

Resolution R1 – Bylaw Change qualifications of Directors

“Special Resolution”

Majority – 66 2/3%+

Background:

To strengthen our qualifications of directors and to prevent conflicts of interests, Riverbend Co-op Board of Directors are recommending the addition to the qualifications of directors:

- Individuals that are a spouse, or living equivalent to spouse of a Riverbend Co-op team member would not be eligible.
- Former employees of Riverbend Co-op would need to wait 24 months following their employment to be eligible to be a director.

Since discontinuing new joint memberships in 2015, we've encountered numerous cases where potential directors were ineligible due to memberships being registered solely under a spouse's name. The proposed resolution 6.01 m aims to allow members to qualify for directorship, provided their spouse's membership meets all other criteria outlined in bylaw 6.01.

Be it resolved that Bylaw 6.01 has the additional requirements added to the qualifications of director:

- k. An individual who is related to an employee of the Co-operative in any of the following ways:
 - i. Spouse; or
 - ii. Person living with the employee in an arrangement equivalent to spouse;
- l. A former employee of the Co-operative 24 months following their last date of employment;
- m. Notwithstanding the provisions above, the spouse or equivalent to spouse, of an individual member shall be eligible for election, provided that the membership held meets all other eligibility criteria specified in this section. The spouse of the individual member eligible must have an individual membership in their name.

Resolution R2 – Bylaw Change qualifications of Directors

“Special Resolution”

Majority – 66 2/3%+

Background:

During the 2023 Annual General Meeting, the procedure for appointing Associates to the Riverbend Co-op Board of Directors was revised. This modification eliminates the practice of nominating Associates. Consequently, the proposed revisions exclude all mentions of Associates. Additionally, in light of recent changes, paragraph c has been updated to accurately reflect the relevant sections of the bylaws.

Be it resolved that Bylaw 6.02 is amended as follows:

Nomination of Directors

6.02

- a. At least 60 days prior to the annual meeting, the Nominating Committee shall call for members to submit nominations to fill any vacancies on the board, ~~and to submit nominations for associated directors,~~ by displaying notices in the area accessible to the public in each place of business of the Co-operative.
- b. Any 2 members may nominate a candidate for Director ~~or Associate~~ by providing the Nominating Committee with a nomination letter signed by each member and containing a consent to run as ~~director or associate~~ signed by the nominee. Such nominations must be received by the Nominating Committee at least 30 days before the date of the annual meeting.
- c. Nominees to the annual meeting shall be those members who are qualified and who are either nominated under ~~(d)~~(b) or whose consent as Director ~~or Associate~~ is obtained by the nominating committee. There shall be no nominations from the floor at the annual meeting.

Resolution R3 – Number of Directors

“Special Resolution”

Majority – 66 2/3%+

Background:

Riverbend Co-op is obligated to continually report any changes in its directors and officers throughout the year. Currently, our Bylaws stipulate that a full board comprises seven members, which has been interpreted as a requirement to maintain no fewer than seven board members at all times. The Board intends to retain a seven-member composition, yet proposes a bylaw amendment to allow for greater flexibility in the event of board member changes during the year.

Be it resolved that bylaw 6.04 be amended to read as follows:

Number of Directors

- 6.04 The number directors required to constitute a full Board shall be ~~seven~~ minimum of 5 (five) and a maximum of 7 (seven).

The following is Riverbend's Bylaws redlined with the changes proposed for the AGM scheduled for April 11, 2024.

BYLAWS OF RIVERBEND CO-OPERATIVE LTD.

The Co-operatives Act Province of Saskatchewan

I. DEFINITIONS

- 1.01 In these and all other bylaws of the Co-operative, unless the context otherwise requires or specifies:
- a. "Act" means The Co-operatives Act, S.S.,c. C-37 as amended from time to time, and in the case of such amendment, any references in the bylaws of the Co-operative shall be read as referring to the amended provisions;
 - b. "The Co-operative" means the Co-operative which adopts these bylaws;
 - c. "The directors", "Board" and "Board of Directors" mean the directors of the Co-operative for the time being;
 - d. "In writing" and "written" include words printed, digital, painted, engraved, lithographed, photographed or represented or reproduced by any mode of representing or reproducing words in visible form;
 - e. "Digital" and "electronic" includes information submitted by electronic devices (computers, cellular phones, facsimile);
 - f. "Regulations" means the regulations, from time to time, passed by the Lieutenant Governor in Council pursuant to the Act;
 - g. "Trading area" means the geographic area or areas in which the Co-operative carries on its business activities;
 - h. All terms contained in the bylaws and which are defined in the Act shall have meanings given to such in the Act;
 - i. Words importing the singular shall include the plural and vice versa; and
 - j. The headings used in the bylaws are inserted for reference only and are not to be considered in construing the terms thereof or to be deemed in any way to clarify, modify or explain the effect of any such terms.

II. BUSINESS OF THE CO-OPERATIVE

Registered Office

- 2.01 The registered office of the Co-operative shall be located in the Town of Outlook in the Province of Saskatchewan.

Fiscal Year

- 2.02 The fiscal year of the Co-operative shall end on the 31st day of October in each year.

Execution of Instruments

2.03

- a. Contracts, documents or instruments in writing requiring execution by the Co-operative shall be signed on behalf of the Co-operative by two persons, one of whom shall be the President or the Secretary.
- b. The Board is authorized, from time to time, to appoint, by resolution, any officer or officers or any persons, on behalf of the Co-operative either to sign contracts, documents or instruments, in writing generally, or to sign specific contracts, documents or instruments in writing.

Borrowing Powers

2.04

- a. The borrowing power of the directors without authorization of the members are:
 - i. To borrow money on the credit of the Co-operative;
 - ii. To issue, reissue, sell or pledge debt obligations of the Co-operative;
 - iii. Subject to section 45 of the Act, to give a guarantee on behalf of the Co-operative to secure performance of an obligation of any person; and
 - iv. To mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Co-operative, owned or subsequently acquired to secure any debt obligation of the Co-operative.
- b. The Board may, from time to time, delegate to such one or more of the directors and officers of the Co-operative as may be designated by the Board all or any of the borrowing powers conferred on the Board by the Act to such extent and in such manner as the Board determines at the time of such delegation.

Financial Business

- 2.05 The financial business of the Co-operative, including without limitation, the maintenance of deposit accounts and current accounts, shall be transacted with such credit unions, credit union centrals, banks, trust companies or other bodies corporate or organizations as may, from time to time, be designated by or under the authority of the Board. Such financial business or any part thereof shall be transacted under such agreements, instruments and delegations of power as the Board may, from time to time, specify or authorize.

III. SHARES OF MEMBERSHIP

Membership

- 3.01 Subject to paragraph 3.02, any person who can use the services of the Co-operative and who, in the case of an individual, is 15 years of age or older, is eligible to become a member of the Co-operative.

Approval of Membership

- 3.02 No person may become a member of the Co-operative unless that person has submitted a written or electronic application for membership, and until the said application has been approved by the Board or by a committee thereof.

Share Purchase Requirements

- 3.03
- a. Applicants for membership are required to purchase 10 common shares of the Co-operative and shall pay for them at the time of application for membership.

No Share Certificates

- 3.04 The Co-operative is not required to issue share certificates for common shares, but shall make available to any member a patronage statement indicating the number of shares held by that member in those years when allocations have been made.

Responsibility of Members

- 3.05 Members shall faithfully support and promote the business and affairs of the Co-operative and shall be bound by the bylaws and policies of the Co-operative.

Lien and Set-Off

- 3.06
- a. The Co-operative's lien on a member's shares, whether held solely or jointly with others, shall be a first and paramount lien whether or not the time for payment of the member's debt has arrived.

- b. The Co-operative may redeem any member's shares and set off against the proceeds of such redemption all debts of such member as are due by the member to the Co-operative at the time of such redemption.
- c. The Co-operative may refuse to register a transfer, or acknowledge an assignment, of any share affected by the lien.
- d. The Co-operative may set off against amounts standing to the credit of a member all debts of such member as may be due to the Co-operative.

Transfer of Shares and Memberships

3.07 The transfer of shares and memberships shall be as specified in the Act.

Transmission of Shares and Memberships

3.08 The transmission of shares and memberships shall be as specified in the Act.

Withdrawal of Membership

3.09

- a. A member who is an individual(s) may apply to withdraw from the Co-operative by giving to the Secretary at the Registered Office of the Co-operative and received six months written notice of intention to withdraw. The Board, by resolution, may accept any application to withdraw upon shorter notice.
- b. Written notice to the Co-operative of the receivership or bankruptcy of a member of the Co-operative shall have the same force and effect as an application to withdraw.
- c. Written notice to the Co-operative of the dissolution of a body corporate that is a member of the Co-operative shall have the same force and effect as an application to withdraw.

Members Who Have Reached the Age of 67

3.10 An individual member reaching the age of 67 years, they may request payment of amounts owing to them, except for those shares required as a condition of membership; and the payment out pursuant to such a request shall be subject to paragraph 3.14.

Cessation or Termination of Membership

3.11 Membership ceases when the Board of Directors approves withdrawal or issues an order of termination pursuant to paragraph 3.12.

Membership Termination Order

3.12 The Board may order the termination of membership as specified in the Act.

Appeal of Membership Termination Order

- 3.13 A membership that has been terminated by the Board of Directors may appeal the decision to the general meeting of the membership of the Co-operative in the manner specified in the Act and the regulations; and the directors' order can be rescinded only by a majority of at least two-thirds of the members present and casting votes at the general meeting.

Withdrawal of Membership Shares

- 3.14
- a. When, in the opinion of the directors, payment of all amounts due to members would impair the financial stability of the Co-operative, or would be contrary to the interests of the remaining members, the directors shall pay such amounts according to the following order of priority:
 - i. To persons whose memberships have been terminated;
 - ii. To estates of deceased members;
 - iii. To members who have withdrawn because they cease to conduct business and have moved permanently out of the trading area of the Co-operative;
 - iv. To individual members who have reached the age of 67 years; and
 - v. To members who have withdrawn for other reasons.
 - b. Subject to clause (a), the Co-operative shall purchase all of a withdrawing member's shares at their par value and shall repay the member loans within six months of the date of the directors' approval of the withdrawal, when withdrawal is for one of the following reasons:
 - i. Death of the member;
 - ii. The member has permanently moved out and ceases to conduct business in the Co-operative's trading area; or
 - iii. To members who have withdrawn for other reasons.
 - c. Subject to clause (a), when withdrawal is for reasons other than those described in clause (a), the Co-operative shall repay those shares required as a condition of membership, at their par value, and the member loans within six months of the date of the directors' approval of the withdrawal; and the balance of the member's allocated earnings shall be paid within a period not exceeding twenty years of the date of the directors' approval of the withdrawal.

- d. Subject to clause (a), when the directors have terminated the membership of a person in the Co-operative, the Co-operative shall pay the amounts due to the member in the manner provided in the Act.
- e. The Co-operative may, when authorized by resolution of the directors, purchase at par value a member's shares in the Co-operative, except for those required as condition of membership, at such time and in such amounts as, in the position of the Co-operative permits.

Joint Memberships

3.15

- a. Joint memberships within Riverbend Co-operative Ltd. are not permitted. Any joint memberships issued prior to March 19, 2015 will remain intact; however, any future changes to the ownership structure must result in sole ownership of that membership.
- b. For joint memberships issued prior to March 19, 2015, each party is entitled to a vote at a meeting of the Co-operative; but a person who is a sole membership and is also a party of a joint membership shall be entitled to cast only one vote on any resolution at any meeting of the Co-operative.

IV. GENERAL MEETINGS

Place of General Meetings

- 4.01 General meetings of the Co-operative shall be held at such locations in Saskatchewan and in the trading area of the Co-operative, as may be determined by the Board of Directors.

Quorum at General Meetings

- 4.02 The quorum at any annual or special meeting of members shall be as specified in the Act.

Annual General Meeting

- 4.03 A Co-operative shall hold an Annual General Meeting in each year not later than six months after the end of the fiscal year of the Co-operative. The agenda of the Annual General Meeting will be set by the Board of Directors.

Appointment of Auditor

4.04

- a. The members shall, by ordinary resolution at the first annual general meeting of members, and at each succeeding annual general meeting, appoint an auditor to hold office until the close of the next annual general meeting.

- b. Notwithstanding clause (a), where an auditor is not appointed at an annual general meeting of members, the incumbent auditor continues in office until the successor is appointed.

V. ALLOCATIONS

Allocation of Surplus in a Fiscal Year

- 5.01 The provisions regarding the allocation of surplus in a fiscal year shall be as specified in the Act.

Allocation of Unallocated Earnings from Previous Year

- 5.02 The directors may allocate among and credit or pay to the members as a patronage dividend:
 - a. Any reserves, other than reserves the Co-operative is required to maintain pursuant to the Act; and
 - b. Any unallocated earnings from previous year;

in proportion to the business done by the members with or through the Co-operative in the immediately preceding fiscal year, in the manner specified in the Act, and at a rate or rates set by the directors.

Patronage Dividends Applied to Shares

- 5.03
 - a. In lieu of payment in cash of patronage dividends to members, the directors may annually apply the patronage dividends that have been declared pursuant to the Act or bylaws to the purchase of shares of the Co-operative.
 - b. The members hereby apply for the shares and assign, transfer and set over to the Co-operative all or any portion of the patronage dividends allocated to them, and each of them by the Co-operative, to be applied to the payment of shares in the current year and in each fiscal year thereafter.
 - c. If the amount of patronage dividends in any year is not an even multiple of the par value of one share, the member hereby applies for a share to which the balance of the amount shall be applied as part payment.

Non-Payment of Small Patronage Dividends

- 5.04 Where the patronage dividend that would otherwise be payable or allocatable to any member with respect to the operations of a fiscal year is less than or equal to \$1.00, the Co-operative shall not pay or allocate any patronage dividend to that member; and the

amount that would otherwise be payable or allocatable shall be used as the directors may decide.

VI. DIRECTORS

Qualifications of Directors

6.01 The following individuals, in addition to those specified in the Act and the regulations, shall not be eligible to be elected or entitled to remain directors of the Co-operative:

- a. Individuals having an account with the Co-operative which is over three months in arrears;
- b. Individual who have not transacted at least \$5,000 in business with the Co-operative during the preceding fiscal year;
- c. Employees of the Co-operative;
- d. No Director shall be eligible for re-election after serving three consecutive terms of 3 years, until they have been out of office for at least one year.
- e. Individuals who have not been members of the Co-operative for at least two years immediately preceding an election;
- f. Individuals under the age of eighteen;
- g. An unsatisfactory criminal record check according to Saskatchewan Liquor and Gaming Authority (SLGA);
- h. An individual who has declared bankruptcy;
- i. A Director absent without a bona fide reason for three consecutive regular board meetings, as determined by the Board President; or
- j. A Director found in contravention of the Co-operative's Board of Directors Code of Conduct and Ethics Policy as determined by the Riverbend Co-operative Board Code of Conduct and Ethics Committee;

k. An individual who is related to an employee of the Co-operative in any of the following ways:

- i. Spouse; or
- ii. Person living with the employee in an arrangement equivalent to spouse;

l. A former employee of the Co-operative 24 months following their last date of employment;

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~~j.m. Notwithstanding the provisions above, the spouse or equivalent to spouse of an individual member shall be eligible for election, provided that the membership held meets all other eligibility criteria specified in this section. The spouse of the individual member eligible must have an individual membership in their name.~~

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Nomination of Directors

6.02

- a. At least 60 days prior to the annual meeting, the Nominating Committee shall call for members to submit nominations to fill any vacancies on the board, ~~and to submit nominations for associated directors,~~ by displaying notices in the area accessible to the public in each place of business of the Co-operative.
- b. Any 2 members may nominate a candidate for Director ~~or Associate~~ by providing the Nominating Committee with a nomination letter signed by each member and containing a consent to run as director ~~or associate,~~ signed by the nominee. Such nominations must be received by the Nominating Committee at least 30 days before the date of the annual meeting.
- c. Nominees to the annual meeting shall be those members who are qualified and who are either nominated under ~~(d)(b)~~ or whose consent as Director ~~or Associate~~ is obtained by the nominating committee. There shall be no nominations from the floor at the annual meeting.
- d. Those incumbent Directors eligible to run for the Board of Directors elections shall declare their intention to seek re-election or not to the Nominating Committee and the President by December 31 of the calendar year.

Election of Directors and Filling of Vacancies

6.03

- a. Except as provided herein, voting for Directors will be conducted by secret ballot in the manner which is approved by the Board of Directors;
- b. The manner of voting may include but is not limited to voting polls, in store voting, mail in ballot, electronic means or by any or all such methods.
- c. Successful candidates will be announced at the Annual Meeting. A resolution for destruction of ballots shall be made at the Annual Meeting.

Number of Directors

- 6.04 The number directors required to constitute a full Board shall be ~~seven~~ a minimum of 5 (five) and a maximum of 7 (seven).

Term of Office

6.05

- a. The term of office for directors shall be three years; provided that there shall be a rotation of terms to require the election of one-third of the directors to office each year.
- b. A retiring director shall be eligible for re-election except that no director shall be eligible for re-election after having served three consecutive three-year terms, unless he has been out of office for at least one year immediately preceding re-election.

Calling Meetings

6.06 The provisions regarding the calling of directors' meetings shall be as specified in the Act.

Quorum

6.07

- a. The quorum necessary for the transaction of business by the directors at any Board meeting shall be a majority of the directors.
- b. If a quorum is not present at the opening of a Board meeting, the directors present may adjourn the meeting to a fixed time and place but may not transact any other business.
- c. Where a quorum is present at the opening of a Board meeting but does not continue to be present throughout the meeting, the remaining directors may not transact any business after the quorum ceases to exist.

Transaction of Business at Directors' Meetings

6.08

- a. At regularly and legally constituted meetings of the Board, all questions may be decided by a simple majority vote. In the case of an equality of votes, the motion shall be lost.
- b. The President or other presiding officer may only vote upon any resolution in the event of a tie.
- c. A resolution of the Board may be passed without a meeting where:
 - i. All the director's consent in writing to the resolution; and
 - ii. The consent is filed with the minutes of the proceedings of the directors;

Except that no resolution of the Board involving the expenditure of money may be passed without a meeting of directors being held.

Directors' Duties and Powers

6.09

- a. The directors shall carry out the duties and may exercise the powers given to them in the Act.
- b. The directors shall fix the remuneration of any officers appointed to them and shall approve the scale of remuneration for the management group reporting directly to the General Manager.

Directors' Committees

6.10 The provisions regarding committees of directors shall be as specified in the Act.

Directors' Remuneration

6.11 The directors shall be paid such remuneration for their services as the members shall approve by ordinary resolution at the annual meeting.

Officers

6.12

- a. No director shall hold more than one office.
- b. At the first board meeting following conclusion of the Annual General Meeting of each year, the Board shall elect the following Corporate Officers:
 - i. President;
 - ii. Vice-President; and
 - iii. SecretaryFrom among the Board of Directors.
- c. In addition, the Board may appoint an individual to act as Recording Secretary. The Recording Secretary's sole role is to keep a complete and accurate record of all board business during a regular meeting. All records are to be reviewed by the Secretary to ensure completeness and accuracy.
- d. The President shall:
 - i. Preside as chairperson at all general meetings of the Co-operative and all meetings of the directors unless some member is appointed by the meeting to do so;
 - ii. Be an ex officio member of all committees appointed; and

- iii. Perform such other duties and exercise such other powers as are incidental to such office or as may be required, from time to time, by the Board.
- e. The Vice-President shall:
 - i. In the absence of the President, shall discharge the duties of the President.
- f. The Secretary shall:
 - i. In the absence of a Recording Secretary, keep a complete and accurate record of all board business;
 - ii. In the presence of a Recording Secretary, be responsible for reviewing the content of the minutes to ensure that they fairly represent the Board's discussion. If required, it is the Secretary that shall sign any Board resolutions. If the Recording Secretary is unable to perform their duties for whatever reason, the Secretary will assume the role until a replacement can be appointed. In this capacity, the Secretary can act as a board member that can propose motions and vote on resolutions; and
 - iii. Perform such other duties and exercise such other powers as are incidental to the office or as may be required, from time to time, by the Board.
- g. The Board may appoint and delegate powers and duties to such officers, in addition to the President, Vice-President and Secretary, as it deems necessary to conduct the affairs of the Co-operative properly.
- h. The Board, in its discretion, may remove any officer of the Co-operative and elect or appoint another individual to fill the unexpired portion of that individual's term.
- i. Subject to clause (g) each director appointed by the Board as an officer shall hold office until the conclusion of the next annual meeting or until resigning, whichever occurs first.
- j. The Board shall appoint individuals to perform such duties as:
 - i. Receive and deposit all monies to the account of the Co-operative.
 - ii. Be responsible for the safekeeping of securities and the disbursement of funds of the Co-operative.
 - iii. Keep or cause to be kept a proper set of business records showing accurately the financial position of the Co-operative, and present a full and detailed account to the directors whenever required by them to do so.
 - iv. Prepare or cause to be prepared for submission to the annual general meeting the financial statements required by the Act and the regulations.

v. Have charge of the seal, if any, of the Co-operative.

6.13 To promote board succession, Directors may appoint up to two (2) Associates, who:

- a. Are interested in submitting a nomination for the position of Director at the next annual meeting of the membership;
- b. Must fulfill the same qualifications as Directors;
- c. Shall be entitled to receive notice of, attend at and participate in discussions at all board meetings;
- d. Shall not be entitled to move, second or vote on motions at meetings of the board;
- e. Do not form part of quorum at a meeting of the board; and
- f. Shall be entitled to receive the remuneration and expense reimbursement as outlined in the Riverbend Co-op Policy.

VII. ENACTMENT, AMENDMENT AND REPEAL OF BYLAWS

7.03

- a. The members may, at any annual or special meeting called for the purpose, enact, amend, repeal or replace any bylaws where written notice of the proposed enactment, amendment, repeal or replacement is:
 - i. Sent to the members with the notice of the meeting at which the enactment, amendment, repeal or replacement is to be considered, by a simple majority of the votes cast at the meeting; or
 - ii. Not forwarded to each member with the notice described by clause (a) by a two-thirds vote of the votes cast at the meeting.
- b. In lieu of the written notice required to be sent to the Co-operative's members pursuant to clause (a), the Co-operative may:
 - i. Insert notice in not less than two issues of a newspaper circulated in the trading area of the Co-operative; and
 - ii. Post the notice in a place that, in the opinion of the directors, is prominent and accessible to the members;

And the provisions in the Act respecting newspaper notices for annual or special meetings shall be applicable.

VIII. DISSOLUTION

Instrument of Dissolution

8.03 Upon the dissolution of the Co-operative, the distribution of the property shall be in accordance with the Instruments of Dissolution.

Unclaimed Funds

8.04 Any funds remaining and unclaimed by creditors or members after three years from the date of the approval of the dissolution of the Co-operative shall be distributed in accordance with the Instrument of Dissolution.