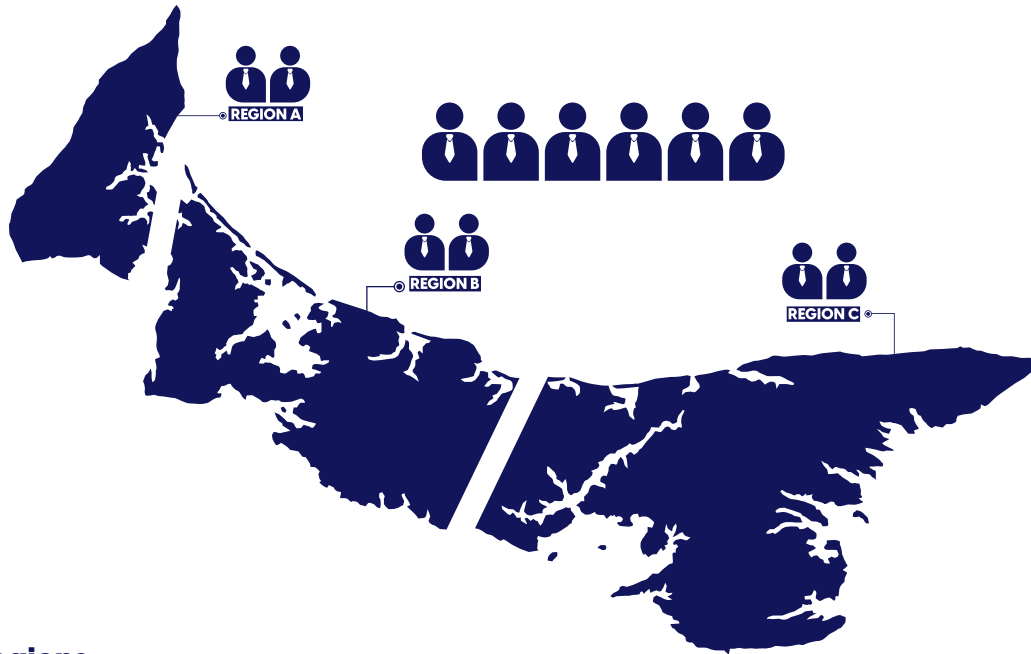


This year, we are proposing a small number of focused updates to our bylaws for member approval. These proposed changes relate to how our Board of Directors is structured and how elections are conducted. They are intended to improve clarity, support fairness in the election process, and better align with how members participate today.



## Geographic Regions

The number of regions would move from four (4) to three (3), with boundaries based on where members live. The intent is to create a more balanced distribution across the province. These regions are used to determine which geographic positions on the Board are elected from across the province and are designed to support an equitable distribution of members and overall business activity, helping ensure balanced representation. The Board would also review these regions periodically and may adjust the boundaries over time to reflect changes across the credit union. This approach supports fairness, consistency, and adaptability as the organization continues to grow and evolve, while continuing to reflect perspectives from across PEI.

## Board Structure

Updates to the Board structure that includes:

- Six (6) directors elected from geographic regions (candidate resides in region), and
- Six (6) directors elected at-large (resides in any region).

This approach helps ensure perspectives from across PEI are reflected.

At the same time, it's important to note that all directors serve on one Board and are responsible for making decisions in the best interest of the entire credit union and all members.

## **Nomination Process**

Removal of the provision that allows for nominations from the floor at the Annual General Meeting in cases where no candidates are nominated during the formal nomination period.

This provision was designed for a time when voting took place at the meeting.

Today, voting occurs in advance using electronic and other methods, and allowing nominations at the AGM no longer aligns with this approach. It would also bypass the consistent nomination process that all other candidates are required to follow.

Under the proposed changes, all candidates would be required to complete the formal nomination process ahead of the election, supporting fairness, transparency, and equal opportunity.

If a vacancy remains after the close of nominations, the Board would continue to have the ability, under the bylaws, to appoint a director for a one-year term or leave the position vacant until the next election.

## **Election Process**

Updates to how elections are conducted.

Members would vote using a single ballot and can select as many candidates as there are open positions in the election. Members would NOT be required to select all positions and may vote for fewer candidates if they choose.

The results would then be used to:

- Ensure geographic representation first, then
- Fill remaining positions with the candidates who receive the most votes overall.

This approach is intended to keep voting simple for members while supporting a balanced and effective Board.

## **Tie Vote Clarification**

Previously, tie votes were addressed through an additional ballot at the meeting, and if still tied, by a manual draw conducted in person. As voting is now completed in advance, this approach is no longer practical.

Under the proposed change, if two or more candidates receive an equal number of votes, the tie would be resolved by a draw conducted immediately following the close of elections, in accordance with the bylaws.

This provides a clear, consistent, and impartial method for determining the successful candidate.