

Bylaw Amendment

For General Members Meeting of March 24, 2018

Background

Original bylaws were passed by unanimous decision of members present at the Special Members Meeting of February 21, 2018. The bylaws were submitted to Service Alberta for approval. Service Alberta recommended a couple changes to our bylaws to improve alignment with our Articles and the Co-operatives Act. The proposed changes to bylaws are expected to now comply with Service Alberta's requirements.

The proposed bylaw amendments below are submitted for approval at the General Members Meeting of March 24, 2018.

Original Bylaws Referenced by Service Alberta

5.11. Committee Meetings

7.4.3 Board resolution for investment shares. Before WBC issues investment shares in a particular series in compliance with the Articles and the Act, the board of directors by resolution must:

7.4.3.1 authorize the issue of the Class A or Class B investment shares in the series;

7.4.3.2 specify the issue price of the investment shares in the series as determined in the Articles;

7.4.3.3 specify the dividend rights attached to the investment shares in the series and the method of calculation of the dividends paid on the investment shares in the series;

7.4.3.4 specify whether the right to dividends is cumulative or non-cumulative for the investment shares in the series;

7.4.3.5 specify the terms and conditions of any redemption rights of the holders or WBC of investment shares in the series; and

7.4.3.6 specify the terms and conditions of any conversion rights of the holder of investment shares requiring WBC to convert the investment shares into another series.

7.4.4 Conversion of investment shares. WBC may not exchange or convert investment shares in a series for common shares that have been issued by WBC.

7.6.1 The financial year of WBC ends on the Saturday nearest to October 31.

Recommendation Comments

- There is an Item 5.11 – Committee Meetings; but no information.
- Item 7.4.3 – changes to investment shares - dividing the investment share classes into a series, and other changes are not done through Board resolutions unless the Articles authorize the Board to make such decisions. Refer to sections 264(1)(m) – (p) of the *Cooperatives Act*. Based on the current Articles the Board can only determine the formula used to calculate dividends on investment shares.
- Item 7.4.4 – “common” shares is incorrect terminology. Is this referring to converting to member/owner shares?
- Item 7.6.1 – the fiscal year is incorrect. The fiscal year provided when the coop incorporated was March 31st. If the coop wishes to change the fiscal year end we require a letter from the coop identifying that change.

The proposed bylaws now read as follows:

5.11. Committee Meetings

5.11.1. The directors may appoint committees and designate the person to chair such committees. Committees may be composed of directors and non-directors, and the directors may delegate to them any of the director’s powers except those that, under the Act, the directors are prohibited from delegating.

5.11.2. A majority of directors appointed to a committee constitute a quorum at any meeting composed solely of directors.

5.11.3. A majority of committee members constitute a quorum at any meeting of a committee composed of directors and non-directors provided that one of the committee members in attendance is a director.

Investment Shares

7.4.3 Board resolution for investment shares. Before WBC issues A or B investment shares in compliance with the Articles and the Act, the board of directors by resolution must:

7.4.3.1 authorize the issue of the Class A or Class B investment shares; specify the rate of return attached to the investment shares and the method of calculation of the rate of return paid on the investment shares;

7.4.3.2 specify whether the rate of return is cumulative or non-cumulative for the investment shares;

7.4.3.3 specify the terms and conditions of any redemption rights of the holders or WBC of investment shares in the series; and

7.4.3.4 specify the terms and conditions of any conversion rights of the holder of investment shares requiring WBC to convert the investment shares into another series.

7.4.4 - Conversion of investment shares. WBC may not exchange or convert investment shares in a series for member shares that have been issued by WBC.

Fiscal Year End

7.6.1 The financial year of WBC ends on March 31st.