

# QUICK REFERENCE PROCEDURAL RULES FOR THE MEETING

(Annual general meeting)

## Purpose of this document

The purpose of this document is to:

- Inform members of the procedural rules for the meeting.
- Invite members to prepare for the meeting by consulting the available documentation.
- Ensure the meeting runs smoothly.

## Things to keep in mind:

- The procedure followed during meetings must comply with the *Act respecting financial services cooperatives* (the "Act"), regulations, rules of professional conduct, standards and democratic principles.
- The meeting chair decides on all procedural matters. The chair may draw on the generally accepted rules of procedure for deliberative meetings but retains complete discretion in this regard.
- The information in this quick reference is general in nature and some exceptions may apply.

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# 1. Members

## Who can attend a Desjardins caisse annual general meeting?

All caisse members are invited to attend annual general meetings. There are two categories of members:

- 1) Full members
- 2) Auxiliary members

Representatives of the Fédération des caisses Desjardins may also attend and speak at any caisse meeting.

## What are the differences between full members and auxiliary members who participate in a caisse general meeting?

### Full members

A full member is a natural person who is at least 18 years of age, or a legal person or partnership that has been admitted for at least 90 days and meets the conditions relating to a common characteristic set out in the *Act respecting financial services cooperatives* ("Act") or in the caisse bylaws.

- For territory caisses, the common characteristic is to be resident, to be domiciled or to work in Quebec.
- For group caisses, the common characteristic must be determined on the basis of occupation, employment in the same sector of the economy or other criteria established by the Fédération des caisses Desjardins du Québec.

In summary:

<ul style="list-style-type: none"><li>○ Natural person (individual) at least 18 years old</li><li>or</li><li>○ Legal person</li><li>or</li><li>○ Partnership</li></ul>	Admitted for at least 90 days	That meets the conditions relating to the common characteristic
✓	✓	✓

### Auxiliary members

There are 3 classes of auxiliary members:

Class 1: Minors with a school caisse account

Class 2:

- a. Other minors
- b. Groups of persons, and
- c. Persons who do not meet the conditions relating to the caisse's common characteristic

Class 3: Persons who do not meet the conditions relating to the caisse's common characteristic whose debt contracted with a third party has been assigned to or acquired by the caisse.

Note that members who have been admitted for less than 90 days at the date of the meeting will be considered auxiliary members for the purposes of the meeting.

**Here are some of the differences between full members and auxiliary members who attend a general meeting:**

	Full members	Auxiliary members
Right to be invited and attend the general meeting*	✓	✓
Right to move or second a motion	✓	
Right to participate in deliberations and ask questions	✓	✓
Right to vote	✓	
Eligible to become a director**	✓	
Eligible for dividends	✓	✓

\* To participate in a general meeting remotely, members must be able to use AccèsD.

\*\* Only members who are natural persons are eligible to be directors.

A legal person, a partnership or a group may be represented only by a natural person. A person acting as a representative may only act in this capacity for one business member. To participate in the meeting in person, this person must present a document designating them as representative of the legal person, partnership or group. To obtain a resolution template or proxy form, contact your caisse.

## 2. Meeting chair

The caisse chair presides over all meetings held by the caisse. The vice-chair replaces the chair if they are absent or unable to act.

Duties of the meeting chair:

- Open and lead the meeting and ensure it runs smoothly.
- Present the items in accordance with the agenda and provide any required explanations (they can also ask another person to do so).
- Ensure that the various opinions of members are shared respectfully and in keeping with the agenda items.
- Ensure compliance with the *Caisse Bylaws*.
- Eligible to vote.
- Read the written comments from members who are participating virtually and share them, and when the member is physically present, authorize them to speak.
- Decide on the admissibility of any motion that may be moved at the meeting.
- Adjourn the meeting when there is no further business (for example, when the results of the deferred voting period are posted).

As a reminder, the meeting chair decides on all procedural matters. The chair may draw on the generally accepted rules of procedure for deliberative meetings but retains complete discretion in this regard.

### 3. Right to speak

#### Members' right to speak

##### In person

Provided the member is on site, the chair may allow them to speak. In principle, only full members and auxiliary members have the right to speak at a meeting. However, the chair may give any person designated by them the right to speak.

No one is allowed to interrupt a member who has been given the floor by the chair.

The person with the floor must:

- Identify themselves by stating their name.
- Refrain from using insulting, rude or misleading insinuations.
- Address the chair, even if they are responding to another participant.
- Speak only to the motion being debated or make a motion.
- Speak for a maximum of 3 minutes.

A participant has the right to speak a second time on the same subject as long as the debate has not been closed, there are new elements to discuss, and there are no other members waiting for their first turn to speak.

The person must remain courteous in their interactions and be respectful of the opinions of others. If they fail to do so, the chair may interrupt the speaker to call them to order and impose sanctions, where appropriate.

In every annual general meeting, a Q&A session of at least 15 minutes will be allotted. This is a time for any member to ask questions or make comments to the board of directors. The chair, however, may end the Q&A session if there are no further comments.

##### Remotely (virtual participation)

For members attending the meeting remotely, the right to speak is exercised in writing using the question and comment box shown on the screen of the device used during the live broadcast of the meeting. The chair will select certain questions that they feel are relevant, read them out and respond to them during the meeting.

In order not to interfere with the smooth running of the meeting, certain matters may be dealt with separately following the meeting.

#### Chair's right to speak

The chair has an absolute right to speak and may not be interrupted. They can, without relinquishing the chair, express the position of the board and participate in debates. They must, however, be objective and may not make or second a motion unless they relinquish their seat to do so.

## 4. Motions

### What is a motion?

Generally, a motion is a recommendation made by a member to put an item listed on the agenda to the meeting. The meeting discusses the motion (debate) and is then asked to make a decision on it (vote). If the motion is adopted by the meeting, it becomes a resolution or a bylaw as the case may be.

The chair reads the items on the agenda, provides necessary explanations or yields the floor before any deliberation and before receiving a motion. No discussion may take place until the main motion has been presented by the chair or a third party.

Generally, the chair will inform the meeting that they are ready to receive a motion for consideration by the meeting. At this time, a voting member identifies themselves and then makes the motion or simply states "I move". To be in order, the motion must also be seconded by another voting member. This person must also identify themselves and state that they second the motion.

If the motion is in order, debate begins. It is important that the motion be clear so everyone knows the focus of the debate.

The chair then gives the floor to members in accordance with the applicable rules. When the debate is over and there are no more new elements to be discussed, the chair asks the meeting to vote on the motion.

The meeting usually handles a motion by either adopting or rejecting it.

### Limitations of motions

The meeting has specific powers under the Act and the regulations. It may not vote on motions that exceed its powers, for example, on matters that fall under the jurisdiction of the caisse board of directors or the Fédération des caisses Desjardins du Québec.

Any motion made to be voted on by the meeting must therefore be within the scope of the powers of the meeting, otherwise the chair must rule it out of order.

### Different types of motions

#### Main motions

Main motions are usually **indicated on the agenda**. These are the items that must be decided on at the meeting. They can include allocating annual surplus earnings to pay dividends or adopting amendments to the *Caisse Bylaws*.

#### Note:

Any documents that accompany a motion and that were made available in advance, notably on the caisse's website, are automatically exempt from being read in full when applicable. We encourage you to become familiar with these documents before the meeting so you can participate fully.

The main motion must generally be adopted by a majority or 2/3 of the votes cast, as set out in the *Act respecting financial services cooperatives*.

If a decision is to be made other than by a majority of the votes cast, the chair must indicate this.

### Incidental motions

Below are some of the incidental motions that may be made at the meeting. These motions must be moved and duly seconded by a full member to be voted on at the meeting. For each motion, it will be indicated whether it is debatable, whether it can be amended and the majority required for its adoption.

#### Adjournment of debate

*(Used to postpone the debate to another time during the meeting)*

- May be debated
- May be amended
- Majority of votes cast

#### Amendment

*(Used to add, remove or amend elements of a main motion)*

- May be debated
- May be amended
- Majority of votes cast

#### Referral to a committee

*(Used to assign a matter to a committee for further study)*

- May be debated
- May be amended
- Majority of votes cast

#### Withdrawal of a main motion or amendment

*(Used to end the discussion without the meeting making a decision on the main motion or amendment)*

- No debate (in view of its importance, it needs to be a motivated decision)
- No amendments
- Majority of votes cast

#### Immediate vote

*(Used to close the debate on a motion and call for an immediate vote)*

- No debate (in view of its importance, it needs to be a motivated decision)
- No amendments
- 2/3 majority of the votes cast

## 5. Voting information

### In-person meeting

In an in-person meeting, only full members who are physically present in the room where the meeting is being held will be able to vote on certain matters during the meeting.

Subject to exceptions, during the deferred voting period that will take place during the 4 days following the meeting, all full members may:

- Vote on the allocation of annual surplus earnings and dividends.
- And, where applicable, elect members to the board of directors.

### **Virtual meeting**

In a remote or virtual meeting, all full members will be able to vote on certain matters during the broadcast of the meeting.

During the deferred voting period that will take place during the 4 days following the broadcast of the meeting, all full members may:

- Vote on the allocation of annual surplus earnings and dividends.
- And, where applicable, elect members to the board of directors.

### **Hybrid meeting**

In a hybrid meeting, both full members who are physically present in the room where the meeting is being held and full members who are attending the meeting virtually will be able to vote on certain matters during the broadcast of the meeting.

During the deferred voting period that will take place during the 4 days following the broadcast of the meeting, all full members may:

- Vote on the allocation of annual surplus earnings and dividends.
- And, where applicable, elect members to the board of directors.

### **Additional details on deferred voting**

For the vote that takes place within 4 days after the broadcast of the meeting, full members must use AccèsD and click the **My vote** button. Clear voting instructions will be provided to help you vote. Voting can also be accessed via each caisse's website and on the Desjardins.com homepage. To vote, members need to be registered for AccèsD. This can also be done by contacting the caisse.

For members who don't have AccèsD or don't want to vote on this platform, voting stations may also be made available at some caisse service centres to facilitate voting.

Our voting system allows us to confirm if a member meets the required conditions to be a full member.

For a legal person or partnership member, the main administrator and signatory on AccèsD Affaires can exercise the right to vote.

### **Abstention (choosing not to vote)**

Members may either vote for or against a motion or abstain. Abstention is not a vote against the motion, but a refusal to vote. Abstentions are not taken into account in tallying a vote.