

## SUPPLEMENTAL BY-LAW OF EAST SMOKY GAS CO-OP LTD.

### SUPPLEMENTAL BY-LAW

At a general meeting of the East Smoky Gas Co-op Ltd. (the Association) held on the 25<sup>th</sup> day of March, 2015 it was regularly moved and seconded that:

The Association add to its Supplementary By-laws, the following By-law No. 12.

#### **Election of Directors**

Any member of the Association who is a "Member in Good Standing" as defined in the Association's by-laws may attend and vote at meetings of the Association and be elected a director of the Association subject to the nomination eligibility provisions of this by-law.

A member is eligible to be nominated for election as a director if:

- a. The member is "in good standing".
- b. The member is not an employee of the Association or an employee of a company under contract to the Association.
- c. The member's spouse or common-law partner is not a permanent employee or director of the Association.
- d. The member or the member's spouse or common-law partner is not a director, officer or employee of other institutions or businesses that are engaged in activities similar to the activities of the Association.
- e. The member is in agreement with and is prepared to sign a commitment letter to adhere to the Director's Handbook for Rural Gas Utilities (**alternatively – adhere to the Association's Code of Conduct**)

The procedure for board nominations will be as follows:

- a. Nomination packages will be available 60 days prior to the Association's Annual General Meeting.
- b. Nomination papers must be returned to the Association's office 30 days prior to the Association's Annual General Meeting.
- c. Nomination papers must be signed by 5 members in good standing.
- d. The board will vet all nominations to determine if a proposed nominee is a member in good standing.
- e. The names and history of each nominee will be sent to the members of the Association in a publication prior to the Association's Annual General Meeting.

The election process will be as follows:

- a. Membership in the Association will be validated upon registration at the meeting.
- b. Members are only entitled to one vote regardless of the number of contracts.
- c. Each voting member cannot vote for more positions than are open for election.
- d. The ballots will be counted by the board nominations committee and scrutineers appointed at the Association's Annual General Meeting.

The term of a director is 3 years.

Retiring directors are eligible for re-election.

On being put to the meeting, the motion was carried.

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