paragraph, no similar proposal shall be made for a period of at least one year.
- 12.3 Restriction upon Admission of Members -- During any period in which a proposal to undertake the sale, lease, exchange or other disposition of all or substantially all of the property of the Co-operative; or to dissolve the Co-operative, amalgamate the Co-operative with any other Corporation, or continue the Co-operative as any other type of Corporation is being considered by the board of directors or the members of the Co-operative, no new members may be admitted to membership.
- 12.4 Authorization of Material Acquisitions -- The purchase, lease, or other acquisition of real or personal property by the Co-operative which would

result in a substantial and material change in the business, assets, or operations of the Co-operative, and which would require the Cooperative either to raise additional capital from its members or to pledge all or substantially all of its real property as security for a loan in order to complete such a purchase, lease, or other acquisition, must, in addition shall be authorized by a special resolution passed by 66% of the members in attendance at a duly called meeting of members.

12.5 Amendment of Special Provisions -- Any amendment to the articles or by-laws of the Co-operative that would have the effect of amending paragraphs 12.1, 12.2, 12.3, 12.4, or this 12.5 shall be authorized by a special resolution passed by 80% of the members in attendance at a duly called meeting of members.

13. GENERAL

13.1 Head Office -- The head office of Co-operative shall be located in the County of Dufferin, in the Province of Ontario, and at such place there as the directors may from time to time determine.

13.2 Seal -- The corporate seal of the Co-operative shall have inscribed on it the words Power-Up Renewable Energy Co-operative Incorporated, and the seal impressed in the margin of this by-law is adopted as the corporate seal of the Co-operative.

13.3 Amendments -- Except as set out in paragraph 12.5, neither this by-law nor any by-law to amend these by-laws is effective until it is passed by the directors and confirmed, with or without variation, by at least two-thirds of the votes cast at a general meeting of members of the Co-operative called for that purpose.

13.4 Interpretation -- In all by-laws of the Co-operative, the singular shall include the plural and the plural the singular; the masculine shall include the feminine; the word "person" shall include firms and corporations. Whenever reference is made in this by-law to any statute or section thereof, such reference shall be deemed to extend and apply to any amendment to said statute or section, as the case may be.

13.5 Repeal of Prior By-Law -- All previous By-laws of the Co-Operative, as may have been confirmed by the members of the Co-operative are repealed.

PASSED by the board of directors and sealed with the corporate seal of the Co-operative this day of May, 2002.

President _____ Secretary _____

CONFIRMED by a majority of the members this day of , 200 .

President _____ Secretary _____