

## BY-LAW NO. 1

### ARTICLE ONE

#### INTERPRETATION

##### 1.01 Definitions

In the by-laws of the Credit Union, unless the context otherwise requires:

1. **“Act”** means unless the context otherwise requires, the aggregate of the Credit Unions and Caisses Populaires Act, 2020 and the Regulations and Authority rules made pursuant thereto, as from time to time amended, and every statute, regulation or Authority rule that may be substituted therefor and, in the case of such substitution, any reference in the By-laws of the Credit Union to provisions of the Act will be read as references to the substituted provisions therefor in the new statute or statutes or regulations or Authority rules.
2. **“Articles”** means the Articles of Amalgamation, Articles of Incorporation, or other instrument by which the Credit Union is incorporated.
3. **“Appoint”** includes “elect” and vice versa.
4. **“Authority”** means the Financial Services Regulatory Authority of Ontario.
5. **“Authority rules”** has the same meaning attributed to the term in the Act, from time to time.
6. **“Ballot”** includes either a physical, pre-printed ballot, as designated by the Credit Union on which a member indicates the member’s vote, or an electronic form used by a member to indicate the member’s vote in the manner specified by the Corporate Secretary or their designate.
7. **“Board”** means the Board of Directors of the Credit Union.
8. **“Bond of Association”** has the meaning ascribed to it in Section 2.01 of these by-laws.
9. **“By-laws”** means this by-law and all other by-laws of the Credit Union from time to time in force and effect.
10. **“Candidate”** means a member:
  - a) Who has submitted a Candidate Package to run for election as a Director of the Credit Union that has been accepted in accordance with the Board of Directors Election process prescribed in the Credit Union’s Director Elections Policy and Procedure; and
  - b) Whose name has been placed on the ballot in accordance with the Board of Directors Election process prescribed in the Credit Union’s Board of Directors Election Policy after completion of the Candidate Search Period.
11. **“Candidate Package”** means the documentation provided to members interested in running for election to the Board, which includes information on the Board of Directors Election qualification requirements, process, timelines, personal assessment, and declarations.
12. **“Candidate Search Period”** means that time period designated by the Credit Union during which Candidate Packages for election to the Board will be received by the Corporate Secretary or their

designate.

13. **"CEO"** means the Chief Executive Officer of the Credit Union.
14. **"Early Vacancy"**, in respect of the election of Directors, means a vacancy occurring prior to the expected end of a Director's term, which is scheduled to occur at an Annual General Meeting beyond the next Annual General Meeting, and that has not been or will not be filled prior to the next Annual General Meeting;
15. **"Endorsed Candidate"** means a candidate who has received the recommendation of the Board to run for election to the Board.
16. **"Employee"** means any full time or part-time person employed by the Credit Union.
17. **"End of Term Vacancy"**, in respect of the election of Directors, means a vacancy that is scheduled to arise as a result of the term of an existing Director naturally expiring at the next Annual General Meeting of the Credit Union.
18. **"Entity"** means an unincorporated association, corporation or government agency that is not ineligible for membership under the provisions of the Act.
19. **"Indemnified Person"** means:
  - a) A Director, Officer, or committee member of the Credit Union
  - b) A former Director or Officer or committee member of the Credit Union
  - c) A person who acts or acted at the Credit Union's request as a Director or Officer of a body corporate of which the Credit Union is or was a shareholder or creditor
  - d) The heirs and legal representatives of any persons referenced in (a) to (c) above.
20. **"In Good Standing"** means that, with respect to the financial services received by a member connection from the Credit Union:
  - a) Cheques are not habitually issued without sufficient funds on deposit or an approved line of credit facility in place to cover the face amount of such cheques.
  - b) Chequing accounts are not habitually overdrawn in material amounts.
  - c) The Credit Union is not in receipt of a garnishment or similar third-party demand for payment against any person.
  - d) All required mortgage and loan payments are paid on time unless an extension has been granted.
  - e) All conditions for financing prescribed by the Credit Union have been satisfied.
  - f) The member connection, or any part thereof, is not asserting an unresolved claim against the Credit Union.
21. **"Member"** and **"Membership"** are defined under Section 2.01 of these by-laws.
22. **"Member Connection"** means a member, together with that member's "connected persons", within the meaning of that term in the Act, who are also members.

- 23. **“Non-business day”** means Saturday, Sunday and any other day that is a holiday as defined in the Interpretation Act (Ontario).
- 24. **“Officer”** means key management executives who carry out the daily work of the Credit Union.
- 25. **“Recipient”** means a member, shareholder, Director, Officer, auditor, or member of a committee of the Board.
- 26. **“Recorded Address”** means in the case of a member or shareholder, that member’s or shareholder’s address as recorded in the members or securities register; and, in the case of joint members or shareholders, the address appearing in the members or securities register in respect of such joint holding, or the first address so appearing if there is more than one; and in the case of a Director, Officer, auditor or member of a committee of the Board, that person’s latest address as recorded in the records of the Credit Union.
- 27. **“Regulation”** means a regulation made pursuant to the provisions of the Act, from time to time.
- 28. **“Shares”** means membership shares and any other share issued by the Credit Union unless a form of share is specifically excluded in the by-laws or the context otherwise requires.
- 29. **“Signing Officer”** means, in relation to any instrument, any person authorized to sign the same on behalf of the Credit Union by Section 3.03 of these by-laws, or by a resolution passed pursuant thereto.

All other terms contained in the by-laws and which are defined in the Act will have the meanings given to such terms in the Act.

## **1.02 Gender, Plural, Etc.**

These by-laws are gender neutral. Gender references are referred to by “they”, “their” and “them”. The singular will include the plural and the plural will include the singular. The word “person” includes individuals, bodies corporate, corporations, cooperatives, companies, partnerships, syndicates, trusts, unincorporated organizations, and any number or aggregate of persons.

## ARTICLE TWO

### MEMBERSHIP

#### 2.01 Eligibility for Membership

Subject to the Act and the Articles, membership in the Credit Union is voluntary and open to those that fall within its Bond of Association, which includes:

- a) Persons, whether or not they are minors or adults who reside or are employed within any province or territory of Canada.
- b) Employees of the Credit Union.
- c) Related persons and entities.
- d) Members who originally qualified for and became a member under clauses a), b) or c) above but who no longer qualify under clauses a), b) or c) above.

#### 2.02 Minors

Individuals under the age of 18 years may become members of the Credit Union but may not receive any loan from the Credit Union unless a person of the age of 18 years or more is jointly and severally liable for such loan, or unless the loan is guaranteed by the Government of Canada, the government of a Canadian province or territory, or the government of a Canadian municipality.

#### 2.03 Membership Application

In accordance with the Act, no person will become a member of the Credit Union until the person's application for membership has been approved by the Board or an employee authorized by the Board and the applicant has complied fully with these by-laws governing admission of members.

#### 2.04 Membership Shares

The following requirements apply to persons who join the Credit Union:

- a) No person will become a member of the Credit Union until the person has fully paid for one, five-dollar (\$5.00) membership share of the Credit Union and that person's application for membership has been approved by the Board or by an employee authorized by the Board to approve such applications on its behalf.
- b) Every member, which is an entity, or who is an individual 18 years of age or older, must acquire 30, five-dollar (\$5.00) membership shares in accordance with the following schedule:
  - i. Within one month of the later of acceptance into membership or, if an individual, attaining the age of 18 years, five membership shares; and
  - ii. Within each of the 25 subsequent years after the later of acceptance into membership or, if an individual, attaining the age of 18 years, one membership share.
- c) The Board can, at its discretion, debit a member's deposit account any sums necessary to purchase membership shares, so the member continues to comply with the membership share ownership requirements of the Credit Union as specified by this Section 2.04.

- d) Any member of the Credit Union may also hold, at their discretion, additional membership shares, provided the total number of discretionary membership shares does not exceed 200 such shares.

## **2.05 Voting Rights**

Each member of the Credit Union who complies fully, as of the applicable record date for any membership meeting of the Credit Union, meeting all requirements of membership outlined in these by-laws, including, without limitation, the membership share requirements set out in section 2.04 of these by-laws, and who, if applicable, has attained the age of 18 years, has one vote at a membership meeting. No individual member may cast the vote attached to their membership shares by proxy.

## **2.06 Expulsion**

Subject to the conditions and requirements prescribed in an applicable Authority rule, a member may be expelled from membership, in accordance with these by-laws, by a resolution of the Board, on one or more of the following grounds:

- a) Misconduct in the conduct of the member's business with the Credit Union, including, without limiting the generality of the foregoing, the operation of any of the member's accounts with the Credit Union.
- b) A failure to continue, for any reason, to hold the required number of membership shares in the Credit Union.
- c) Failure to comply with these by-laws.
- d) Fails to repay indebtedness to the Credit Union in accordance with the conditions of repayment, the Board may give 10 days' advance notice to such member of intent to remove such member from membership, personally or by prepaid mail addressed to such member at such member's Recorded Address, and, after giving the member an opportunity to be heard and to be represented at the Board meeting by a person authorized under the *Law Society Act* to represent the member, by resolution at a Board meeting, such member may be expelled from membership. The Corporate Secretary will, within five days after the resolution expelling a member was passed, notify the member of the decision of the Board by registered mail to the member's Recorded Address.

Subject to the limitations in Subsection 54(3) of the Act, in respect of the purchase or redemption of shares, the Credit Union will forthwith pay to anyone so removed from membership any balance standing to the member's credit on the books of the Credit Union.

## **2.07 Withdrawal**

Where a member wishes to withdraw from the Credit Union, the member will give to the Credit Union at least 10 days' prior notice in writing of the member's intention to withdraw from membership. Subject to subsection 54(3) of the Act and the Articles, and compliance with any other conditions and requirements as may be prescribed by an applicable Authority rule, the Credit Union will, after deduction of all amounts due from the member to the Credit Union, remit the balance of the proceeds of the member's shares and deposits to such member within 90 days of receipt of the member's notice of intention to withdraw, or receipt of notice of the death of the member (where applicable), which constitutes a deemed notice of intention to withdraw, and confirm the member's withdrawal from membership.



#### **2.08 Language**

The Credit Union's language of operation is English.

#### **2.09 Records**

Each member is entitled to a record specifying the amount paid upon membership and special shares, deposits, and loans by the member.

## **ARTICLE THREE**

### **BUSINESS OF THE CREDIT UNION**

#### **3.01 Corporate Seal**

The Credit Union may have a corporate seal, which will be adopted and may be changed by resolution of the Board.

#### **3.02 Financial Year**

Subject to Authority rules, the financial year of the Credit Union will end on December 31 of each calendar year.

#### **3.03 Execution of Instruments**

Contracts, documents, or instruments in writing requiring the signature of the Credit Union may be signed on behalf of the Credit Union by any two Officers or Directors, and instruments in writing so signed will be binding upon the Credit Union without any further authorization or formality. The Board will have power from time to time by resolution to appoint any Officer or Officers or any person or persons on behalf of the Credit Union, either to sign contracts, documents, and instruments in writing generally or to sign specific contracts, documents, or instruments in writing.

The seal of the Credit Union may, when required, be affixed to contracts, documents and instruments in writing signed as aforesaid or by any Officer or Officers, or person or persons, appointed as aforesaid by resolution of the Board.

The term "contracts, documents, or instruments in writing" as used in this by-law will include deeds, mortgages, hypothecs, charges, conveyances, transfers, and assignments of property, real or personal, movable, or immovable, agreements, releases, receipts, and discharges for the payment of money or other obligations, conveyances, transfers, and assignments of shares, share warrants, stocks, bonds, debentures, notes or other securities and all paper writings.

The signature or signatures of the Board Chair (if any), a Vice Chair, the Corporate Secretary, an Assistant Corporate Secretary, or any Director of the Credit Union and/or any other Officer or Officers, person or persons, appointed as aforesaid by resolution of the Board may, if specifically authorized by resolution of the Board, be printed, engraved, lithographed or otherwise reproduced upon instruments in writing or bonds, debentures, notes or other securities of the Credit Union executed or issued by or on behalf of the Credit Union. All contracts, documents or instruments in writing or bonds, debentures, notes or other securities of the Credit Union on which the signature or signatures of any of the foregoing Officers or Directors or persons authorized as aforesaid will be so reproduced pursuant to special authorization by resolution of the Board, and will be deemed to have been manually signed by such Officers or Directors or persons whose signature or signatures is or are so reproduced and will be as valid to all intents and purposes as if they had been signed manually, and notwithstanding that the Officers or Directors or persons whose signature or signatures is or are so reproduced may have ceased to hold office at the date of the delivery or issue of such contracts, documents or instruments in writing or bonds, debentures, notes or other securities of the Credit Union.

### **3.04 Banking Arrangements**

Subject to Section 3.05 of these by-laws and the Act, the banking business of the Credit Union, or any part thereof, including, without limitation, the borrowing of money and, subject to the Act, the giving of security therefor, will be transacted with such banks, trust companies or other bodies corporate or organizations as may from time to time be designated by or under the authority of the Board. Such banking business or any part thereof will be transacted under such agreements, instructions, and delegations of power as the Board may from time to time by resolution prescribe or authorize.

### **3.05 Borrowing**

The Credit Union is authorized to borrow money on the credit of the Credit Union at such rates of interest and on such conditions as the Board may determine, provided that the Credit Union will not borrow in the aggregate an amount exceeding 50% of its regulatory capital and deposits and will not borrow from another credit union unless same is permitted by an applicable Authority rule.

### **3.06 Code of Market Conduct**

Pursuant to the Act, the Board of the Credit Union will adopt a Code of Market Conduct. The Board of the Credit Union will file a copy of the Credit Union's Code of Market Conduct, and any amendments to the Code, with the Authority.



## ARTICLE FOUR

### DIRECTORS

#### 4.01 Number of Directors and Term

The number of directors of the Credit Union will be a specified number of Directors within a range prescribed by an applicable Authority rule, from time to time. Subject to any further restrictions in the Articles, the specified number for the time being, until amended by any amending by-law, will be such number as is fixed by resolution of the Board from time-to-time between the minimum number of 9 and the maximum number of 14.

Board Directors hold office in the Credit Union as follows:

- a) Unless otherwise specified by an Authority rule, or unless the elected to fill an Early Vacancy, Directors will be elected for terms of three years.
- b) Subject to the Act, a member elected as a Director will take office at the close of the membership meeting at which the Director is declared to have been elected.
- c) If, in an election, terms of office of varying lengths are to be filled, the candidates standing for election who have obtained the greater number of votes will be declared to be elected to the longer terms of office available.
- d) If, in the case of an acclamation of all candidates standing for election, terms of office of varying lengths are to be filled, the terms will be assigned by voluntary agreement among the candidates or, failing that, by chance in a manner determined by the Board Chair in their sole and absolute discretion.
- e) The CEO of the Credit Union may not be elected or appointed to the Board of Directors.
- f) A Director of the Credit Union may not serve for more than four consecutive terms, regardless of when first elected.

#### 4.02 Director Eligibility Requirements

No person who is disqualified from being a Director of a credit union under the Act is eligible for election as a Director. Persons must also meet any supplementary eligibility requirements prescribed by the Board from time to time in a Board of Directors Election Policy.

#### 4.03 Manner of Election

Each year, within the 120-day period before the Annual General Meeting of the Credit Union, an election will be held in accordance with the following provisions of these by-laws and and prescribed by the Board from time to time in a Board of Directors Election Policy to fill vacant Board positions:

- a) Candidate Search Process – Members seeking election to the Board must comply with the Candidate Search process prescribed in the Credit Union’s Board of Directors Election Policy and to become a candidate for election.
- b) Acclamation – If the number of candidates is equal to the number of vacancies to be filled, the

candidates will be declared by the Corporate Secretary or their designate at the next Annual General Meeting to be elected by acclamation. In the event the vacancies included both end of term vacancies and early vacancies, the Board Chair will have discretion to assign the full terms and the balances of unexpired terms among the Directors then elected; provided the available full terms will be filled, first, by the Directors who were incumbents.

- c) Regular Election – If the number of candidates exceeds the total number of vacancies to be filled, then an election will be held as provided in these by-laws and in accordance with the Credit Union’s election process as outlined in a Board of Directors Election Policy:
  - i. Voting Eligibility – Only a member (other than an individual member under the age of 18 years) as of the record date determined in accordance with Section 7.04 of these by-laws is eligible to cast a ballot in an election of a Director or Directors. Subject to the Act, in the case of an entity, its vote may be cast on its behalf through a written proxy produced at any branch or head office by the record date provided in the notice of Annual General Meeting, signed by the President, or other head officer or by the Vice President or Secretary or Treasurer of such entity with signing authority of the member, appointing one or more persons to vote on its behalf. Any person so appointed need not be a member of the Credit Union. Any such proxy will cease to be valid on the day following the next Annual General Meeting of the Credit Union.
  - ii. In-Branch and Electronic Voting Process – Subject to the provisions of any applicable Authority rule, unless the Board exercises its discretion under paragraph (iii) below, voting in an election of Directors will take place before the Annual General Meeting and, in such election, members will be permitted to choose to cast their ballots by either:
    - A) Voting, in person, at any branch of the Credit Union.
    - B) Voting remotely, by electronic means, during a period of at least eight consecutive business days and ending no later than the close of business on the third calendar day immediately preceding the scheduled day of the relevant Annual General Meeting.
  - iii. Alternative Voting Process – The Board will have the discretion in any given election year to permit, by resolution, members to cast a ballot by mail, in addition to, or in substitution for, the voting process option under paragraph (ii) B), in an election of Directors. Any such resolution must be passed and published to the members no later than the end of business on the day immediately preceding the issuance of the notice of the relevant Annual General Meeting if notice of the resolution is not included in the notice of the meeting.
  - iv. Rules for Alternative Voting Processes – If the Board exercises its discretion under paragraph (iii) above, it may, by resolution, make additional rules governing the conditions that apply to a ballot cast by mail or in-person at the Annual General Meeting, provided these and any other rules governing such votes are made available to the members at least 20 calendar days prior to the scheduled date of the relevant Annual General Meeting.
  - v. For Greater Certainty – Pursuant to this section:
    - A) Except in exceptional circumstances, there will be no voting in Directors’ elections

on the floor of any Annual General Meeting of the members.

- B) No member will become a candidate unless and until the committee overseeing the Board of Directors Election process has placed that member's name on the ballot in accordance with the committee's Board of Directors Election process.

#### **4.04 Supervision of the Election Process**

The Corporate Secretary, or their designate, will supervise the election process and:

- a) May require a member to provide proof and particulars of membership.
- b) Will obtain all ballots and, after the close of balloting, cause a tally to be made of all ballots, such tally to be made in a manner that ensures the secrecy of the balloting.
- c) Will determine whether or not a ballot is to be accepted or rejected and such determination is final and not open to review.

#### **4.05 Announcement of Election Results**

The results of the election will be announced at the Annual General Meeting next following the completion of voting. In the case of a contested election, a tie vote resulting from balloting will be broken by a vote of the membership attending the Annual General Meeting by either a paper ballot, electronic ballot, or a show of hands. Where the vacancies included both end of term vacancies and early vacancies, the longer full terms and unexpired balances of terms will be assigned by the Board Chair to the Directors then elected based on the Directors who garnered the greater number of votes.

#### **4.06 Vacation of Office**

A Director ceases to hold office in the circumstances prescribed by an applicable Authority rule. In the absence of any such Authority rule, a Director ceases to hold office when the Director dies, resigns in a manner permitted by an applicable Authority rule, becomes disqualified pursuant to the Act, is removed from office by the Board, or by the Authority, or the Director's term expires.

#### **4.07 Vacancies**

A vacancy on the Board created between Annual General Meetings may be filled in accordance with the provisions of an applicable Authority rule. In the absence of any such Authority rule, a quorum of the Board may fill a vacancy in the Board. In the absence of a quorum of the Board, the Directors then in office may call a special meeting of members to fill the vacancy.

#### **4.08 Action by the Board**

The Board will oversee the management of the business and affairs of the Credit Union. Subject to this Section 4.08, and 4.10 of these by-laws, the powers of the Board may be exercised at a meeting at which a quorum of the Board is present.

#### **4.09 Quorum**

Unless prescribed otherwise by an applicable Authority rule, or by a Board resolution specifying a higher requirement, the quorum for the transaction of business at any meeting of the Board will be a majority of

the Board. Where there is a vacancy in the Board, the remaining Directors may exercise all the powers of the Board so long as a quorum of the Board remains in office.

#### **4.10 Remote Meeting Attendance**

In accordance with the Act, a Director may participate remotely in a meeting of the Board or a committee by electronic or video conferencing means to permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously. A Director participating in such a meeting by such means is deemed to be present at the meeting and have the right to vote.

#### **4.11 Place of Meeting**

Meetings of the Board may be held at any place within Ontario.

#### **4.12 Calling of Meetings**

Subject to the Act, meetings of the Board will be held from time to time on such day, time, and place as the Board Chair, a Vice Chair or any four Directors may determine and the Corporate Secretary, when directed by the Board, Board Chair, a Vice Chair, or any four Directors may also convene a meeting of the Board. Special meetings of the Board may be called by the Board Chair, a Vice Chair, any four Directors or the auditor of the Credit Union.

#### **4.13 Notice of Meeting**

Unless in the case of an emergency, notice of the date, time, and place of each meeting of the Board will be given to each Director in the manner provided in Section 14.01 of these by-laws not less than 48 hours (exclusive of any part of a non-business day) before the time when the meeting is to be held. A notice of a meeting of Directors need not specify the purpose of or the business to be transacted at the meeting, except where the Act requires such purpose or business to be specified. A Director may in any manner waive notice of or otherwise consent to a meeting of the Board.

#### **4.14 First Meeting of New Board**

Provided a quorum of Directors is present, each newly elected Board may without notice hold its first meeting immediately following the Annual General Meeting at which such Board is declared to have been elected.

#### **4.15 Adjourned Meeting**

Notice of an adjourned meeting of the Board is not required.

#### **4.16 Regular Meetings**

The Board may appoint a day or days in any month or months for regular meetings of the Board, at a place and hour to be named. A schedule of these meetings will be shared with the Board fixing the place and time of such regular meetings. No other notice is required for any such regular meeting except where the Act requires the purpose or the business to be transacted thereat to be specified.

#### **4.17 Votes to Govern**

At all meetings of the Board, every question will be decided by a majority of the votes cast on the question. As a member of the Board, the Chair of the meeting will have a vote. In the case of an equality of votes, the Board Chair will not have a second or casting vote.

#### **4.18 Conflict of Interest**

A Director, Officer, committee member or employee of the Credit Union who is a party to, or who is a Director or Officer of or has a material interest in any person who is a party to, or is a spouse, parent or child of an individual who is a party to, a material contract or transaction or proposed material contract or transaction with the Credit Union, will disclose in writing to the Credit Union or request to have entered in the minutes of the meetings of the Directors, the nature and extent of their interest at the time and in the manner provided by the Act. Any such contract or transaction or proposed contract or transaction will be referred to the Board for approval, even if such contract is one that in the ordinary course of the Credit Union's business would not require approval by the Board, and a Director interested in a contract that ought to be referred to the Board will not vote on or be present at the consideration of any resolution to approve the same except as permitted by the Act.

#### **4.19 Remuneration and Expenses**

The Board will comply with the provisions of any Authority rule prescribing the procedures for setting, paying, and disclosing remuneration and reimbursement for expenses. In the absence of any such Authority rule, Directors will be paid such remuneration for their services as the Board may from time-to-time determine based on comparisons to peer Credit Unions of a similar size and complexity. The Directors will also be entitled to be reimbursed for travel and other expenses as permitted by a policy approved by the Board.



## **ARTICLE FIVE**

### **COMMITTEES**

#### **5.01 Committee of Directors**

To the extent permitted by an applicable Authority rule, the Board may appoint a committee of Directors; however designated, and delegate to such committee any powers of the Board except those which pertain to items which, under the Act, a committee of Directors has no authority to exercise. In the absence of an applicable Authority rule, the Board may presume that the establishment and delegation of authority to the committees specified in this Section 5.01 of these by-laws are permitted.

#### **5.02 Transaction of Business**

The powers of a committee of Directors may be exercised by a meeting at which a quorum is present.

#### **5.03 Audit Committee**

In accordance with the Act, the Board of the Credit Union will establish an Audit Committee composed of members appointed by the Board from among the Directors:

- a) Appointment – The Board will appoint annually, from among its members, an Audit Committee, to be composed of at least three Directors. The Audit Committee will have the powers and duties prescribed by the Act and these by-laws.
- b) Chair and Meetings – The Audit Committee will elect a Chair and Vice Chair from amongst its members. The Audit Committee will meet at the call of the Audit Committee Chair or the Credit Union's auditor.
- c) Duties – The Audit Committee will perform such duties as set out in the Act and these by-laws. Without limiting any of the foregoing, the Audit Committee will monitor compliance by employees, Directors, and Officers with the Board's policy regarding conflicts of interest.

#### **5.04 Advisory Committee**

The Board may from time to time appoint such other committees as it may deem advisable, but the functions of any such other committees will be advisory only.

#### **5.05 Procedures**

Subject to these by-laws and unless otherwise determined by the Board, each committee will have power to fix its quorum at not less than a majority of its members, to elect its Chair and to regulate its procedures.

## **ARTICLE SIX**

### **OFFICERS**

#### **6.01 Appointment**

The Board will appoint a Board Chair, a Vice Chair, a Corporate Secretary, and a CEO. The Board and may also appoint, from time-to-time, such other Officers as the Board may determine or as the Act may require. The Board may specify the duties of and, in accordance with these by-laws and subject to the provisions of the Act, delegate to such Officers powers to manage the business and affairs of the Credit Union. The Board Chair and the Vice Chair must be Board Directors. One person may hold more than one office. All Officers will sign such contracts, documents, or instruments in writing as require their respective signatures. In the case of the absence or inability to act of any Officer or for any other reason that the Board may deem sufficient, the Board may delegate all or any of the powers of such Officer to any other Officer or to any Director for the time being.

#### **6.02 Board Chair**

The Board Chair will be a Director who has not, at the time of election or appointment, served as Board Chair of the Credit Union for longer than five consecutive terms, and will, when present, preside at all meetings of the Board. The Board Chair will not be a member of any Board committee; however, may attend any committee meetings of the Board as a non-voting guest. The Board Chair will be vested with and may exercise such powers and will perform such other duties as may from time-to-time be assigned to the Director by the Board. During an absence, disability, or refusal to act of the Board Chair, the Chair's duties will be performed, and their powers exercised by the Vice Chair.

#### **6.03 Vice Chair**

The Vice Chair will be a Director and will have such powers and duties as the Board or the Board Chair may specify. The Vice Chair will be vested with all the powers and will perform all the duties of the of the Board Chair in the absence, inability, or refusal of the Chair to act.

#### **6.04 Corporate Secretary**

The Corporate Secretary may but need not be a Director and will give or cause to be given as and when instructed, all notices to members, shareholders, Directors, Officers, auditors, and members of committees of the Board. The Corporate Secretary will be the custodian of all books, papers, records, documents, and instruments belonging to the Credit Union, except when some other Officer or agent has been appointed for that purpose. The Corporate Secretary will ensure the records of the by-laws of the Credit Union and the minutes of meetings of the Board, the membership, and the shareholders are kept up to date, and will have such other powers and duties as the Board may specify.

#### **6.05 Chief Executive Officer (CEO)**

The CEO must be an employee of the Credit Union and will be charged, subject to the authority of the Board, the Act, and these by-laws, with the general supervision of the business and affairs and other employees of the Credit Union. The CEO will perform all duties incident to the CEO's office and have such other powers and duties as may from time to time be assigned by the Board.

**6.06 Powers and Duties of Other Officers**

Subject to the provisions of the Act, the powers and duties of all other Officers will be such as the terms of their engagement call for, or as the Board may specify. Any powers and duties of an Officer to whom an assistant has been appointed may be exercised and performed by such assistant, unless the Board otherwise directs.

**6.07 Variation of Powers and Duties**

The Board may from time-to-time and subject to the provisions of the Act, vary, add to, or limit the powers and duties of any Officer.

**6.08 Term of Office**

The Board will comply with any restriction on the term of office of any Officer that may be prescribed by the Act, but otherwise has the discretion to fix the term of office of any Officer. If no term of office is fixed, each Officer appointed by the Board will hold office until that Officer's successor is appointed or until the earlier of the Officer's resignation or death. The Board, in its discretion, may remove any Officer of the Credit Union from that Officer's office with or without cause, without prejudice to such Officer's rights under any employment contract.

**6.09 Terms of Appointment and Remuneration**

The Board will comply with any procedures for setting, paying, and disclosing the remuneration and reimbursement of expenses of Officers established by the Act. Subject to the provisions of the Act, the terms of employment and the remuneration of an Officer appointed by the Board will be settled by it from time to time. The fact that any Officer or employee is a shareholder of the Credit Union will not disqualify that person from receiving such remuneration as may be so determined.

**6.10 Conflict of Interest**

An Officer will disclose that Officer's interest in any material contract or transaction or proposed material contract or transaction with the Credit Union in accordance with Section 4.18 of these by-laws.

**6.11 Agents and Attorneys**

The Board will have power from time to time to appoint agents or attorneys for the Credit Union in or outside Canada with such power of management or otherwise (including the powers to subdelegate) as may be thought fit.

**6.12 Bonding Insurance**

Every Director, Officer, or employee of the Credit Union who receives or has charge of money will, on assuming the Officer or employee's duties, be provided, at the Credit Union's expense, with bonding insurance that is satisfactory to the Authority. The bond must be for an amount equal to or greater than the amount that is prescribed by Authority rule or determined in the manner prescribed by Authority rule and must satisfy such conditions as may be prescribed by Authority rule.

## **ARTICLE SEVEN**

### **MEETINGS OF MEMBERS**

#### **7.01 Annual General Meeting**

Subject to the Act, the Annual General Meetings of the members will be held at times and places in Ontario as the Board may determine from time to time and will be conducted in accordance with the Act.

#### **7.02 Notice of All Member Meetings**

Subject to the Act, notice of all meetings of members of the Credit Union will be given by the Corporate Secretary, who will, not later than 10 days before the date of the meeting or earlier than 50 days before the date of the meeting, give notice of the meeting to each member of the Credit Union who is, as of the record date for notice of the meeting, determined in accordance with Section 7.03 of these by-laws, a member, by posting a notice of the meeting in each office of the Credit Union, and doing the following:

- a) Sending the notice by electronic mail to members who have authorized the Credit Union to communicate with them in this fashion and provided the Credit Union with an electronic mail address of which to send such electronic communications.
- b) Including the notice with a mailing of physical or electronic statements to each member.
- c) Publishing the notice on the Credit Union's website and social networking sites.
- d) The notice will specify that a Gender Diversity Report of the Board will be provided to the membership.

The notice will specify that copies of the financial statements and the reports of the Audit Committee and the auditor will be available at the meeting and at the offices of the Credit Union 10 days before the date of the meeting. The contents of the notice will comply with the requirements of the Act.

#### **7.03 Remote Meetings**

Meetings of the members may be held remotely, by telephonic, electronic, or virtual means or any combination thereof. Registered members attending any such remote meeting may vote as indicated in Section 7.08 of these by-laws. Every member participating remotely in a meeting is considered present at the meeting in accordance with the Act.

#### **7.04 Record Date**

The Board may fix in advance a date preceding the date of any meeting of members by no more than 50 days and not less than 10 days, as a record date for the determination of the members entitled to notice of the meeting, provided the notice of such record date will be given not less than seven days before such record date by any method not prohibited by the Act. If no record date is fixed, the record date for determining the members entitled to notice of the meeting will be at the close of business on the day immediately preceding the day on which the notice is given.

#### **7.05 Accidental Omission**

Where notice of a meeting is received generally by members, the accidental omission to give notice to any

member, or the non-receipt of the notice by any member, will not invalidate any resolution passed or any proceedings taken at the meeting.

#### **7.06 Quorum**

At all meetings of the members, 50 members will constitute a quorum, but, if no quorum is present, the presiding Officer of the meeting will adjourn the meeting to a date not less than seven or more than 15 days thereafter, and the decision of the adjourned meeting will be binding upon the Credit Union regardless of the number of members then present, provided notice of the adjourned meeting will be given by the Corporate Secretary in the manner provided in these by-laws, at least seven days prior to the date of the adjourned meeting.

#### **7.07 New Business**

At all meetings of members, only the business stated in the notice calling such meeting may be transacted. In particular, and without limiting the generality of the foregoing, due notice will be given of any amendments to the by-laws.

#### **7.08 Voting**

Other than Board of Directors elections, every member who is entitled to receive notice of the meeting of members pursuant to Section 7.02 of these by-laws, will be entitled to one vote at the meeting. If a vote is demanded on any question, it will be taken by physical ballot, electronic form, or a show of hands. A demand for a vote may be withdrawn. In the case of an equality of votes, the meeting Chair will have a second or casting vote in addition to the vote or votes to which they may be entitled as a member. A declaration by the meeting Chair that a resolution has been carried or carried unanimously or by a particular majority, or lost or not carried by a particular majority, will be conclusive evidence of the fact.

#### **7.09 Joint Members**

- a) Where two or more persons hold the same membership share or shares jointly, any one of such persons present at a meeting of members has the right, in the absence of the other or others, to vote in respect of such share or shares, but, if more than one of such persons are present, they will vote together as one on the share or shares jointly held by them.
- b) Two or more persons jointly holding enough membership shares to entitle each of them to be a member in their own right are considered separate members.

#### **7.10 Proxies**

A member of the Credit Union, which is His Majesty the King, a corporation, a partnership, or an unincorporated association will only cast its vote as a member through a written proxy produced by the record date of such meeting, signed by the President or other head Officer or by the Vice President or Secretary or Treasurer of such entity and appointing some one or more persons to vote on its behalf. Any person so appointed need not be a member. Any such proxy will cease to be valid at the conclusion of any meeting of the members for which it was specifically granted, or after the expiration of one year from its date.



## 7.11 Mail, Electronic and Branch Balloting

- a) Interpretation – In this section:

**“Form of Ballot”** means a physical, pre-printed ballot or electronic form that, upon completion and execution by a member, becomes a ballot.

**“Ballot”** will include a completed and physically or electronically executed Form of Ballot by means of which a member has indicated their vote on matters properly coming before a meeting of the members.

- b) Voting by Ballot – Every member entitled to vote at a meeting of members may by means of ballot, vote on any special resolution properly coming before the meeting of members.
- c) Mandatory Solicitation Ballot – The Board will, concurrently with, or prior to sending notice of a meeting of members at which a special resolution will be considered, provide each member who is entitled to receive notice of the meeting with instructions regarding where, how, and when the member can receive, complete, and submit a Form of Ballot.
- d) Execution – A ballot executed by the member, or their attorney authorized in writing, will be counted by the Credit Union’s scrutineers as a vote in any matter indicated by the ballot maker.
- e) Form of Ballot – Every Form of Ballot will comply with these by-laws and the Act, and will contain:
- i. A means by which a member may specify that their vote will be registered for or against each special resolution identified in the notice of the meeting.
  - ii. Provision for separating that part of the ballot containing the member’s votes, from that portion of the ballot, if any, containing the member’s name, address and physical or electronic signature.
  - iii. Instructions regarding how the ballot should be submitted to the Credit Union.
  - iv. The final date that ballots will be accepted by the Credit Union.
- f) Formal Validity – Ballots, to be valid, must:
- i. Be on the pre-printed or electronic Form of Ballot designated by the Credit Union.
  - ii. Be received by the Credit Union prior to 11:59 p.m. on the last date for the receipt of ballots as designated by the Credit Union and indicated on the Form of Ballot.

Except in the case of a Board of Directors Election, in the case of more than one ballot being received from a voting member, a pre-printed Form of Ballot designated by the Credit Union and received by the Credit Union will be considered the ballot for the meeting and any subsequent ballot received will be void.

- g) Counting Procedure

At the meeting at which ballots are to be counted; the meeting Chair will appoint scrutineers who will:

- i. Have the skills required and may, but need not be, members of the Credit Union.

- ii. Under the supervision of the meeting Chair and with access to a verified, complete list of members and their addresses, receive a physical or electronic ballot upon which the members' votes are indicated.
- iii. Under the supervision of the meeting Chair, count all verified ballots.
- iv. Render any decisions as to any questionable ballots and selections thereon, by majority vote.
- v. Provide the meeting Chair with the total number of votes represented by verified ballots, which the Chair will announce to the membership at the meeting of the Credit Union.

h) Tie Votes

In the case of a tie vote resulting from the casting of physical or electronic ballots, the eligible voting members at the meeting will vote by pre-printed ballot, electronic form, or a show of hands to break the tie.

i) Accidental Omission

Where a special resolution is considered in accordance with the provisions of these by-laws, the following circumstances will not invalidate the balloting, and the meeting Chair will count only those ballots validly received prior to and on, the last date for the receipt of ballots:

- i. The accidental omission to send a Form of Ballot to any member.
- ii. The non-receipt of a Form of Ballot by any member.
- iii. The receipt of ballots after the last date for receipt by the meeting Chair.
- iv. The non-receipt of any ballot by the meeting Chair.

## **7.12 Adjournment**

The Chair of a meeting of members may, with the consent of the members in attendance and subject to such conditions as the members may decide, or where otherwise permitted under the provisions of the Act, adjourn the meeting from time-to-time and from place to place. If a meeting of members is adjourned for less than 30 days, it will not be necessary to give notice of the adjourned meeting, other than by announcement at the earliest meeting which is adjourned. If a meeting of members is adjourned by one or more adjournments for an aggregate of 30 days or more, notice of the adjourned meeting will be given as for an original meeting.

## **7.13 Proposals**

If the Credit Union receives a written proposal from a member to raise an issue at the annual meeting, and the proposal complies with all requirements of the Act, the Credit Union will attach a copy of the written proposal to the notice of the Annual General Meeting, in accordance with the Act.

## **7.14 Requisitions**

Upon the written request of 5% of the membership stating the general nature of the business to be presented at the meeting, signed by all of the requisitioning members, and deposited at the head office of

the Credit Union, the Board will call and deliver notice of a general meeting of the Credit Union, for the transaction of that business, not later than 21 days from the date the written request was deposited at the Credit Union's head office, and such meeting will be held within 60 days from the date of the deposit of the requisition. Requisitions may be signed in counterpart.

## **ARTICLE EIGHT**

### **PROTECTION OF DIRECTORS, OFFICERS, AND OTHERS**

#### **8.01 Submission of Contracts or Transactions to Shareholders for Approval**

The Board in its discretion may submit any contract, act or transaction for approval, ratification or confirmation at any meeting of the members or shareholders called for the purpose of considering the same, and any contract, act or transaction that will be approved, ratified or confirmed by a resolution passed by a majority of the votes cast at any such meeting (unless any different or additional requirement is imposed by the Act, the Credit Union's Articles, or any other by-law) will be as valid and as binding upon the Credit Union and upon all the members and shareholders as though it had been approved, ratified or confirmed by every member or shareholder of the Credit Union.

#### **8.02 Indemnity**

Subject to the limitations contained in the Act, the Credit Union will indemnify an Indemnified Person against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the Indemnified Person in respect of any civil, criminal or administrative action or proceeding to which that person is made a party by reason of being or having been a Director or Officer of the Credit Union or a body corporate referred to in the definition of Indemnified Person, if the person:

- a) Acted honestly and in good faith with a view to the best interest of the Credit Union.
- b) In the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, they had reasonable grounds for believing that their conduct was lawful.

The Credit Union will also indemnify such person in such other circumstances as the Act permits or requires.

#### **8.03 Insurance for Directors, Officers, and Others**

Subject to the Act, the Credit Union may purchase and maintain insurance for the benefit of any person referred to in paragraph 8.02 against such liabilities and in such amounts as the Board may from time to time determine.

## **ARTICLE NINE**

### **SHARES**

#### **9.01 Allotment**

The Board may from time to time allot or grant options to purchase the whole or any part of the authorized and unissued shares of the Credit Union at such times and to such persons and for such consideration as the Board will determine, provided that no share will be issued until it is fully paid for, as required by the Act. The Board is also authorized to determine the maximum number of shares that may be allotted to a member seeking to purchase shares issued pursuant to a receipted offering statement issued by the Credit Union.

#### **9.02 Commissions**

Except in respect of membership shares and subject to the Act, the Board may from time to time authorize the Credit Union to pay a reasonable commission to any person in consideration of that person's purchasing or agreeing to purchase shares, whether from the Credit Union or from any other person, or procuring or agreeing to procure purchasers for any such shares.

#### **9.03 Transfers and the Registration of Transfers**

The Credit Union and the shareholders will comply with the provisions of the Articles, if any, relating to transfers of shares other than membership shares. The Board may pass policies and procedures that supplement any such provisions, so long as they are not contrary to the Articles, in connection with any relevant receipted offering statement and the Credit Union and shareholders will comply with any such policies and procedures. Notwithstanding the above, any such policies and procedures will provide that restrictions in the relevant offering statement on the maximum number of shares that may be allotted to any individual member will also apply to any subsequent proposed transfer of shares to a transferee in any case other than a testamentary gift of the shares from a transferor. Subject to the Act, no transfer of shares will be registered in a securities register except upon presentation of the certificate representing such shares with an endorsement which complies with the Act made thereon or delivered therewith duly executed by an appropriate person as provided by the Act, together with such reasonable assurance that the endorsement is genuine and effective as the Board may from time to time prescribe, upon payment of all applicable taxes and any fees prescribed by the Board, upon compliance with such restrictions on transfer as are authorized by the Articles and upon satisfaction of any lien referred to in Section 9.05 of these by-laws.

#### **9.04 Transfers Agents and Registrars**

The Board may from time to time appoint one or more agents to maintain, in respect of each class of securities of the Credit Union issued by it in registered form, a securities register and one or more branch securities registers. Such a person may be designated as transfer agent and registrar according to the person's functions, and one person may be designated both registrar and transfer agent. The Board may at any time terminate such appointment.

#### **9.05 Lien for Indebtedness**

The Credit Union will have a lien on any share registered in the name of a shareholder or that



shareholder's legal representatives for a debt of that shareholder to the Credit Union, provided that if the shares are listed on a stock exchange recognized by the Ontario Securities Commission, the Credit Union will not have such lien. The Credit Union may enforce any lien that it has on shares registered in the name of a shareholder indebted to the Credit Union by the sale of the shares thereby affected or by any other action, suit, remedy or proceeding authorized or permitted by law and, pending such enforcement, the Credit Union may refuse to register a transfer of the whole or any part of such shares.

#### **9.06 Non-Recognition of Trusts**

Subject to the Act, the Credit Union may treat as absolute owner of any share the person in whose name the share is registered in the securities register as if that person had full legal capacity and authority to exercise all rights of ownership, irrespective of any indication to the contrary through knowledge or notice or description in the Credit Union's records or on the Share Certificate.

#### **9.07 Share Certificates**

- a) The Credit Union will not issue certificates for membership shares, provided that a member will be entitled to a statement of the number of membership shares held by the member upon request.
- b) Subject to paragraph (a) hereof, every holder of one or more shares will be entitled, at the shareholder's option, to a Share Certificate, or to a non-transferable written acknowledgement of the shareholder's right to obtain a Share Certificate, stating the number and class or series of shares held by that shareholder as shown on the securities register. Share Certificates and acknowledgements of a shareholder's right to a Share Certificate, respectively, will be in such form as the Board will from time to time approve. Any Share Certificate will be signed in accordance with Section 3.03 of these by-laws and need not be under the corporate seal; provided that, unless the Board otherwise determines, certificates representing shares in respect of which a transfer agent and/or registrar has been appointed will not be valid unless countersigned by or on behalf of such transfer agent and/or registrar. The signature of one of the signing Officers or, in the case of share certificates, which are not valid unless countersigned by or on behalf of a transfer agent and/or registrar, the signatures of both signing Officers, may be printed or mechanically reproduced in facsimile upon such Share Certificates, and every such facsimile signature will for all purposes be deemed to be the signature of the Officer whose signature it reproduces and will be binding upon the Credit Union. A Share Certificate executed as aforesaid will be valid notwithstanding that one or both Officers whose facsimile signature appears thereon no longer holds office at the date of issue of the certificate.

#### **9.08 Replacement of Share Certificates**

The Board or any Officer or agent designated by the Board may in its or the Officer's or agent's discretion direct the issue of a new Share Certificate in lieu of and upon cancellation of a Share Certificate that has been mutilated or in substitution for a Share Certificate claimed to have been lost, destroyed or wrongfully taken on payment of such fee, and on such terms as to indemnity, reimbursement of expenses and evidence of loss and of title as the Board may from time to time prescribe, whether generally or in any particular case.

#### **9.09 Joint Shareholders**

If two or more persons registered as joint holders of any share, the Credit Union will not be bound to issue more than one certificate in respect thereof, and delivery of such certificate to one of such persons will be sufficient delivery to all of them. Any one of such persons may give effectual receipts for the certificate issued in respect thereof or for any dividend, bonus, return of capital or other money payable or warrant issuable in respect of such shares.

#### **9.10 Deceased Shareholders**

In the event of the death of a holder, or one of the joint holders, of any share, the Credit Union will not be required to make any entry in the securities register in respect thereof or to make payment of any dividends thereon except upon production of all such documents as may be required by law and upon compliance with the reasonable requirements of the Credit Union and its transfer agents.

## **ARTICLE TEN**

### **DIVIDENDS AND RIGHTS**

#### **10.01 Dividends**

Subject to the Act, the Board may from time to time declare dividends payable to members and the shareholders according to their respective rights and interest in the Credit Union and may on such terms as it deems fit from time to time declare a patronage return to its members in proportion to the business done by each member with or through the Credit Union. Dividends and patronage rebates may be paid in accordance with the Act.

#### **10.02 Dividend Cheques**

A dividend or patronage rebate payable in cash may be paid by cheque drawn on the Credit Union's bankers or one of them to the order of each member or registered holder of shares of the class or series in respect of which it has been declared, and mailed by prepaid ordinary mail to such registered holder at that holder's Recorded Address or credited to the member or shareholder's account with the Credit Union, unless such member or holder otherwise directs. In the case of joint members or shareholders, the cheque will, unless such joint members or shareholders otherwise direct, be made payable to the order of all such joint members or shareholders and mailed to them at their Recorded Address. The mailing of such cheque as aforesaid, unless the same is not paid on due presentation, will satisfy, and discharge the liability for the dividend or patronage rebate to the extent of the sum represented thereby plus, the amount of any tax which the Credit Union is required to and does withhold.

#### **10.03 Non-Receipt of Cheques**

In the event of non-receipt of any dividend or patronage rebate cheque by the person to whom it is sent as aforesaid, the Credit Union will issue to such person a replacement cheque for a like amount on such terms as to indemnity, reimbursement of expenses and evidence of non-receipt and of title as the Board may from time to time prescribe, whether generally or in any particular case.

#### **10.04 Unclaimed Dividends and Patronage Rebates**

Any dividend or patronage rebate unclaimed after a period of six years from the date on which the same has been declared to be payable will be forfeited and revert to the Credit Union.

## **ARTICLE ELEVEN**

### **MEETINGS OF SHAREHOLDERS**

#### **11.01 Not to Govern Certain Meetings**

This Article Eleven is not to govern meetings of members, which are governed by Article Seven of these by-laws.

#### **11.02 Meetings**

Subject to the Act, meetings of shareholders will be held at such time as the Board or the Board Chair may from time to time determine, for the purpose of transacting any business required by the Act to be placed before the shareholders and for the transaction of such other business as may properly be brought before the meeting.

#### **11.03 Special Meetings**

The Board or Board Chair will have power to call a special meeting of shareholders at any time.

#### **11.04 Place of Meetings**

Meetings of shareholders will be held at the registered office of the Credit Union or at such place within Ontario as the Board may determine.

#### **11.05 Remote Meetings**

Meetings of shareholders may also be held remotely, by telephonic, electronic, or virtual means or any combination thereof. Registered shareholders attending any such remote meeting may vote as indicated in Section 7.08 of these by-laws. Every shareholder participating remotely in a meeting is considered present at the meeting for the purposes of the Act.

#### **11.06 Notice of Meetings**

Notice of the time, place and location of each meeting of shareholders will be given in the manner provided in Section 14.01 of these by-laws not less than 10 days nor more than 50 days before the date of the meeting to each Director, to the auditor and to each shareholder who at the close of business on the record date for notice is entered in the securities register as the holder of one or more shares carrying the right to vote at the meeting. Notice of a meeting of shareholders will state or be accompanied by a statement of the nature of such business in sufficient detail to permit the shareholder to form a reasoned judgment thereon, and the text of any special resolution to be submitted to the meeting. A shareholder and any other person entitled to attend a meeting of shareholders may in any manner waive notice of or otherwise consent to a meeting of shareholders.

#### **11.07 List of Shareholders Entitled to Notice**

For every meeting of shareholders, the Credit Union will prepare a list of shareholders entitled to receive notice of the meeting, arranged in alphabetical order, and showing the number of shares held by each shareholder entitled to vote at the meeting. If a record date for the meeting is fixed pursuant to this

Section 11.07, the shareholders listed will be those registered at the close of business on such record date. If no record date is fixed, the shareholders listed will be those registered at the close of business on the day immediately preceding the day on which notice of the meeting is given, or, where no such notice is given, the day on which the meeting is held. The list will be available for examination by any shareholder during usual business hours at the registered office of the Credit Union or at the place where the central securities register is maintained and at the meeting for which the list was prepared.

#### **11.08 Record Date for Notice**

The Board may fix in advance a date, preceding the date of any meeting of shareholders by not more than 50 days and not less than 21 days, as a record date for the determination of the shareholders entitled to notice of the meeting, provided that notice of any such record date will be given not less than 7 days before such record date by any method not prohibited by the Act and, if any shares of the Credit Union are listed for trading on a stock exchange in Canada, by written notice to each such stock exchange. If no record date is so fixed, the record date for the determination of the shareholders entitled to notice of the meeting will be at the close of business on the day immediately preceding the day on which the notice is given or, if no notice is given, the day on which the meeting is held.

#### **11.09 Chair, Secretary and Scrutineers**

The Chair of any meeting of shareholders will be the first mentioned of such of the following officers as have been appointed and who is present at the meeting: the Board Chair, or a Vice Chair. If no such Officer is present within 15 minutes from the time fixed for holding the meeting, the persons present and entitled to vote will choose one of their number to be Chair. If the Corporate Secretary of the Credit Union is absent, the Chair will appoint some person, who need not be a shareholder, to act as Secretary of the meeting. If desired, one or more scrutineers who need not be shareholders, may be appointed by a resolution or by the Chair with the consent of the meeting.

#### **11.10 Persons Entitled to be Present**

The only persons entitled to be present at a meeting of shareholders will be those entitled to vote thereat, the Directors and the auditor of the Credit Union and others who, although not entitled to vote are entitled or required under any provision of the Act or the Articles or the by-laws to be present at the meeting. Any other person may be admitted only on the invitation of the Chair of the meeting or with the consent of the meeting.

#### **11.11 Quorum**

- a) Subject to Sections 11.12 and 11.13 of these by-laws, regarding special shares issued by the Credit Union or any of its predecessors pursuant to a receipted offering statement ("investment shares"), two persons present in person, each being a shareholder of such investment shares entitled to vote at the meeting, or a duly appointed proxyholder for an absent shareholder entitled to vote at the meeting will be a quorum at any meeting of the shareholders for the choice of a Chair of the meeting and the adjournment of the meeting; for all other purposes a quorum at any meeting of such shareholders, unless a greater number is required to be present or a greater number of shares are required to be represented at the meeting by the Act or by the Articles or the by-laws, will be persons present in person, each being a shareholder entitled to vote at the meeting or a duly appointed proxyholder for an absent shareholder entitled to vote at the meeting, not being



less than two in number and holding or representing by proxy not less than 51% of the total number of the issued shares of the Credit Union for the time being enjoying voting rights at such meeting.

- b) Subject to Sections 11.12 and 11.13 of these by-laws, regarding any class of special shares, other than investment shares, issued by the Credit Union, two persons present in person, each being a shareholder of such shares entitled to vote at the meeting will be a quorum at any meeting of such shareholders for the choice of a Chair of the meeting and the adjournment of the meeting; for all other purposes a quorum at any meeting of such shareholders, unless a greater number is required to be present or a greater number of shares are required to be represented at the meeting by the Act or by the Articles or the by-laws, will be persons present in person, each being a shareholder entitled to vote at the meeting or a duly appointed proxyholder for an absent shareholder entitled to vote at the meeting, not being less than 50 in number.
- c) If there is no quorum at any meeting of shareholders of the Credit Union, then the meeting will be adjourned to such date not being less than 10 days later, and to such time and place as may be announced by the Chair at the meeting, and subject to Section 11.18 of these by-laws, it will not be necessary to give notice of the adjourned meeting.

At such adjourned meeting, the persons present at such meeting, provided there are at least two such persons present in person, each being a shareholder entitled to vote at the meeting or a duly appointed proxyholder for an absent shareholder entitled to vote at the meeting, will be a quorum for the transaction of business for which the meeting was originally called.

#### **11.12 Right to Vote**

Subject to the Act as to authorized representatives of any other body corporate or association, at any meeting of shareholders for which the Credit Union has prepared the list referred to in Section 11.07 of these by-laws, every person who is named in such list will be entitled to vote the shares shown opposite that shareholder's name, except to the extent that such person has transferred any of that shareholder's shares after the record date determined in accordance with Section 11.08 of these by-laws, and the transferee, having produced properly endorsed certificates evidencing such shares or having otherwise established that the transferee owns such shares, has demanded not later than 10 days before the meeting that the transferee's name be included in such list. In any such case the transferee will be entitled to vote the transferred shares at the meeting. At any meeting of shareholders for which the Credit Union has not prepared the list referred to in Section 11.07 of these by-laws, every person will be entitled to vote at the meeting who at the time is entered in the securities register as the holder of one or more shares carrying the right to vote at such meeting.

#### **11.13 Proxies**

Every shareholder entitled to vote at a meeting of shareholders may appoint a proxyholder, or one or more alternate proxyholders, who need not be shareholders, to attend and act at the meeting in the manner and to the extent authorized and with the authority conferred by the proxy. A proxy will be in writing executed by the shareholder or the shareholder's attorney authorized in writing and will conform to the requirements of the Act.

**11.14 Time for Deposit of Proxies**

The Board may by resolution specify in a notice calling a meeting of shareholders a time, preceding the time of such meeting or an adjournment thereof by not more than 48 hours exclusive of any part of a non-business day, before which time proxies to be used at such meeting must be deposited. A proxy will be acted upon only if, prior to the time so specified, it will have been deposited with the Credit Union or an agent thereof specified in such notice or, if no such time is specified in such notice, only if it has been received by the Corporate Secretary or by the Chair of the meeting or any adjournment thereof prior to the time of voting.

**11.15 Joint Shareholders**

If two or more persons hold Shares jointly, any one of them present in person or represented by proxy at a meeting of shareholders may, in the absence of the other or others, vote the Shares; but if two or more of those persons are present in person or represented by proxy and vote, they will vote as one the shares jointly held by them.

**11.16 Votes to Govern**

At any meeting of shareholders every question will, unless otherwise required by the Articles or by-laws or by-law, be determined by a majority of the votes cast on the question. In case of an equality of votes either upon a show of hands or upon a ballot, the Chair of the meeting will not be entitled to a second or casting vote.

**11.17 Ballots**

On any question proposed for consideration at a meeting of shareholders, and whether or not a vote by show of hands or ballot has been taken thereon, any shareholder or proxyholder entitled to vote at the meeting may require or demand a ballot. A Ballot so required or demanded will be taken in such manner as the Chair will direct. A requirement or demand for a ballot may be withdrawn at any time prior to the taking of the ballot. If a ballot is taken each person present will be entitled, in respect of the shares which the person is entitled to vote at the meeting upon the question, to that number of votes provided by the Act or the Articles, and the result of the ballot so taken will be the decision of the shareholders upon the said question.

**11.18 Adjournment**

The Chair at the meeting of shareholders may with the consent of the meeting and subject to such conditions as the meeting may decide, or where otherwise permitted under the Act, adjourn the meeting from time to time and from place to place. If a meeting of shareholders is adjourned for less than 30 days, it will not be necessary to give notice of the adjourned meeting, other than by announcement at the earliest meeting that is adjourned. If a meeting of shareholders is adjourned by one or more adjournments for an aggregate of 30 days or more, notice of the adjourned meeting will be given as for an original meeting.

## **ARTICLE TWELVE**

### **LENDING**

#### **12.01 Lending**

The Credit Union may make loans in accordance with the Act and its lending policies as adopted by the Board from time-to-time. Notwithstanding the above, the Credit Union will not make loans to non-members who are not also permitted depositors of the Credit Union, except as permitted by Subsection 154(2) of the Act.

## **ARTICLE THIRTEEN**

### **INFORMATION AVAILABLE TO MEMBERS AND SHAREHOLDERS**

#### **13.01 Annual Audited Statements**

Every member or shareholder applying in writing therefor will be entitled to receive a copy of the Credit Union's last annual audited financial statements without charge. Copies of the last annual audited statements of any subsidiaries of the Credit Union will be open to inspection by the members and shareholders and to make extracts thereof during normal business hours free of charge.

#### **13.02 Information Available to Members and Shareholders**

Except as provided by the Act, no member or shareholder will be entitled to access information regarding the Credit Union, its business, the membership, any member, or any shareholder.

#### **13.03 Board Determination**

The Board may from time to time, subject to the rights conferred by the Act, determine whether and to what extent and at what time and place and under what conditions or regulations the documents, books and registers and accounting records of the Credit Union or any of them will be open to the inspection of shareholders and no shareholder will have any right to inspect any document or book or register or accounting record of the Credit Union except as conferred by statute or authorized by the Board or by a resolution of the shareholders in a general meeting.

#### **13.04 Copy of By-laws**

A member of the Credit Union will be entitled to an electronic copy of the by-laws, free of charge, and to a paper copy of same upon payment of a fee not exceeding the amount prescribed by Regulation, or equal to such lesser amount as the Board may from time to time establish.

## **ARTICLE FOURTEEN**

### **NOTICES**

#### **14.01 Method of Giving Notices**

Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served) pursuant to the Act, the Articles, the by-laws or otherwise to a member, shareholder, (unless the Credit Union has obtained an exemption from the requirement in Section 184 of the Act to deliver an information circular to shares other than investment shares, in which case the Credit Union can give notice of a meeting of the holders of such shares as Section 7.02 of these by-laws applied) Director, Officer, auditor or member of a committee of the Board will be sufficiently given if delivered personally to the person to whom it is to be given or if delivered to that person's Recorded Address or if mailed to the shareholder at that shareholder's Recorded Address by prepaid mail or if sent to the Recorded Address by any means of prepaid transmitted or recorded communication. A notice so delivered will be deemed to have been given when it is delivered personally or to the Recorded Address as aforesaid; a notice so mailed will be deemed to have been given when deposited in a post office or public letter box and will be deemed to have been received on the fifth day after so depositing; and a notice so sent by any means of transmitted or recorded communication will be deemed to have been given when dispatched or delivered to the appropriate communication company or agency or its representative for dispatch. The Corporate Secretary may change or cause to be changed the Recorded Address of any shareholder, Director, Officer, auditor, or member of a committee of the Board in accordance with any information believed by the Corporate Secretary to be reliable.

#### **14.02 Signature to Notices**

The signature of any Director or Officer of the Credit Union to any notice or document to be given by the Credit Union may be electronic, written, stamped, typewritten, printed, or partly written, stamped, typewritten, or printed.

#### **14.03 Proof of Service**

A certificate of the Board Chair, a Vice Chair, the Corporate Secretary or the CEO, or of any other officer of the Credit Union in office at the time of the making of the certificate or of a transfer officer of any transfer agent or branch transfer agent of shares of any class of the Credit Union as to the facts in relation to the mailing or delivery of any notice or other document to any shareholder, Director, Officer or auditor or publication of any notice or other document will be conclusive evidence thereof and will be binding on every shareholder, Director, Officer or auditor of the Credit Union as the case may be.

#### **14.04 Notice to Joint Shareholders**

All notices with respect to shares registered in more than one name will, if more than one address appears on the records of the Credit Union in respect of such joint holdings, be given to all such joint shareholders at the first address so appearing and notice so given will be sufficient notice to the holders of such shares.



**14.05 Computation of Time**

In computing the date when notice must be given under any provision requiring a specified number of days' notice of any meeting or other event both the date of giving the notice and the date of the meeting or other event will be excluded.

**14.06 Undelivered Notices**

If any notice given to a member or shareholder pursuant to Section 14.01 of these by-laws is returned on three consecutive occasions because that member or shareholder cannot be found, the Credit Union will not be required to give any further notices to such member or shareholder until the member or shareholder informs the Credit Union in writing of a new address.

**14.07 Omissions and Errors**

The accidental omission to give any notice to any member, shareholder, Director, Officer, auditor, or member of a committee of the Board or the non-receipt of any notice by any such person or any error in any notice not affecting the substance thereof will not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

**14.08 Deceased Members or Shareholders**

Any notice or other document delivered or sent by post or left at the address of any member or shareholder as the same appears in the records of the Credit Union will, notwithstanding that such member or shareholder be then deceased, and whether or not the Credit Union has notice of that member's or shareholder's death, be deemed to have been duly served in respect of the shares held by such member or shareholder (whether held solely or with any person or persons) until some other person be entered in that member's or shareholder's stead in the records of the Credit Union as the holder or one of the holders thereof, and such service will for all purposes be deemed a sufficient service of such notice or document on the member's or shareholder's heirs, executors, administrators or successors and on all persons, if any, interested with the member or shareholder in such shares.

**14.09 Persons Entitled by Death or Operation of Law**

Every person who, by operation of law, transfer, death of a member or shareholder or any other means whatsoever, will become entitled to any share, will be bound by every notice in respect of such share which will have been duly given to the member or shareholder from whom the person derives the person's title to such Share prior to the person's name and address being entered on the securities register (whether such notice was given before or after the happening of the event upon which the person became so entitled) and prior to the person furnishing to the Credit Union the proof of authority or evidence of the person's entitlement as prescribed by the Act.

**14.10 Waiver of Notice**

Any member or shareholder (or the member's or shareholder's duly appointed proxyholder), Director, Officer, auditor or member of a committee of the Board or advisory committee may at any time waive any notice, or waive or abridge the time for any notice, required to be given to such person under any provision of the Act, the Articles, the by-laws or otherwise and such waiver or abridgement, whether given before or after the meeting or other event of which notice is required to be given will cure any default in

the giving or in the time of such notice, as the case may be. Any such waiver or abridgement will be in writing except a waiver of notice of a meeting of members or shareholders or of the Board or of a committee of the Board which may be given in any manner.

## **ARTICLE FIFTEEN**

### **EFFECTIVE DATE**

#### **15.01 Effective Date**

Subject to the Act, this by-law will come into force upon being passed by the Board and confirmed by a special resolution of the members.

#### **15.02 Repeal**

All by-laws previously enacted are revoked upon the coming into force of these by-laws.