

Proposed Steep Hill Bylaw Amendments

Background: Steep Hill is governed by the Saskatchewan Co-operatives Act and Regulations, our Articles of Incorporation, and our Bylaws. Our bylaws need to be consistent with our Articles of Incorporation. We are required to follow our bylaws when they are more specific than the Act, but if our bylaws don't mention a matter covered by the Act, we follow the Act. Steep Hill's bylaws allow the members to amend our bylaws by a simple majority vote provided notice is posted in the store at least 10 days before the Annual Meeting.

The Interim Board recommends that the new Board do a thorough review of Steep Hill's bylaws in the coming year, and that at this AGM we amend three clauses to will increase Board capacity and reduce barriers to participate, to ensure we follow our Articles of Incorporation, and to update our membership fee language.

The current bylaws require exactly nine directors. Our Articles of Incorporation allow for a minimum of 5 and a maximum of 12 directors. To provide for flexibility and an opportunity for more members to serve as directors, your Interim Board is proposing the bylaws be amended to allow from 5 to 12 directors.

The current bylaws also set three-year terms for directors, and provide for one-third of the directors to be elected each year. Since there was a complete turn-over of the board at our Special Meeting on April 24, all directors for the upcoming year will be elected at once. The Interim Board recommends that we amend the directors term of office clause to have one-year terms. This will provide an opportunity for members to run who may be unable to commit to a three-year term and will provide for continuity by allowing directors who wish to continue serving more than one term to stand for re-election.

Our bylaws are also out of date regarding the annual membership fee. To put our bylaws in line with our practice, and to provide flexibility for future boards to set appropriate fees, that clause needs to be changed.

Your Interim Board therefore moves that Steep Hill Bylaws be amended as follows (underlined words are new, strike-through words are deleted):

6. Membership Fee

- a) Applicants for membership are required to pay a non-refundable annual membership fee ~~of \$20.00~~ of an amount set by the Board from time to time.
- b) ~~The membership fee is non-refundable~~

10. Board of Directors

The number of directors ~~to constitute a full board shall be 9~~ shall be between five (5) and twelve (12) directors.

11. Term of Office of Directors

~~The term of office shall be three (3) years; provided that there shall be a rotation of terms to require the election of one third of the directors to office each year. Election of directors will take place annually at the annual general meeting; and directors will hold office until the conclusion of the meeting at which their successors are elected. Directors are eligible for re-election.~~