

Proposal to amend Goolawah Co-op Rule 33 for nomination for Directors, Treasurer and Secretary.

Rationale

Current Rule 33 for election of Directors limits the ability of the community to prepare nominations for the Annual General Meeting.

No objections or issues were raised by members at the February and March General Meetings to the proposal to alter the nomination procedure for election of Directors.

The proposal will therefore be put to the April GM to adopt model rules as per Cooperatives National Law for 'non-distributing cooperatives with share capital' in Part 4 section 47.

Existing and proposed new rules are included below. The procedural components of the rule will be included in policy.

Existing Rule

33. Election of directors (CNL ss173, 179)

- d. All directors shall retire at each annual general meeting prior to the calling of nominations for new directors.
- e. A retiring director shall be eligible for re-election without nomination, subject to the person holding the qualifications specified in Rule32.
- f. At an annual general meeting at which a director retires or a casual vacancy occurs, the vacated office may be filled by electing a person to it.
- g. Nominations for candidates to fill the vacant positions shall be sought during the meeting.
- h. The election of directors shall be decided by a show of hands, unless a poll is demanded, and determined by a two-thirds majority of those members present and voting.

New Rule

This change is to adopt the model rules as per the National Cooperatives regulations Schedule 7 Model Rules for a non-distributing cooperatives with share capital with respect to the election of directors with a change of the length of term of a director. That is Part 4 section 47 First directors and election of Directors.

33. Election of directors (CNL ss173 & 179)

The term of office of directors is to be not more than one (1) year ending on the day of the annual general meeting after the formation meeting.

Note. The board may require that directors' terms are of different length to enable rotational retirement.

The term of office of directors elected, is to commence from the annual general meeting at which they are elected and ends on the day of the following annual general meeting thereafter.

The members of the board are to be elected in the manner specified in this rule.

At an annual general meeting at which a director retires, the vacated office may be filled in the following manner:

(a) At least 6 weeks before an annual general meeting, the board must:

- (i) notify all members of the number of directors retiring at the annual general meeting; and
- (ii) advise the members of:
 - (A) their eligibility to nominate as a director; and
 - (B) the duties and responsibilities of a director; and
 - (C) the anticipated remuneration (if any); and
 - (D) the nomination and election procedures.

(b) A notice must also be displayed at the place of business of the co-operative inviting nominations of nominees to serve as directors.

(c) A nomination must:

- (i) be signed by 2 or more members; and
- (ii) provide details of the qualifications and experience of the person nominated; and
- (iii) be accompanied by a notice in writing signed by the nominee consenting to their nomination.

A retiring director shall be eligible for re-election without completing points (i) or (ii), subject to the person holding the qualifications specified in Rule 32.

(d) The nomination and the notice of consent must be lodged with the secretary of the co-operative at least 30 days before the annual general meeting.

(e) The secretary, or an officer nominated by the board, must give details of each person who has been nominated to members with the notice of the annual general meeting. Details to be provided to members must include:

- (i) the nominee's name; and
- (ii) the nominee's qualifications and experience; and
- (iii) the nominee's length of any previous service as a director of the co-operative or with any other co-operative.

(6) If the number of nominees equals the number of vacancies, the nominees must be declared elected at the annual general meeting.

(7) If there are insufficient nominees to fill all vacancies, the nominees to be declared elected at the annual general meeting and nominations for people to fill the remaining vacancies are to be called from the floor and a ballot held if required.

(8) If the number of nominees exceeds the number of vacancies, the election of directors must be conducted at the meeting by a show of hands or if requested by a ballot then as follows:

- (a) A returning officer is elected at the meeting. The directors, the secretary and anyone who has an interest in the election are not eligible to be the returning officer.
- (b) All nominees are to be listed on the ballot form in alphabetical order.
- (c) The returning officer is responsible for determining the validity of and counting of the votes if by ballot or the chair if by show of hands.
- (d) If there is an equality of votes, the outcome must be determined by lot.
- (e) The returning officer is to declare the election results.

(9) If any vacancies remain at the end of the meeting, the vacancies are to be casual vacancies and must be filled in accordance with rules 38 and 39 (casual vacancy and alternative directors).

Note. The co-operative may specify other procedures to suit the particular circumstances of the co-operative.

