

Notice of Special Resolutions

To the members of Peninsula Consumer Services Co-operative:

Take notice that the following resolutions will be put forward at the Annual General Meeting to be held on Wednesday, June 23, 2010, 6:30 pm at the Saanich Fairgrounds, for approval by the members.

A two-thirds majority is required to pass the resolutions.

Special Resolution #1 – Election, Appointment and Removal of Directors

BE IT RESOLVED that **Rules 81 to 88 in Part 14 – Election, Appointment and Removal of Directors** be deleted and replaced with the following:

Annual election of Directors

- 81** (1) An election of directors must be held in each calendar year, at or prior to the annual general meeting to be held that year, to replace those directors whose terms of office have expired or will expire at the end of the annual general meeting in accordance with rule 88.
- (2) The board may, from time to time, establish procedures for the election of directors which are not contrary to or inconsistent with the Act or these rules.
- (3) The board shall establish election procedures designed to encourage and make practical voting by all members, taking into consideration the resources of the Association.
- (4) Each year, not less than 30 days prior to the date set by the board for the election of directors or the first date of the period during which members may vote, the board must post notices setting out the procedures established by the board for the election of directors in prominent locations at all places of business of the Association. The notices must remain in place until after the annual general meeting at which the results of the election are declared.
- (5) Only members recorded as such in the register of members on the last day of the previous fiscal year of the Association shall be eligible to vote in the election of directors.

Nomination of candidates

- 82** (1) A candidate for election as a director must be a member of the Association or a representative of an eligible organization that is a member of the Association and be nominated by the filing of a nomination form signed by the candidate and at least five (5) other members.
- (2) A nomination form must be submitted to the Association between March 1 and the last day of the Association's fiscal year to be valid for the next election of directors.

Secret voting

- 83** If the number of nominees in an election of directors exceeds the number of directors to be elected, the election must be by secret ballot or some other method of voting which ensures that the nominees for whom a member votes is known only to the member.

Candidates declared elected

- 84** If the number of candidates nominated for director is equal to the number of directors to be elected, those nominated candidates are declared elected and no election is required.

Directors elected according to number of votes

- 85** The results of the election for directors shall be reported to the annual general meeting by the chair of that meeting and the chair must declare elected the candidates who received the highest number of valid votes up to the number of directors to be elected.

If 2 or more candidates receive equal number of votes for last vacancy

- 86** If 2 or more candidates receive an equal number of votes for the last vacancy on the board:
- (a) the directors who have already been elected in the election, and
 - (b) the directors whose terms of office will not expire at the end of the meeting at which the election is held

must determine which of those candidates is to be elected.

Consent to act as director

- 87** For the election or appointment of a director to be valid, consent of the candidate must be provided in accordance with the Act.

Terms of office of directors

- 88** (1) Except as otherwise provided in these rules, directors hold office until their successors are elected at the third annual general meeting following the annual general meeting at which they were declared elected.
- (2) A reduction in the number of directors under rule 78 does not affect the unexpired term of a director in office.

Special Resolution #2 – Qualifications of Directors

BE IT RESOLVED that **Rule 79 (Qualifications of Directors)** be amended by amending paragraph (f) and adding new paragraphs (h) and (i) to section (4), so that Rule 79(4) will read as follows:

- 79(4)** No individual is entitled to become or act as a director of the Association if:
- (a) the individual is under the age of 18 years;
 - (b) the individual is found by a court, in Canada or elsewhere, to be incapable managing the individual's own affairs;
 - (c) the individual is an undischarged bankrupt;
 - (d) the individual is convicted in or out of British Columbia of an offence in connection with the promotion, formation or management of a corporation, or an offence involving fraud, unless the events described is in the Act have occurred;
 - (e) the individual is an employee of the Association;
 - (f) the individual is related to an employee of the Association in any of the following ways:
 - (i) spouse;
 - (ii) person living with the employee in an arrangement equivalent to spouse ("common law");
 - (g) the individual or a member eligible organization of which the individual is a director has an account with the Association that is more than 90 days in arrears;
 - (h) the individual or the individual's spouse (legal or common law) has not been a member of the Association for at least one year;
 - (i) the individual or the individual's spouse (legal or common law) is a party to a dispute with the Association which is before the courts or an arbitrator.

If you have any questions please contact

250-652-5752

www.peninsulaco-op.com



Special Resolution #3 - Housekeeping Amendments

BE IT RESOLVED that **Rule 51 (Chair)**, **Rule 66 (Retention of ballots and proxies)**, **Rule 106 (Directors' attendance book)**, **Rule 120 (Committee members' attendance book)** and section (1) of **Rule 144 (Notice of general meetings and special resolutions)** be resolved to read as follows:

Chair

- 51** The chair of a general meeting must be one of the president, the vice-president, or such other person appointed by the directors to chair the general meeting. If neither the president nor the vice-president nor such other person appointed by the directors is present or willing to serve, the members present at that general meeting may elect a chair for the meeting.

Retention of ballots and proxies

- 66** Each ballot cast on a secret ballot, and each proxy appointing a proxy holder who casts a ballot on a secret ballot,
- (a) must be kept at the registered office of the Association or at the office of the auditors for the Association for at least 3 months after the general meeting at which it was conducted,
 - (b) during the period referred to in paragraph (a), must be open to inspection during normal business hours by any member or proxy holder entitled to vote at the meeting from which the ballot and the proxy came, and
 - (c) may be destroyed at the end of the period referred to in paragraph (a).

Directors' attendance

- 106** A director who is present at a meeting of directors must sign his or her name in a book kept for that purpose or ensure that the minutes of the meeting record the presence of the director at that meeting.

Committee members' attendance

- 120** A director who is present at a meeting of a directors' committee must sign his or her name in a book kept for that purpose or ensure that the minutes of the meeting record the presence of the director at that meeting.

Notice of general meetings and special resolutions

- 144** (1) Notice of the time and place of every general meeting of the Association must be given to the members by posting the notice in a prominent and accessible location at each place of business of the Association not less than 21 days prior to the general meeting.