

***Addition to the Standard By-Law #9 (February 1974)***

d) Any member withdrawing from the Association shall only have the right to be repaid his membership fee of \$1.00. Any contribution to construction and extension pipeline costs shall be on such payments become and remain the sole property of the Association.

**Already covered by Rural Utilities Regulation Standard by-law 17 (7)**

***Replace Standard By-Law #11 (February 1974)***

11. (a) Surplus earning, including surplus funds resulting from contributions to construction and extension pipeline costs, remaining in the hands of the Association at the end of any fiscal year shall be dealt with as follows:

1. By setting aside necessary reserves;
2. By paying if deemed advisable by the directors and such rate as the directors may decide, interest to the members on their respective contributions to construction and extension line costs.

**It should be “Rural Utilities Regulation Section 11” not the standard by-law; you can’t replace a section of the Rural Utilities Regulation. Section 11 (a) states “in accordance with any by-laws of the association that provide for a distribution of the reserve account or (b) where there are no by-laws referred to in clause (a), equally among the members of the association”.**

Supplemental By-Law No. 4 (February 1977)

The number of Directors who shall direct and supervise the concerns of the Association shall be seven (7)

**Not necessary with Supplemental By-Law No 2007-01**

Supplemental By-Law No. 5 (February 1985)

1. The objectives of the reserves fund established by the Wainedge Gas Co-op Ltd. shall be :
  - a. to provide funds for the partial or total replacement of the association's gas distribution system;
  - b. to provide funds for system improvement or upgrading as may be required from time to time;
  - c. to provide a working capital fund for expenditures required to alleviate emergency conditions and/or conduct necessary system repairs;
  - d. to provide funds for completion of installations in pre-paid subdivisions where service lines and risers have been paid for by the developer but will not build until the lots are occupied.
  
2. Sources of funds to be placed into the reserve shall be determined by the co-op board from time to time and may include any or all of the following:
  - a. surplus construction funds;
  - b. a flat per member charge (designated as monthly, quarterly, annually);
  - c. a specified cents per GJ charge in the commodity rate;
  - d. an assigned portion of year end operating profit.
  
3. Funds accumulated in the reserve are to be invested by the board in trustee approved securities in such a way that they will be readily available for either direct expenditures by cashing of securities or use as collateral for temporary borrowings pending maturing of term securities.

(The term "trustee approved securities" refers to the types of investments as defined in the Trustee Act. These include various low risk securities such as bank term certificates, treasury bills, municipal bonds, etc.
  
4. Withdrawals from the reserve are to be for the specified objectives of the fund at such time and in such amounts as the board may deem necessary and prudent for the on-going viable operation and safety of the co-op's utility business. Any withdrawals for purposes other than those specified shall be approved in advance by a general meeting of the association.
  
5. Prior to the association's annual meeting the board shall review the adequacy of the fund and the components of the forecasting of its future requirements. A report of this review and a separate accounting, with respect to the reserve fund shall be provided to the membership of the association in conjunction with the annual audited financial statements.

Supplemental By-Law No. 5a – Wainedge (March 2004) No. 6 – Southflagstaff (June 2004)

**“Membership Register Inspection:**

In the event that a member requests inspection of the Association’s membership register, the following rules shall apply:

1. The member shall make a written request to the Board of the Association to inspect the membership register specifying whether a copy of the membership register is also being requested and stating the reason why inspection and/or copy is required by the member.
2. The board of the association shall notify the requesting member in writing with respect to the request for inspection and provide the conditions upon which a copy of the membership list shall be provided.
3. The inspecting member shall not make notes of, copy or otherwise reproduce in any way, the membership register so inspected; and
4. The member shall only be entitled to inspect the membership register once within each twelve month period; and
5. In the event that membership is held jointly by the inspecting member, the above rights shall vest in only one of the joint members”

**Already covered under 10 (5) & (5.2) of the Rural Utilities Act with possible fines to the member under 31(5)**

Supplemental By-Law No. 2007 01(March 2007)

It was regularly moved and seconded that: We amend to our Supplemental By-Law the following By-Law under Board of Directors Section 5 of the Amalgamation agreement between Wainedge Gas Co-op Ltd. and South Flag Staff Gas Co-op Ltd. dated April 12, 2006 with the following.

5.1 The Board shall consist of seven (7) directors.

5.2 The number of directors and respective terms of office shall be as follows:

Number of Directors	Term
3	3 years
2	2 years
2	1 year

5.3 The respective terms of office of each director shall be determined by the number of votes received by the director when elected. The candidates receiving the largest number of votes shall hold office for the longest term.

5.4 If candidates are in by acclamation the terms shall be completed by a draw.

5.5 The Secretary Treasurer shall be elected by the Board.

5.6 The monthly meeting will be at the call of the Chair.

It was moved by Aime Rajotte

and seconded by Harold Church

On being put to the meeting, the motion was carried.

## Supplemental By-Law No. 2/6

It was regularly moved and seconded that: The Association add to its Supplemental By-Laws the following Bylaw No. 6.

1. Any member of the Association who is a “member in good standing” may attend and vote at meetings of the Association and be elected a director of the Association.
  
2. The definition of a “member in good standing” shall be a person who;
  - a. has paid the membership fee; and
  - b. has entered into a contract for the provision of natural gas service; and
  - c. has paid the required contribution to construction and extension of works cost, if any; and
  - d. has paid all accounts rendered by the Association when they became due; or
  - e. has not been declared by the Board, acting reasonably, to be a member not in good standing.
  
3. In the event that the Board has declared a member to be not in good standing pursuant to Section 2 (e), the Board shall give written notice to the member of its decision in the form attached as Schedule 1 to this Supplemental Bylaw.

On being put to this meeting, the motion was carried.

**Already all covered under the Rural Utilities Act section 18**

SCHEDULE 1

PHOENIX GAS CO-OP LTD.

NOTICE TO MEMBER

Date: \_\_\_\_\_

TO: \_\_\_\_\_

Pursuant to Section 3 of Supplemental By-Law No. 6, you are hereby notified that the Board has declared you to be a member not in good standing for the following reason(s):

[Summarize reasons here]

Until such time as the Board reinstates you as a member in good standing, you will not be able to attend meetings of the Association, vote as a member, or be eligible to be elected a Director of the Association.

Signed: \_\_\_\_\_

Board Chairman

Phoenix Gas Co-op Ltd.

### Supplemental By-Law No. 3

#### Section 19 of the Rural Utilities Act: Distribution of Earnings:

Whereas it is the position of the Phoenix Gas Co-op Ltd. that it is, and always has been, a non-profit organization;

and whereas Canada Revenue Agency has requested an amendment of the By-Law for greater certainty;

and whereas the amendment of the By-Law is meant to confirm, not change the tax status of the organization.

Therefor be it resolved that:

The Association shall use any surplus earnings of the Association for the attainment of the objects of the Association and no distribution shall be made to the Association's members.

**Covered under new by-laws sections 1.2**



Supplemental By-Law No. 2/7

It was regularly moved and seconded that: The Association add to its Supplemental By-Laws the following Bylaw No. 7.

WHEREAS it is necessary and in the best interests of the Cooperative that nominations for directors of the Cooperative be received prior to the annual general meeting of the Cooperative:

AND WHEREAS it is further necessary and in the best interests of the Cooperative that said nominations close two (2) weeks before the above-mentioned annual general meeting;

NOW THEREFORE BE IT RESOLVED THAT:

Nominations for directors of the Cooperative must be received prior to the annual general meeting of the Cooperative, and said nominations shall close two (2) weeks before the annual general meeting.

On being put to the meeting, the motion was carried.