

Meota Gas Cooperative Association Ltd.

Supplemental By-laws

Contents

1	By-laws of the Association.....	3
2	Interpretation.....	3
3	Nature of the Business	3
4	First general meeting	4
5	Annual meetings	4
6	Special general meetings.....	5
7	Notice of meetings	6
8	Quorum.....	6
9	Voting and order of business.....	7
10	Composition and election of board	7
11	Powers and duties of board.....	9
12	Meetings of board	10
13	Proceedings at board meetings	11
14	Vacating director's office	11
15	Chairman and Vice-Chairman	12
16	Secretary and Treasurer	13
17	Corporate seal	14
18	Execution of certain documents	14
19	Fiscal year	14
20	Auditor	14
21	Membership	15
22	Member in Good Standing.....	16
23	Expulsion of members	17
24	Membership Register inspection	18
25	Not for Profit Status and Distribution of Earnings	18
26	Security.....	18

27	Secondary Services – Prohibition.....	19
28	Reserve Account.....	20
29	Quorum – Sales	21
30	Utility Rights of Ways – Sale or Transfer of Association.....	21
31	Winding-up.....	22
32	Alternative Voting Methods	23

1 By-laws of the Association

- (1)** These supplemental by-laws are the by-laws which shall regulate the business and the affairs of the Association. These supplemental by-laws contain both those sections of the Standard By-laws of the Act that are unchanged by the supplemental by-laws, as well as the supplemental by-laws which modify the Standard By-laws.
- (2)** In the event the provisions of these supplemental by-laws are determined to be contrary to the provisions of the Act, The provisions of the Act shall take precedence. In the event of a conflict between the Standard By-laws and these supplemental by-laws, these by-laws take precedence.

2 Interpretation

(1) In these By-laws:

- (i) "Act" or "Acts" shall mean the Rural Utilities Act, 2000, Chapter R-21, the Regulations arising thereunder and any amendments thereto or any legislation passed in substitution therefor.
- (ii) "Association" means the Meota Gas Cooperative Association Ltd."
- (iii) "Board" means the board of directors of the Association.
- (iv) "Director" means the Director of natural gas co-operatives.
- (v) "Extraordinary resolution" means a resolution passed by a majority of not less than 2/3 of the votes cast at a general meeting of which not less than 15 days written notice specifying the intention to propose the resolution as an extraordinary resolution has been given.
- (vi) "Works" means natural gas pipelines and any fitting, apparatus, meter, regulator, valve, structure or any other thing constructed or placed in or on land for the purpose of providing natural gas service.

3 Nature of the Business

- (1)** The general nature of business to be carried on by the Association includes:

- (a) The purchase of natural gas.
- (b) The construction and operation of a pipeline distribution system for supplying natural gas to the members of the Association and to those customers of the Association who are not members of the Association.
- (c) The sale and distribution of natural gas to the members and customers of the Association.
- (d) The provision of natural gas transportation service to customers of the Association who qualify to have their own gas transported within the Association's franchise area.
- (e) The provision of services to members and customers of the Association, for a fee, to ensure that their equipment consuming natural gas is operating in a safe and efficient manner.
- (f) The sale and installation of secondary natural gas distribution services, including appliances and other natural gas equipment to members and customers of the Association.

4 First general meeting

- (1)** The first general meeting of the association must, within 2 months after the date of the incorporation of the Association, be held on a day and at an hour and place decided by the provisional board.

5 Annual meetings

- (1)** Annual meetings of the Association must, within 120 days after the conclusion of each fiscal year of the Association, be held on a day and at an hour and place decided by the board.
- (2)** The primary purpose of the annual meeting of the Association is to do the following:
 - (a) to review and approve financial and other pertinent reports;
 - (b) to appoint an auditor for the ensuing year;
 - (c) to elect directors.

6 Special general meetings

- (1)** A special general meeting of the association may be called at any time by the board when the board considers it necessary or advisable.
- (2)** The Board will call a special general meeting when requested to do so by at least 25% of eligible voting members who are in “good standing” as defined by the Association’s by-laws.
 - (a) The request must be in writing and dated, and include the printed name, signature, land location and mailing address of each member requesting the meeting. The request must also designate a representative whom the Association can communicate with on behalf of all requesting members.
 - (b) The nature of the business to be transacted at the meeting must be stated clearly.
 - (c) The Association must be notified of the request by personal service or by registered mail to the Board Chairman or upon the General Manager. The Association must receive either the original request or a certified copy of the request.
 - (d) Within 30 days of being served the request, the Board will validate all signatures to establish that the persons signing are eligible members in good standing.
 - (e) If, after validating the request for the meeting, the required 25% has not been met, the Board will advise the members’ representative that the meeting will not be called.
 - (f) If the 25% threshold of requesting members has been met, the Board will issue a call for the meeting including the nature of business to be conducted within 10 days from the day the Board validates the request.
 - (g) The meeting so called will be held within 60 days of issuing the notice of the call for the meeting.
 - (h) If the Board does not issue a call to the meeting as provided for above, the requesting members may call the meeting by issuing a notice to the membership at least 10 days prior to the meeting stating the nature of the business to be transacted at the meeting.

- (3) A subsequent special general meeting may not be called by members within the next 24 months if the nature of the business to be transacted at the subsequent special general meeting is the same or similar in nature to the business that was transacted at the initial special general meeting.

7 Notice of meetings

- (1) The board or members calling a general meeting of the Association must give at least 10 days' notice of the meeting
 - (a) By mailing to each member of the Association, at the member's address last registered in the office of the Association, a notice stating the hour, day and place of the meeting, or
 - (b) By advertising the hour, day and place of the meeting in a newspaper circulating throughout the Association's locality.
- (2) If the addition or repeal of or amendment to any provision of the By-laws of the Association or its Memorandum of Association is to be proposed at the meeting, the intent of the proposed change must be included in the notice of meeting.
- (3) The notice of a special general meeting, in addition to stating the day, hour and place of the meeting, must indicate the nature of the business to be transacted thereat.

8 Quorum

- (1) Subject to subsection (2), at a meeting of the Association, not less than 10% of the members of the Association constitute a quorum.
- (2) If the association has a membership of more than 500 members, not fewer than 50 members constitute a quorum at a meeting of the Association.
- (3) If at the time appointed for any general meeting of the Association a quorum is not present,
 - (a) In the case of a meeting called by members, the meeting is dissolved, and
 - (b) In the case of a meeting called other than by members, the chairman of the meeting may call for a resolution to the effect that those present at that time

constitute a quorum and be empowered to transact the business to be brought before the meeting.

- (4) If the resolution referred to in subsection (3) (b) is passed by a majority vote of members present and recorded in the minutes, the meeting may then proceed and those members present constitute a quorum.

9 Voting and order of business

- (1) At a general meeting of the Association, a majority vote of the members casting votes may decide all questions, except when an extraordinary resolution is required.
- (2) Subject to section 21 (3) and (4), each member in good standing has one vote on any question.
- (3) There is no voting by proxy at any general meetings of the Association.
- (4) The business to be brought forward and the order of business for general meetings of the Association shall be determined by the chairman and without restriction may include any or all of the following items of business:
1. Call the meeting to order;
 2. Minutes of the preceding meeting;
 3. Business arising out of the minutes;
 4. Reports of officers and the board;
 5. Report of the auditor and financial statements of the preceding year;
 6. Nomination and appointment of the auditor;
 7. Nomination and election of directors;
 8. New business;
 9. Adjournment

10 Composition and election of board

- (1) The board is to consist of an odd number of directors, being a minimum of 7.

- (2)** Notwithstanding subsection (1), if an association has fewer than 50 members, the board is to consist of an odd number of Directors, not being fewer than 3.
- (3)** At the first general meeting of the association;
- (a) There is to be elected to hold office until the first annual meeting of the Association
 - (i) 1/3 of the total number of directors to be elected, or
 - (ii) if 1/3 of the number referred to in subclause (i) is not a whole number, the next highest whole number;
 - (b) There is to be elected to hold office until the 2nd annual meeting of the Association
 - (i) 1/2 of the remaining number of directors to be elected after applying clause (a), or
 - (ii) if 1/2 of the remaining number referred to in subclause (i) is not a whole number, the next highest whole number of directors;
 - (c) There is to be elected to hold office until the 3rd annual meeting of the Association the remaining number of directors to be elected after applying clauses (a) and (b).
- (4)** Any member of the Association who is a “Member in Good Standing” as defined in the Association’s bylaws may attend and vote at meetings of the Association and be elected a director of the Association subject to the nomination eligibility provisions of this by-law.
- (5)** A member is eligible to be nominated for election as a director if:
- (a) The member is “in good standing”.
 - (b) The member is not an employee of the Association or an employee of a company under contract to the Association.
 - (c) The member’s spouse or common-law partner is not a permanent employee or director of the Association.
 - (d) The member or the member’s spouse or common-law partner is not a director, officer or employee of other institutions or businesses that are engaged in activities similar to the activities of the Association.

- (e) The member is in agreement with and is prepared to sign a commitment letter to adhere to the Director's Handbook for Rural Gas Utilities and sign and adhere to the Association's Code of Ethics for Board Members.
- (6) The procedure for board nominations will be as follows:
- (a) Nomination packages will be available 60 days prior to the Association's Annual General Meeting.
 - (b) Nomination papers must be returned to the Association's office 30 days prior to the Association's Annual General Meeting.
 - (c) Nomination papers must be signed by 5 members in good standing.
 - (d) The board will vet all nominations to determine if a proposed nominee is a member in good standing.
- (7) The names and history of each nominee will be sent to the members of the Association in a publication prior to the Association's Annual General Meeting.
- (8) The election process will be as follows:
- (a) Membership in the Association will be validated upon registration at the meeting.
 - (b) Members are only entitled to one vote regardless of the number of contracts.
 - (c) Each voting member cannot vote for more positions than are open for election.
 - (d) The ballots will be counted by the board nominations committee and scrutineers appointed at the Association's Annual General Meeting.
- (9) Subject to subsection (5), the term of office of a director is 3 years.
- (10) Retiring directors are eligible for re-election.

11 Powers and duties of board

- (1) The board is to direct and supervise the business of the Association, and may exercise all the powers of the Association that are not required to be exercised by the membership in a general meeting.

- (2) The board may appoint an executive committee or one or more special purpose committees from among its number and prescribe those committees' duties.
- (3) The board shall ensure that the records of the Association, including the record of annual and special general meetings of members, minutes and supporting documents of all board meetings, financial records including audited financial statements, membership records and service records be maintained and safely preserved in both paper and electronic form as appropriate, for such periods of time as required by relevant legislation and in accordance with good business and operational practice.

12 Meetings of board

- (1) Immediately after the first general meeting of the association and, subsequently, at the first meeting of the newly elected board after each annual meeting of the Association, the board is to meet and elect from its own number
 - (a) a chairman, and
 - (b) a vice-chairman,
- (2) At each meeting at which a chairman is elected, the board must appoint
 - (a) a secretary and a treasurer, or
 - (b) a secretary-treasurer having the duties of both secretary and treasurer.
- (3) The secretary and the treasurer or, where there is a secretary-treasurer, the secretary-treasurer, may, but need not, be a director or a member.
- (4) The board must hold a meeting not less than once every 3 months as required by the Act and, subject to subsection (1); the board may hold other meetings on days and at places and times decided on by the board.
- (5) The chairman must call a special meeting of the board on the written request of a majority of the directors or if the chairman considers it to be necessary.
- (6) The secretary must give each director written notice of a special meeting,
 - (a) stating the time and place at which it is to be held, and
 - (b) stating, in general terms, the nature of the business to be transacted at the meeting.

- (7)** A notice given under subsection (6) must be given to each director
- (a) by mailing the notice to the director's address at least 5 days before the day on which the special meeting is to be held, or
 - (b) by personally delivering the notice to the director, or in the director's absence from the director's residence, to any adult person there, not less than 24 hours prior to the meeting, or
 - (c) by sending the notice to the director by facsimile or e-mail or by another form of electronic messaging.
- (8)** Notwithstanding this section, if all the directors are present at a director's meeting, it is deemed to have been properly called whether or not the notice of the meeting has been given or properly given.
- (9)** A meeting of the board may be held by telephone or other communication facilities that permit all directors participating in the meeting to hear each other and a director participating in a meeting by those means is deemed to be present at the meeting.

13 Proceedings at board meetings

- (1)** A majority of the directors constitutes a quorum for the transaction of business at a meeting of the board.
- (2)** The chairman may vote on any question, but having done so, the chairman does not have a casting vote in the event of a tie.
- (3)** If there is not a majority in favour of a motion, the motion is lost.
- (4)** At the meeting of the board held before the annual meeting of the Association, the directors are to adopt a report covering all the activities of the Association for the preceding year for presentation to the annual meeting.

14 Vacating director's office

- (1)** Where a director fails to attend 3 consecutive meetings of the board of which the director has been duly notified, the director's office may be declared vacant by the board if the director's absence has not been explained to the satisfaction of the board.

(2) Where

- (a) a director, or
- (b) a corporation whose representative is a director,

ceases to be a member of the association, the office of that director is to be declared vacant by the board.

(3) The board, by a vote of the majority of the remaining members of the board, may declare the office of a director vacant when, in the board's opinion after careful and documented review of the evidence and after permitting the director to present his/her case, the director has or is acting in a manner detrimental to the Association. Such actions may include:

- (a) publicly disclosing the confidential business of the Association,
- (b) publicly disclosing confidential discussions of the board,
- (c) releasing or violating the private information of members or customers of the Association.
- (d) engaging in activities that may bring the affairs or reputation of the Association into disrepute.

(4) The board must forthwith give written notice of the expulsion order to the director whose expulsion has been ordered together with a notice that the individual has a right of appeal to the membership at a general meeting.

(5) A member who has been expelled as a director, may, within 14 days from the day of receiving notice, give written notice to the board of that person's intention to appeal the expulsion order as a director to the next general meeting of the association.

(6) Where an expulsion order as director is appealed to a general meeting of the association, the members by majority vote may confirm the expulsion order or order that the director to be reinstated for the balance of that director's term.

(7) Where a director's office is vacated under this section, the board may forthwith fill the vacancy in accordance with the Act.

15 Chairman and Vice-Chairman

(1) The chairman shall preside at all meetings of the Association and the board.

- (2) The chairman is an ex officio member of all committees of the board.
- (3) The chairman shall present to the annual meeting of the Association, the board's report of the activities of the Association referred to in subsection 13(4)
- (4) In case of the absence of the chairman or his inability to act, the vice-chairman shall act as chairman, or if the vice-chairman is absent or unable to act, then the board shall appoint one of its number to act as chairman.
- (5) Notwithstanding anything in this section, the board may, by motion, appoint any person as temporary chairman to exercise the functions of the chairman;
 - (a) in special circumstances, or
 - (b) on the election of officers in accordance with the terms of his appointment.

16 Secretary and Treasurer

- (1) As provided in subsection 12(2) the secretary and the treasurer or the secretary-treasurer, having the duties of both secretary and treasurer, are appointed by the board.
- (2) Unless otherwise modified by the board, the secretary's duties shall include
 - (a) attendance at all meetings of the Association and the board and the keeping of correct minutes of the meetings;
 - (b) having charge of the correspondence, records and books of the Association, other than financial records:
 - (c) keeping an up-to-date register of all members; and
 - (d) performing any other duties assigned to him by the board.
- (3) Unless otherwise modified by the board, the treasurer's duties shall include overseeing the
 - (a) receiving and depositing in a bank, treasury branch, trust company or credit union in Alberta designated by the board all money paid to the Association, and issuing receipts for the money;
 - (b) keeping a proper set of financial records, showing accurately the dealings of the Association;

- (c) presenting a full and detailed account of the receipts and disbursements to the board whenever requested by it;
 - (d) performing other duties assigned to him by the board.
- (4) The duties referred to in subsections 16(2) and 16(3) may be modified and altered in keeping with the assignment of duties to the manager or other employees of the Association by the board.
- (5) The board may appoint an assistant secretary and an assistant treasurer or an assistant secretary-treasurer who shall have the powers delegated to him by the secretary, the treasurer or the secretary-treasurer as the case may be, subject to the approval of the board.

17 Corporate seal

- (1) The association is to have a corporate seal in a form approved by the board.
- (2) The seal is not to be affixed to any documents except those kinds of document that are authorized by resolution of the board as documents to which the seal is to be affixed.
- (3) The use of the seal must be authenticated by the signature of a director, the secretary or some other person authorized by the board.

18 Execution of certain documents

- (1) The board may authorize by a motion of the board the persons who have signing authority for the cheques, notes, bills of exchange and other financial documents of the Association.

19 Fiscal year

- (1) The fiscal year of the Association is the year beginning on January 1 and ending on the following December 31 unless otherwise provided for by supplemental by-law.

20 Auditor

- (1) No person holding office in or employed by the Association is eligible to be appointed as the auditor of or to perform any of the duties of the auditor of the Association.

(2) The auditor is to be appointed by resolution passed at an annual meeting of the Association or at a special general meeting of the Association called for that purpose.

(3) Where

(a) The reserve account of the Association exceeds \$100,000 and is administered by the association, or

(b) The operating revenues of the Association exceed \$100,000,

the auditor must be a member in good standing of an association of accountants recognized by the Director.

21 Membership

(1) On the approval of the board, a person may become a member of the Association if that person:

(a) Owns or has an interest in land, and

(b) Enters into a contract with the association for the provision of utility service to that land and for the payment of the required contribution to construction and extension of works costs, if any, and

(c) Pays the membership fee.

(2) Subject to subsection (1), a person who is 16 years of age or older may become a member as provided for under the Act.

(3) Subject to subsection (1), 2 or more persons who own or have an interest in land, jointly or in common, may jointly become a member, and in that case

(a) The rights of a member to receive notices, to attend meetings of the Association and to be a director is vested in only one of those persons, and

(b) Those persons must, in accordance with subsection (6), furnish the association with a designation of one of themselves as the person who is to have those rights of membership.

(4) Subject to subsection (1), a corporation may be a member of the Association.

- (5) Where a corporation becomes a member of the Association, the corporation must, in accordance with subsection (6), furnish the Association with a designation of a person who is to be the corporation's representative with the right to attend meetings of the Association, to vote and to be a director.
- (6) A designation under subsection (3) or (5)
- (a) Must be in a form acceptable to the Association,
 - (b) Must be furnished to the Association at the time the utility service contract is executed, and
 - (c) May be changed from time to time by a like designation.
- (7) A member withdrawing from the Association is entitled to be repaid the member's membership fee, but any contribution by the member toward construction and extension of works costs becomes and remains the sole property of the Association.
- (8) The Association will refund the withdrawing member's membership fee by a credit to that member's final monthly gas bill or failing that, by mailing a refund to the last address of record for that withdrawing member. In the event, the mailed refund is returned, the envelope used for refund will be retained in the association files and the uncashed refund retained in the Association records on behalf of the withdrawing member.

22 Member in Good Standing

- (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; and
 - (e) has not been declared by the Board, acting reasonably, to be a member not in good standing; and

(f) is in compliance with all policies, standard and supplementary by-laws of the Association.

- (3) In the event that the Board has declared a member to not be in good standing pursuant to section 2(e), the Board shall give written notice to the member of its decision together with a notice that the individual has a right of appeal to the membership at a general meeting.
- (4) A member who has been declared a member not to be in good standing, may, within 14 days from the day of receiving notice, give written notice to the board of the member's intention to appeal the declaration of such status to the next general meeting of the association.
- (5) Where a declaration of being a member not in good standing is appealed to a general meeting of the association, the members by majority vote may confirm the declaration or order the member to be reinstated in good standing.

23 Expulsion of members

- (1) The board may expel any member from the association for actions that in the board's opinion are harmful to the association or for failing to patronize the business of the association to a minimal amount.
- (2) On expelling a member, the board shall return to that person the person's membership fee.
- (3) Before ordering the expulsion, the board must invite the member to attend a board meeting at which the reasons for the expulsion are to be discussed and the member allowed to present the member's arguments against expulsion.
- (4) The board must forthwith give written notice of an expulsion order to the member whose expulsion has been ordered.
- (5) A member whose expulsion has been ordered may, within 14 days from the day of receiving notice of the expulsion, give written notice to the board of the member's intention to appeal the expulsion to the next general meeting of the association.
- (6) Where an expulsion is appealed to a general meeting of the association, the members by majority vote may confirm the expulsion or order the reinstatement of the former member.

24 Membership Register inspection

- (1)** In the event that a member requests inspection of the association's membership register, the following rules shall apply:
- (a) 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 a copy is required by the member.
 - (b) 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.
 - (c) The inspecting Member shall not make notes of, copy or otherwise reproduce in any way, the membership register so inspected; and
 - (d) The member shall only be entitled to inspect the membership register once within each twelve month period; and
 - (e) In the event that membership is held jointly by the inspecting member, the above rights shall vest in only one of the joint members.

25 Not for Profit Status and Distribution of Earnings

- (1)** The Association operates as a not-for-profit organization in conformity with the requirements of the Canada Revenue Agency.
- (2)** The Association will attempt to manage its affairs so that there is a minimum amount of surplus earnings remaining at the end of a fiscal year.
- (3)** The Association will 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.
- (4)** Any surplus earnings remaining at the end of a fiscal year shall be either applied to working capital or to a reserve fund at the discretion of the board.

26 Security

- (1)** This section applies only to an Association that owns works.

- (2) The Association shall at all times maintain theft insurance or fidelity insurance against loss or damage caused by officers, employees and directors who carry out the functions of employees.
- (3) The Association shall carry directors' and officers' liability insurance covering both present and former directors and officers in amounts determined to be more than adequate to protect these individuals from financial loss as a result of their performance of their duties and obligations on behalf of the Association.
- (4) The Association shall at all times maintain general liability insurance in an amount not less than \$2,000,000 inclusive per occurrence insuring against bodily injury, personal injury and property damage, including loss of use of property.
- (5) In this section, "theft insurance", "fidelity insurance" and "general liability insurance" have the meaning given to them by the *Classes of Insurance Regulation* (AR 121/2001).

27 Secondary Services – Prohibition

- (1) The Association hereby prohibits:
 - (i) Any member or customer reselling natural gas that has been purchased from the Association at a rate higher than it was purchased from the Association; and
 - (ii) Any member or customer allowing an unrelated third party to connect to the Association's distribution system or to that portion of the distribution system located downstream of the meter and owned by such member or customer.
- (2) In the event that a member or customer breaches clauses(1)(i) and /or (1)(ii) herein:
 - (i) The Association shall be at liberty to discontinue the supply of natural gas to such member or customer until such time as such member or customer has discontinued the breach or has made arrangements that are satisfactory to the board of directors of the Association to pay a fee that acknowledges that the member or customer is serving additional service locations from his primary meter; and
 - (ii) Any arrangement resulting in a breach of clauses (i) and/or (ii) shall be considered null and void and not binding upon the Association.
- (3) This supplemental by-law shall apply to prohibit any and all arrangements existing at the making of this By-Law except arrangements whereby a member or customer is serving one or more family members that are all located on the same titled parcel as the primary service or an existing arrangement whereby a member or customer is serving one or more family members on adjacent lands that are owned by such member or customer.

28 Reserve Account

- (1)** The Association will establish and maintain a reserve account to comply with sound business practice and the requirements of the *Rural Utilities Act* and the *Rural Utilities Regulation*.
- (2)** This reserve account will be set up and governed in accordance with the objectives, powers, authorities, and terms set out herein:
- (3)** The objectives of the reserve account established 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 improvements 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 build and/or repair or upgrade the Association's office, or shop buildings or warehouse facilities;
 - (e) To provide funds for the completion of installations in prepaid subdivisions where service lines and risers have been paid for by the developer but will not be built until the lots are sold and/or occupied;
 - (f) To provide funds for any extraordinary circumstances that relate to the operation of the Association;
 - (g) To provide funds for the payment of finance, short term and operational deficits owing to Gas Alberta Inc.; and
 - (h) To provide funds for investment in the development of new service offerings and/or infrastructure, or renewable energy projects, that directly or indirectly benefit any of the foregoing objectives, the principal objects of the Association, or the Association and its membership generally;

in each case as determined by the Association's Board of Directors from time to time (the "Board").

- (i) Sources of funds to be placed into the reserve account shall be determined by the Board from time to time.
- (j) Funds accumulated in the reserve account:
 - (a) Are to be invested by the Board in trustee approved investments, as contemplated under the *Trustee's Act*, in such a way that they will be readily available for either direct expenditures by cashing of securities or investments, or
 - (b) Used as collateral for temporary borrowings or credit facilities pending the maturity of term securities or investments.
- (k) Withdrawals from the reserve account are to be for the specified objectives of the reserve account at such time and in such amounts as the Board may deem necessary and prudent for the ongoing viable operation and safety of the Association's utility business. Any withdrawals for purposes other than those so specified shall be approved in advance by a general meeting of the Association's members.
- (l) Prior to the Association's annual general meeting, the Board shall review the adequacy of the reserve account and the components of the forecasting of its future requirements. A report of this review and a separate accounting with respect to the reserve account shall be provided to the membership of the Association in conjunction with the annual audited financial statements.

29 Quorum – Sales

- (1) For any meeting of the Association that is called for the purpose of considering an extraordinary resolution to authorize the Association to sell its works pursuant to the provisions of the *Rural Utilities Act* and the *Rural Utilities Regulation*; the quorum required to hold such meeting shall be **45%** of Members of the Association.

30 Utility Rights of Ways – Sale or Transfer of Association

- (1) If for any reason the Association's distribution system is sold, then the Board negotiating the sale of the distribution system shall ensure that as a condition of sale, the distribution system as built and in existence at that time shall be transferred to the purchaser. Any new gas pipelines constructed subsequent to the sale of the Association's distribution system shall require the consent of the landowner despite the existence of a "blanket" utility right of way covering the existing pipeline system.

31 Winding-up

- (1) Upon sale or other disposition of the assets of the Association, or in the event of its winding up pursuant to the provisions of the Act, any surplus funds remaining in the hands of the Association after all the just debts and liabilities have been paid, shall be divided equally among members based on the number of contracts held.

CERTIFICATION

Ltd., hereby certify that the forgoing was duly passed as a resolution of the corporation on March 30, 2015.

2015.

Secretary

32 Alternative Voting Methods

General

- (1)** Any member of the Meota Gas Cooperative Association Ltd. who is in good standing shall have the right to vote at any general meeting of the association by mail-in ballot or electronic means according to association policy and procedures for alternative methods of voting.
 - a. each member in good standing has one vote, regardless of the number of utility service contracts held by the member;
 - b. no member may vote by proxy;
 - c. members will be verified through a unique member number only; votes will be gathered in a manner that ensures anonymity of the member;
 - d. an impartial scrutineer, publicly identified by the association board, will be responsible for securely receiving, counting, and recording all ballots received by alternative voting means; and
 - e. tallied votes will be presented to membership without the identity of the members and how the members voted being disclosed.

Mail-in Voting

- (2)** For mail-in voting, members must:
 - a. pre-register in advance of the general meeting in order to receive a declaration form and a numbered paper ballot or ballots detailing the vote or votes to be held at the meeting,
 - b. the ballot or ballots will be identified by a unique member number only.
- (3)** A valid ballot shall be processed if:
 - a. the separate declaration form is signed only by a member eligible to vote, and
 - b. received within 10 business days of the date of the general or special meeting of the association.
- (4)** Mail-in ballot(s) may be returned either by mail to the address provided in the voting package or in person at the association's registered office.

Electronic Voting

- (5) Members wanting to participate virtually and cast votes by electronic means must pre-register with the association to do so.
- (6) The virtual platform used for electronic voting will:
- a. be moderated by either the meeting chair or an individual appointed such duties by the meeting chair,
 - b. permit all members to communicate freely with each other during the meeting, and
 - c. permit members to cast votes anonymously to polls presented on screen.
- (7) The association will:
- a. create policies and procedures for general meetings that are in line with the selected virtual platform and make these available to membership prior to the meeting,
 - b. ensure pre-registered members are verified as being members eligible to vote prior to entering the meeting,
 - c. communicate with all members regarding access and use of the selected platform for the general meeting,
 - d. allow sufficient time for members to prepare adequately for the general meeting to ensure members are able to access and test the functionality of the selected virtual platform prior to the meeting, and
 - e. ensure each registered email address receives only one vote per log in for each question that appears on screen. All votes will be kept anonymous.
 - f. A verified member participating in a meeting by such means is deemed present at the meeting.

AFFIDAVIT OF EXECUTION

The association having given at least ten days written notice to the membership of such a motion, the Amendment 32 was passed by the required majority of those members present at the general meeting.

Dated at _____ of Foothills County in the Province of Alberta this _____ day of
March, 2021.

SEAL

William Towsley

Chairman (acting)