

# **YELLOWKNIFE DIRECT CHARGE CO-OPERATIVE LIMITED**

## **AMENDED AND RESTATED BYLAWS**

### **AMENDMENT TO ARTICLE 6**

**APRIL 2024**

## **ARTICLE 6 - ELECTION OF DIRECTORS**

### **Definitions specific to this Article 6:**

“**Elected Official**” means a Member of Parliament, a member of the Legislative Assembly of the Northwest Territories, or a member of a municipal council or band council in any of Yellowknife, Ndilo, Dettah, or Behchoko.

“**Spouse**” has the meaning ascribed to it under the *Family Law Act* of the Northwest Territories, as amended from time to time.

“**Trading Area**” includes the City of Yellowknife and the communities of Ndilo, Dettah and Behchoko.

### **6.01 Eligibility for Election**

To be eligible to be elected as a Director of the Co-op, a person must:

- (a) be an Adult;
- (b) be a Member;
- (c) have paid all Fees, if any; and
- (d) not be prohibited from running or serving as a Director under Articles 6.02 or 6.03 herein.

### **6.02 Joint Members**

Only one (1) Joint Member of a Joint Membership may:

- (a) be a candidate for election as a Director in the same election; or
- (b) may serve as a Director at the same time.

### **6.03 Not Eligible to be a Director**

6.03.1 The following persons shall not be eligible to act or continue to act as a Director of the Co-op:

- (a) an employee, director, or owner of more than 20% of the issued shares in:
  - (i) a grocery store,
  - (ii) a pharmacy;
  - (iii) motor vehicle fuel retailer; or
  - (iv) any other retailer selling groceries, prescription drugs, or vehicle fuels as a line of business operations in the Trading Area;
- (b) the Spouse of a person described in (a) above;
- (c) a current employee, or Spouse of a current employee, of the Co-op;
- (d) an individual, or the Spouse of an individual, who was an employee of the Co-op at any time during the twelve (12) months preceding the date directors are to be elected or appointed to the Board.

- (e) an Elected Official;
- (f) an undischarged bankrupt; or
- (g) a Member who purchased goods or services from the Co-op during the last financial year of the Co-op of less than \$1,200.00.

6.03.2 A Director who was ineligible to act or becomes ineligible to continue to act as a Director shall resign immediately upon becoming aware that they were or have become ineligible.

6.03.3 If during the course of their term, a Director no longer meets the eligibility requirements set out in these bylaws and fails or refuses to resign, the Director may be removed by Board resolution if the Board is satisfied that the Director was not or is no longer eligible to act as a Director of the Co-op following the process set out in 6.13.

6.03.4 A Director who wishes to run as an Elected Official shall take a leave of absence from the Board after becoming an official candidate. A Director who becomes an Elected Official shall be deemed to have resigned from the Board.

#### **6.04 Nomination of Candidates**

Where a vacancy on the Board is to be filled, candidates for the position shall be nominated either by written or oral nomination at an annual general meeting or by special general meeting of the Co-op.

#### **6.05 Nominating Committee**

At or before the annual general meeting, the President may, with the approval of the Board, appoint three (3) members as a nominating committee. The nominating committee shall select a nominating committee chair and attempt to gather one or more names for each vacancy, with provision being made for further nominations from the floor at the annual general meeting.

#### **6.06 Consent of Candidate Required**

The consent of a candidate to fill a vacancy on the Board, should they be elected, shall be obtained orally or in writing before they are nominated for the position.

#### **6.07 Acclamation of Candidates**

Where the number of candidates for election does not exceed the number of Directors to be elected, all the candidates shall be declared elected.

#### **6.08 Method of Election**

Every election shall occur by secret ballot at an annual general meeting of the Co-op. All ballots shall be destroyed immediately following adjournment of the annual general meeting.

#### **6.09 Method of Voting**

On a single ballot, each Member in attendance at the annual general meeting, subject to Article 5.02 herein, shall print the name(s) of their nominee(s) of choice, in the number of Directors to be elected at that particular election. The candidate(s) receiving the highest number of votes will be declared elected.

In the case of an equality of votes among those nominees receiving enough votes to be elected, the voting process shall be repeated with only the nominees receiving an equality of votes. In the

case of a further equality of votes, the position will be filled by random draw between the nominees receiving an equality of votes.

#### **6.10 Ballots Void**

Any voting ballot that contains the names of more or less candidates than the number of Directors to be elected is void.

#### **6.11 Term of Office for Directors**

- (a) Subject to Article 6.11(b) herein, each Director shall be elected for a term of three (3) years and shall hold office until the conclusion of the third annual general meeting following that Director's election.
- (b) If a Director leaves their position before the expiry of their term, the Director that is elected at the next annual general meeting to replace them will fill the remainder of the unexpired term, whatever the remaining length may be. If there is more than one new Director, the incoming Director allotted the reduced term will be decided by mutual agreement, or failing that, by random draw.

#### **6.12 No Limit on Terms**

There is no limit on the number of terms a Director may serve. A retiring Director is eligible for re-election.

#### **6.13 Removal of Directors for Cause**

A Director may only be removed from the Board for cause by a resolution approved by at least 2/3 of the Directors present at a meeting called for that purpose (excluding the Director to be removed), provided that the numbers of Directors so voting are sufficient for quorum. If applicable, a Director elected by preferred shareholders may otherwise be removed from the Board in accordance with the Act.

#### **6.14 Appointment of Replacement Directors**

If a vacancy on the Board occurs because:

- (a) a Director departs their position prior to the expiry of their term; or
- (b) not enough candidates were available to fill all vacancies on the Board at the last annual general meeting,

the remaining Directors may appoint a Member of the Co-op to fill any vacancies until the conclusion of the next annual general meeting.