

Procedure for amendment of By-laws

The By-laws may be amended by a Special Resolution passed at any duly constituted meeting of NEIA.¹

To be carried, a Special Resolution requires at least 75% of the Voting Members (as represented by their respective Member's Representatives) present and voting at the duly constituted meeting.²

Proposed amendments to By-laws at upcoming Annual General Meeting

AMENDMENT No. 1: **An amendment to adopt a new committee structure**

Statement of current By-law:

By-law 6.01 currently sets out NEIA's Standing Committees. There are four such committees: (a) the Finance and Audit Committee; (b) the Human Resources and Compensation Committee; (c) the Governance Committee; and (d) the Nominations and Elections Committee. The By-law lists the responsibilities of each committee and requires that each committee be comprised of a certain minimum number of people.

Reason for proposed amendment:

The current committee structure is not ideally aligned with NEIA's organizational needs. Rather than have Standing Committees focused exclusively on administrative functions, NEIA would be better served by a committee structure which also focuses on monitoring and reporting on NEIA activities and making recommendations on NEIA policy.

The new proposed committee structure is set out in the **Committee Terms of Reference**.

Proposed wording of amended By-law:

It is proposed that By-law 6.01 be repealed and substituted with the following:

6.01 **Standing Committees:**

The Standing Committees of the Corporation shall be comprised of Directors, Staff and Members/Members' Representatives. Standing committees shall report to the Board of Directors and shall be:

¹ By-law 8.02.

² By-law 1.01(m).

- (a) the Organizational Development Committee, which shall comprise not less than three (3) people and not more than five (5) people, and shall be responsible for:
 - (i) assisting in the development and implementation of strategies to strengthen NEIA's membership, in terms of both recruiting and retaining members;
 - (ii) ensuring that the Board of Directors remains representative of NEIA's diverse membership, is composed of competent and engaged professionals dedicated to NEIA's success, and retains a sufficient level of continuity of corporate knowledge to function effectively;
 - (iii) assessing any arising needs to amend NEIA's rules and bylaws and ensuring compliance with the *Corporations Act*;
 - (iv) advising on any real or perceived conflicts of interest relating to NEIA's Board of Directors and staff;
 - (v) ensuring that the Board of Directors is following sound information gathering and decision-making processes; and
 - (vi) overseeing the tasks and functions associated with Board of Directors governance, strategic planning, opportunity management and work plan development.

- (b) the Finance and Operations Committee, which shall comprise three (3) people, and shall be responsible for:
 - (i) monitoring and managing the financial affairs of NEIA by reviewing and approving monthly statements, recommending approval of annual budgets, overseeing annual audits, and liaising with NEIA's auditor;
 - (ii) where possible, identifying potential revenue sources and/or opportunities for cost savings;
 - (iii) ensuring NEIA attracts and retains competent and professional senior management;
 - (iv) developing and implementing policies and/or incentives designed to enhance performance of senior staff;
 - (v) monitoring the performance of senior staff and providing senior staff with performance feedback

through formal employee performance appraisals, to be conducted annually;

- (vi) advising the board on other employee matters, which include but are not limited to: required training, discipline, motivation, and/or dismissal; and
 - (vii) ensuring NEIA's policies and procedures are appropriate to the needs of the organization and that these policies and procedures are being followed.
- (c) the Policy, Advocacy and External Communications Committee, which shall comprise not less than three (3) people and not more than five (5) people, and shall be responsible for:
- (i) conducting research, deliberating on, and advancing policy recommendations for the growth of the sector;
 - (ii) following previously defined decision-making protocols required to effectively respond to emergent policy issues;
 - (iii) revising decision-making protocols as required to better respond to emergent policy issues;
 - (iv) overseeing the development of advocacy strategies, making recommendations with respect to NEIA's external communications, and monitoring NEIA's overall public image; and
 - (v) liaising with elected officials and senior bureaucrats when required.
- (d) the Practitioner Training & Development Committee, which shall comprise not less than three (3) people and not more than five (5) people, and shall be responsible for:
- (i) assisting in the development and implementation of training and development initiatives that address critical skill gaps of the membership and generate revenue to support NEIA's operations; and
 - (ii) developing quality events and conferences that promote knowledge mobilization, best/good practice sharing, member networking and/or generate revenue for the organization.
- (e) the Sector Development Committee, which shall comprise not less than three (3) people and not more than five (5) people, and shall be responsible for:

- (i) generating interest in export and international business;
- (ii) monitoring and evaluating NEIA's ongoing trade initiatives, and recommending new areas of international activity;
- (iii) working with firms, educational institutions and government agencies to increase the level of innovation within Newfoundland and Labrador's green economy;
- (iv) ensuring that NEIA helps its members protect their intellectual property, commercialize new technologies, build academic partnerships, and access supports to de-risk innovation;
- (v) developing programming to assist NEIA members to increase their productivity and competitiveness; and
- (vi) supporting NEIA staff in working with firms to identify barriers to productivity and engage appropriate partners to help address these challenges.

Ancillary amendments arising from proposed amendment:

It is further proposed that the following ancillary amendments be made to accommodate the revised committee structure adopted by the amendment of By-law 6.01:

It is proposed that references to "the Nominations and Elections Committee" in By-law 3.04 be repealed and substituted with "the Organizational Development Committee".

It is proposed that the reference to "the Finance and Audit Committee" in By-law 4.05 be repealed and substituted with "the Finance and Operations Committee".

AMENDMENT No. 2:
An amendment to address Directors' changes of employment

Statement of current By-law:

By-law 3.02 currently provides that only Persons³ who are Voting Members of NEIA in good standing as of the Record Date are eligible to serve as Directors, and that only one representative of a Voting Member is to be offered to serve as a Director, subject to the election process.

³ "Person" includes an individual, corporation, incorporated organization, society or partnership; By-law 1.01(h).

The Record Date is the date that is fourteen (14) days in advance of the Annual General Meeting each year, on which day written notice of the date, time and place for the Annual General Meeting is forwarded to the Voting Members.

Reason for proposed amendment:

In the past, it has been a common occurrence that a Director will change employers during his or her term on the Board of Directors. In some cases, the Director's new employer is a Voting Member. In other cases, the new employer is not a Voting Member. Due to the recurrence of this situation, NEIA would be best served by a By-law which directly addresses what is to be done in this eventuality.

Proposed wording of amended By-law:

It is proposed that a new By-law 3.09 be adopted, stating:

3.09 Director's Change of Employment or Affiliation:

In the event that a Director, during the term of his or her directorship, ceases to be an employee, officer, partner or director of the Voting Member which offered him or her to serve as a Director in accordance with Article 3.02, the Director shall continue his or her directorship if:

- (a) he or she becomes, within a reasonable time determined at the discretion of the Board, an employee, officer, partner or director of a Voting Member of the Corporation in good standing; and
- (b) the Voting Member referenced in (a) appoints the Director as its Representative in accordance with Article 2.02.

Ancillary amendments arising from proposed amendment:

It is further proposed that the following ancillary amendments be made to accommodate the new By-law 3.09:

It is proposed that By-law 3.02 be repealed and substituted with the following (changes in bold):

3.02 Qualifications:

Only those Persons who are Voting Members of the Corporation in good standing as of the Record Date shall be eligible to **offer representatives** to serve as Directors. **A Voting Member may only have one representative serve as a Director of the Corporation at any given time, by election in accordance with Article 3.04.**

It is proposed that By-law 3.05 be repealed and substituted with the following (changes in bold):

3.05 Removal of Director:

A Director shall be deemed to have resigned his or her office and that Director's office shall be deemed to be vacated:

- (a) at the conclusion of that Director's term of office;
- (b) if that Director shall resign his office by delivering a written resignation to the Chair or to the Vice-Chair;
- (c) if that Director is of unsound mind and has been so found by any Court of competent jurisdiction;
- (d) if his or her directorship is not continued in accordance with Article 3.09;**
- (e) if, at any duly constituted meeting of the Corporation, a Special Resolution is passed by the Directors directing that the Director be removed from office;
- (f) upon the failure of that Director to participate in three (3) consecutive Regular or Special Meetings of the Board of Directors; or
- (g) upon death of that Director.