

**VANTAGEONE CREDIT UNION**

**SPECIAL RESOLUTION OF MEMBERS  
TO APPROVE ALTERATIONS TO RULES**

**BE IT RESOLVED**, as a special resolution, that the Rules of VantageOne Credit Union be altered by deleting such Rules in their entirety and replacing them with the Rules set out in Schedule "A".

# Rules of VantageOne Credit Union

## 1. Interpretation

### 1.1 Definitions. In these Rules:

- (a) "Annual General Meeting" means the annual general meeting of the members of the Credit Union;
- (b) "auxiliary member" means a person who holds equity shares in the Credit Union, but is not a member;
- (c) "Board Committee" means a committee of the Board of Directors appointed or elected by the Board of Directors pursuant to these Rules;
- (d) "Board of Directors" means the board of directors of the Credit Union;
- (e) "Chair" means the chair of the Board of Directors;
- (f) "Chief Executive Officer" means the chief executive officer of the Credit Union appointed by the Board of Directors from time to time;
- (g) "Credit Union" means VantageOne Credit Union;
- (h) "*Credit Union Incorporation Act*" means the *Credit Union Incorporation Act* of British Columbia from time to time in force and all amendments thereto and regulations made pursuant thereto;
- (i) "Director" means a director of the Credit Union for the time being and "Directors" means more than one Director;
- (j) "Election Guidelines" means the method and manner in which candidates are permitted to campaign for election as may be established by the Nominations and Elections Committee from time to time;
- (k) "electronic" means created, recorded, transmitted or stored in digital or other intangible form by electronic, magnetic or optical means or by any other similar means, including, without limitation, by telephone calls or messages, facsimile messages, electronic mail, transmission of data or information through automated touch-tone telephone systems, and transmission of data or information through computer networks (including, without limitation, the Internet);
- (l) "*Electronic Transactions Act*" means the *Electronic Transactions Act* of British Columbia from time to time in force and all amendments thereto and regulations made pursuant thereto;
- (m) "*Financial Institutions Act*" means the *Financial Institutions Act* of British Columbia from time to time in force all and amendments thereto and regulations made pursuant thereto;
- (n) "junior member" means a member under the age of 19;
- (o) "member in good standing" means a member, including a junior member, who at the date on which good standing is determined:

- (i) has purchased, paid for and holds the number of Class A Membership Equity Shares required by these Rules;
- (ii) has maintained at least one account with the Credit Union, or with a credit union that has disposed of all or substantially all of its assets to the Credit Union, that has had activity anytime in the 12 months prior to the date on which good standing is determined; and
- (iii) is not more than 30 days in arrears in any obligation to the Credit Union;
- (p) “Nominations and Elections Committee” means the committee, appointed by the Board of Directors from time to time, which is charged with the conduct of the election of Directors;
- (q) “Ordinary Resolution” means a resolution passed by the members of the Credit Union in general meeting by a simple majority of the votes cast by members;
- (r) “Returning Officer” means a returning officer appointed pursuant to these Rules;
- (s) “Special Resolution” means, subject to the requirements of the *Credit Union Incorporation Act*, a resolution of the Credit Union passed by a majority of not less than 2/3 of the votes cast by members of the Credit Union entitled to vote by means allowed by the *Credit Union Incorporation Act* or these Rules;
- (t) “Spouse” has the meaning given to it in the *Credit Union Incorporation Act*;
- (u) “Superintendent” means the Superintendent of Financial Institutions under the *Financial Institutions Act*; and
- (v) “Vice-Chair” means the vice-chair of the Board of Directors.

1.2 **Other Meanings.** The meaning of any words or phrases defined in the *Credit Union Incorporation Act* and the *Financial Institutions Act*, shall, if not inconsistent with the subject or context, have the same meaning in these Rules.

## 2. Membership

2.1 **Application for Membership.** Every application for membership shall be in such electronic or non-electronic form as may be prescribed by the Board of Directors from time to time and be accompanied by payment in full of the purchase price of the number of Class A Membership Equity Shares required to be held as a condition of membership on the date of application for membership.

2.2 **Withdrawal or Termination of Membership.** A member may withdraw from membership and the membership of any person may be terminated in accordance with the *Credit Union Incorporation Act*.

## 3. Shares

3.1 **Share Capital.** The shares of the Credit Union shall be divided into the following three classes of shares, each consisting of an unlimited number of shares: Class A Membership Equity Shares; Class C Voluntary Equity Shares; and Class D Allocation Equity Shares.

3.2 **Par Value.** All shares have a par value of \$1.00 each.

3.3 **No Guarantee.** Monies invested in equity shares and dividends thereon shall not be guaranteed by the Credit Union Deposit Insurance Corporation of British Columbia.

- 3.4 **Class A Membership Equity Shares.** Class A Membership Equity Shares shall have attached thereto the following rights and restrictions:
- (a) ownership, assignment, transfer and issue of Class A Membership Equity Shares is limited as set out in the *Credit Union Incorporation Act*;
  - (b) subject to the *Credit Union Incorporation Act*, the Credit Union shall redeem all of the Class A Membership Equity Shares held by a member upon the happening of any of the following events:
    - (i) the termination by the Credit Union of the membership of the member;
    - (ii) the member withdrawing from membership in the Credit Union;
    - (iii) the member is a natural person and dies; provided that where a member holds Class A Membership Equity Shares jointly with a right of survivorship, the Credit Union shall not be required to redeem those shares until the death of the last remaining joint holder;
    - (iv) the member is a partnership or other unincorporated association which dissolves; or
    - (v) the member is a society, corporation or any other legal entity and is dissolved, wound-up or otherwise ceases to exist;provided, however, that the Credit Union may require evidence as to the events described in this Rule 3.4(b) before redeeming Class A Membership Equity Shares;
  - (c) subject to the *Credit Union Incorporation Act*, the Credit Union may redeem the Class A Membership Equity Shares held by a member on such terms and conditions and at such times as the Board of Directors, in its discretion, resolves;
  - (d) notwithstanding any other provision of this Rule 3.4, but subject to the *Credit Union Incorporation Act*, the amount of Class A Membership Equity Shares that the Credit Union may be required to redeem in any financial year is limited to 10% of the amount of Class A Membership Equity Shares issued and outstanding on the last day of the immediately preceding financial year;
  - (e) any redemption, purchase, assignment or transfer of Class A Membership Equity Shares shall be at par value plus any dividends declared but unpaid thereon.
- 3.5 **Class C Voluntary Equity Shares.** Class C Voluntary Equity Shares shall have attached thereto the following rights and restrictions:
- (a) Class C Voluntary Equity Shares may only be issued to a member of the Credit Union;
  - (b) the Credit Union may redeem any Class C Voluntary Equity Shares on such terms and conditions and at such times as the Board of Directors, in its discretion, resolves;
  - (c) any redemption or purchase of Class C Voluntary Equity Shares shall be at par value plus any dividends declared but unpaid thereon.
- 3.6 **Class D Allocation Equity Shares.** Class D Allocation Equity Shares shall have attached thereto the following rights and restrictions:
- (a) Class D Allocation Equity Shares may only be issued as a dividend, patronage refund or bonus declared by the Board of Directors;

- (b) the Credit Union may redeem any Class D Allocation Equity Shares on such terms and conditions and at such times as the Board of Directors, in its discretion, resolves;
  - (c) any redemption or purchase of Class D Allocation Equity Shares shall be at par value plus any dividends declared but unpaid thereon.
- 3.7 **Manner of Redemption or Purchase.** If the Credit Union proposes, at its option, to redeem some but not all of the shares of any class, the Board of Directors may, subject to the special rights and restrictions attached to such class of shares, decide the manner in which the shares to be redeemed shall be selected.
- 3.8 **Distribution on Wind-Up.** Each class of equity shares shall rank in respect of the distribution of assets in the event of liquidation, dissolution or winding up of the Credit Union or any other distribution of assets of the Credit Union among the holders of its shares for the purpose of winding up its affairs, whether voluntary or involuntary, in accordance with the *Credit Union Incorporation Act* and these Rules.
- 3.9 **Membership Share Requirements.** Subject to the *Credit Union Incorporation Act*, each member of the Credit Union shall subscribe for purchase, fully pay for and hold the following number of Class A Membership Equity Shares:
- (a) except as provided below, each member - 25 shares;
  - (b) each junior member - 5 shares;
  - (c) each member which is an incorporated company - 25 shares;
  - (d) each member which is a partnership or other unincorporated association - 25 shares per partner or association member;
  - (e) each member which is a legal entity, other than an incorporated company - 25 shares; and
  - (f) if shares are held jointly - 25 shares per member.
- 3.10 **Policies for Purchase, Payment, Redemption and Ownership.** Subject to the provisions of the *Credit Union Incorporation Act* that specify the minimum number of membership shares for which a member must subscribe and pay, the Board of Directors may establish policies to waive or delay purchase, payment, redemption and ownership in whole or in part of equity shares as required by these Rules.
- 3.11 **Commissions and Discounts.** The Credit Union may pay a commission or allow a discount to any person in consideration of that person subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in the Credit Union, or procuring or agreeing to procure subscriptions, whether absolutely or conditionally, for any such shares, provided that the rate of the commission and discount will not in the aggregate exceed the amount permitted by the *Credit Union Incorporation Act*.
- 3.12 **Change to Membership Share Requirements.** Subject to the *Credit Union Incorporation Act* and these Rules, the Board of Directors may from time to time by resolution determine that the number of Class A Membership Equity Shares required to be owned by a member or a category of member shall be increased or decreased, provided that:
- (a) on any one occasion the Board of Directors may not determine to increase the number of Class A Membership Equity Shares required to be owned by more than 50;
  - (b) a determination by the Board of Directors pursuant to this Rule may be made no more frequently than once per financial year of the Credit Union;

- (c) a subsequent determination by the Board of Directors shall not be made to have effect within six months of the last such determination; and
  - (d) a determination by the Board of Directors pursuant to this Rule shall not be effective until the expiration of 90 days after notice of a determination is deemed to have been received by the members except in respect of persons who become members on or after the date on which such determination is made and in respect of such persons the determination is effective when made.
- 3.13 **Credit Union May Transfer Deposits or Shares to Meet Membership Share Requirements.** If a member is not the owner of the required number of Class A Membership Equity Shares under Rule 3.9 or under Rule 3.12 (in the latter case, on expiration of the notice period described in Rule 3.12), the Credit Union may apply any money on deposit and interest thereon or invested in Class C Voluntary Equity Shares or Class D Allocation Equity Shares and dividends credited thereon in the name of the member to the purchase of sufficient Class A Membership Equity Shares in the name of the member so that the member shall own the number of Class A Membership Equity Shares required by Rule 3.9 or Rule 3.12, as applicable.
- 3.14 **Termination of Membership for Insufficient Shareholdings.** If a member is not the owner of the required number of Class A Membership Equity Shares and the member has insufficient monies on deposit or invested in Class C Voluntary Equity Shares or Class D Allocation Equity Shares or dividends credited thereon in the name of the member to permit the purchase of sufficient Class A Membership Equity Shares pursuant to Rule 3.9 or Rule 3.12 (in the latter case, on expiration of the notice period described in Rule 3.12), the member shall immediately cease to be a member of the Credit Union in accordance with the *Credit Union Incorporation Act*.
- 3.15 **Membership Share Requirements After Notice is Given.** A person who becomes a member of the Credit Union at any time after notice is given under Rule 3.12 shall, as a condition of membership, subscribe and fully pay for the increased or decreased number of Class A Membership Equity Shares required to be held by a member, as applicable.
- 3.16 **Notice.** Without precluding any other method of giving notice, a notice under Rule 3.12 sent by post, addressed to the member at the member's address shown on the register of members shall be deemed to have been received on the fifth day, Saturdays, Sundays and holidays excepted, following the date of mailing.
- 3.17 **Junior Members.** A junior member shall, on attaining the age of majority, subscribe for and purchase the number of Class A Membership Equity Shares then required to be owned by a member. If, on the 30th day preceding the day on which a junior member reaches 19 years of age, that member does not own the number of shares required to be owned by a member, then Rules 3.13 and 3.14 shall apply, except that no notice shall be required.
- 3.18 **Joint Ownership.**
- (a) Equity shares may be held jointly, but nothing in this Rule diminishes the number of Class A Membership Equity Shares that a person must hold in order to be a member in good standing and to be entitled to exercise membership rights, such as voting; otherwise, the first named on the membership application shall be a member and shall be the voting member on the membership.
  - (b) All jointly held equity shares shall carry the right of survivorship unless a contrary statement, in writing, is given at the time of subscription and signed by all parties jointly holding the shares.
  - (c) The Credit Union shall not be required to redeem any equity share that is jointly held with a right of survivorship until the death of the last joint holder.

**3.19 Maximum Number of Shares.**

- (a) At the discretion of the Board of Directors, a member may subscribe and pay for a maximum of 1,000 Class A Membership Equity Shares.
- (b) At the discretion of the Board of Directors, a member may subscribe and pay for a maximum of 5,000 Class C Voluntary Equity Shares.

**3.20 Dividends.**

- (a) Subject to these Rules and the *Credit Union Incorporation Act*, the Board of Directors, at its discretion, may set terms and conditions for entitlement to dividends for each class of shares, may declare dividends on any class of shares in such amounts, at such times and in such manner as from time to time the Board of Directors may determine, and may declare different rates of dividends for different classes of shares.
- (b) Subject to these Rules and the *Credit Union Incorporation Act*, dividends, patronage refunds or bonuses declared, if any, at the discretion of the Board of Directors may be paid as an allocation of Class A Membership Equity Shares, Class C Voluntary Equity Shares or Class D Allocation Equity Shares, provided that if any such allocation would result in a person holding more equity shares of a particular class than a person is permitted to subscribe for or hold under these Rules or the *Credit Union Incorporation Act*, the Board of Directors may credit the excess or any part of that excess to the person's account.

**3.21 Lien or Forfeiture.** A statutory declaration of a director or officer of the Credit Union that a lien of the Credit Union has been exercised or a share forfeited and stating the date of the exercise or forfeiture shall be conclusive evidence of the facts therein stated.

**3.22 Share Certificates.** Every share certificate issued by the Credit Union shall be in such form as the Board of Directors may approve and shall comply with the *Credit Union Incorporation Act*.

**3.23 Delivery of Share Certificates.** A share certificate registered in the name of two or more persons shall be delivered to the person first named on the register of members.

**3.24 Transfer Subject to Consent of the Board.** No equity shares shall be transferred without the previous consent of the Board of Directors expressed by a resolution of the Board of Directors, and the Board of Directors shall not be required to give any reason for refusing to consent to any such proposed transfer.

**3.25 Effective Date of Transfer.** No transfer or assignment of equity shares is effective until the register of members of the Credit Union is completed, indicating the transfer or assignment.

**3.26 Instrument of Transfer Required.** No transfer of equity shares shall be registered unless a proper instrument of transfer has been delivered to the Credit Union, but an instrument of transfer is not required for the Credit Union to register a transmission of shares in compliance with the *Credit Union Incorporation Act*.

**3.27 Registration of Transfer.** Subject to the *Credit Union Incorporation Act* and these Rules, the Credit Union shall, on application of the transferor or transferee of an equity share, enter the name of the transferee on its register of members.

**3.28 Form of Instrument of Transfer.** The instrument of transfer of any equity share shall be in writing in the form, if any, on the back of the Credit Union share certificates or any other form that the Board of Directors may approve.

- 3.29 **One Class Per Instrument of Transfer.** If the Board of Directors so requires, each instrument of transfer shall be in respect of only one class of share.
- 3.30 **Presentation of Instrument of Transfer and Share Certificate.** Every instrument of transfer shall be executed by the transferor and left at the registered office of the Credit Union for registration, together with the share certificate, if any, for the shares to be transferred and such other evidence, if any, as the Board of Directors may require to prove the title of the transferor or the transferor's right to transfer the shares. All instruments of transfer which are registered shall be retained by the Credit Union but any instrument of transfer that the Board of Directors declines to register shall be returned to the person depositing the same, together with the share certificate which accompanied the same when tendered for registration.
- 3.31 **Authorization to Transfer.** The signature of the registered owner of any equity shares or of the registered owner's duly authorized attorney on the form of transfer constitutes an authority to the Credit Union to register the shares specified in the form of transfer in the name of the person named in that form as transferee.
- 3.32 **Credit Union Not Required to Inquire into Title.** Neither the Credit Union nor any director, officer or agent of the Credit Union is bound to inquire into the title of the transferee of those equity shares to be transferred or is liable to the registered or any intermediate owner of those shares, for registering the transfer.
- 3.33 **Transfer on Death or Bankruptcy.** Subject to these Rules and the *Credit Union Incorporation Act*, a person who becomes entitled to an equity share as a result of the death or bankruptcy of any member, on producing the evidence required by the *Credit Union Incorporation Act*, or who becomes entitled to a share as a result of an order of a court of competent jurisdiction or a statute, on producing such evidence as the Board of Directors thinks sufficient that he or she is so entitled, may be registered as holder of the share or may transfer the share to a person entitled by these Rules and the *Credit Union Incorporation Act* to hold such share.

## 4. Deposits

- 4.1 **Deposit Forms.** The Board of Directors may determine the forms by which a person may place monies on deposit and withdraw monies on deposit or request redemption of shares, and the Board of Directors may, by resolution, delegate the power to make such determinations.
- 4.2 **Interest.** Interest on deposits, in the absence of an express contract or agreement, will be paid or credited at times, intervals and in a manner determined by the Board of Directors, and the Board of Directors may, by resolution, delegate the power to make such determinations.

## 5. Borrowing and Lending

- 5.1 **Borrowing.** Subject to applicable legislation, the Board of Directors of the Credit Union may raise and borrow money for the purposes of the Credit Union upon such terms and conditions as to interest, term, repayment and security as the Board of Directors may determine by resolution.
- 5.2 **Board Will Determine Terms of Loans.** The Board of Directors of the Credit Union shall determine the terms and conditions of loans as to interest and other charges, term, repayment and any security and may, by resolution, delegate the power to make loans and to make such determinations.



## 6. Auditor

- 6.1 **Appointment.** At each Annual General Meeting of the Credit Union an auditor shall be appointed to hold office until the close of the next Annual General Meeting and if, at that Annual General Meeting, an appointment is not made, the auditor in office shall continue as auditor until a successor is appointed.
- 6.2 **Remuneration.** The Board of Directors shall determine the remuneration of the auditor.
- 6.3 **Change or Removal.** Any proposed change or removal of the auditor will follow the requirements of the *Credit Union Incorporation Act*.

## 7. Seal

- 7.1 **Corporate Seal.** The Credit Union shall have a corporate seal.
- 7.2 **Custody.** The Chief Executive Officer shall provide for the safe custody of the corporate seal of the Credit Union at the records office of the Credit Union or such other place as the Chief Executive Officer may determine.

## 8. Financial Year-End

- 8.1 **Year-end.** The financial year-end of the Credit Union shall be December 31.

## 9. General Meetings

- 9.1 **Annual General Meeting.** The Annual General Meeting of the Credit Union shall be held on the date, hour and, if applicable, place to be fixed by the Board of Directors and shall be convened and held in accordance with the provisions of the *Credit Union Incorporation Act*.
- 9.2 **Other General Meetings.** Other general meetings may be convened by the Board of Directors and held in accordance with the provisions of the *Credit Union Incorporation Act*.
- 9.3 **Multiple Locations.** General meetings, including the Annual General Meeting, may be held by holding two or more meetings at different times and, if applicable, different places, which meetings together will constitute a single meeting, if convened and held in accordance with the provisions of the *Credit Union Incorporation Act*.
- 9.4 **Electronic Meetings.** The Credit Union may hold a general meeting in person, by a partially electronic meeting or by a fully electronic meeting, as determined by the Board of Directors, if convened and held in accordance with the provisions of the *Credit Union Incorporation Act*. If a general meeting is an electronic meeting, the notice must contain instructions for attending and participating in the meeting by telephone or other communications medium, including, if applicable, instructions for voting at the meeting.
- 9.5 **Class Meetings.** Any meeting of holders of any class of shares may be convened by the Board of Directors and the provisions of these Rules with respect to general meetings will be applicable to such meetings of holders of any class of shares, except as specifically provided in these Rules and unless the subject or context requires otherwise.
- 9.6 **Rules of Order.** A general meeting may adopt rules of order for its conduct but, if no rules are adopted, the current edition of “Robert’s Rules of Order Newly Revised” shall be used.

**9.7 Quorum.**

- (a) At a general meeting, 25 members will constitute a quorum, but a lesser number may adjourn from time to time until a quorum is obtained.
- (b) If a general meeting is held at different times and, if applicable, different places, the quorum for such meeting will be a combined total of 25 members, but a lesser number may adjourn from time to time until a quorum is obtained.
- (c) At any meeting of holders of any class of shares other than a general meeting of members, the quorum for such meeting will be the lesser of: (i) 25 persons holding shares of the class; and (b) one-half of the persons holding shares of the class; but a lesser number may adjourn from time to time until a quorum is obtained.

**9.8 Business at Annual General Meeting.** Business to be conducted at an Annual General Meeting shall be such business as is required by the *Credit Union Incorporation Act* and such other business as may be determined by the Directors.

**9.9 Permitted Attendees.** The only persons entitled to be present at a general meeting will be:

- (a) those entitled to vote;
- (b) the Directors;
- (c) the auditor of the Credit Union;
- (d) others who, although not entitled to vote, are entitled or required under any provision of the *Credit Union Incorporation Act*, the *Financial Institutions Act* or these Rules to be present at the meeting.

Any other person may be admitted only with the permission of the Chair or with the consent of the meeting.

**9.10 Chair.** The Chair or a Director designated by the Chair shall chair general meetings of the Credit Union.

**9.11 Decorum.** At a general meeting, the Chair may refuse entry to, or request removal of, any individual the Chair determines, in the Chair's sole discretion, is acting in an inappropriate manner.

**9.12 Voting.** Voting at a general meeting of the Credit Union will be by show of hands, unless the Chair determines to permit voting by a written vote or electronic means and such means are made available.

**9.13 Ordinary Resolutions.** In order for an Ordinary Resolution or other matter which is proposed by a member of the Credit Union to be eligible for consideration at an Annual General Meeting, it must be submitted to the Credit Union in advance in accordance with the *Credit Union Incorporation Act* at least 90 days before the anniversary date of the last Annual General Meeting or at least 90 days before the date of the next Annual General Meeting; provided, however, this Rule 9.13 does not apply to Ordinary Resolutions or other matters invited by the Chair at an Annual General Meeting.

**9.14 Membership Declaration.** At all general meetings each person must, on request, present evidence of age, identity and membership.

**9.15 Voting Eligibility.** Only a person who is a member in good standing two months prior to the date of the general meeting of the Credit Union and who is not a junior member may vote at a general meeting.

**9.16 Non-Individual Members.** A member of the Credit Union who is not an individual or an unincorporated association may be represented and vote at meetings of the Credit Union by an individual who:

- (a) is not a member; and
- (b) by written authorization deposited with the Credit Union, is authorized to vote at the meeting on behalf of the member.

9.17 **Unincorporated Associations.** A member of the Credit Union who is an unincorporated association may be represented and vote at meetings of the Credit Union by an individual who:

- (a) is a member of the Credit Union; and
- (b) by written authorization deposited with the Credit Union, is authorized to vote at the meeting on behalf of the unincorporated association.

9.18 **No Proxy Voting.** A member shall not vote by proxy.

## 10. Special Resolutions

10.1 **Method of Voting.** Voting on Special Resolutions shall be by mail ballot; provided, however, the Board of Directors may, subject to the *Credit Union Incorporation Act* and the *Electronic Transactions Act*, determine that members may also vote by such electronic means as may be prescribed by the Board of Directors in its discretion.

10.2 **Proposal of Special Resolutions.** Special Resolutions may be proposed by the Board of Directors.

10.3 **Notice of Resolution.** On any Special Resolution to be voted on, the Board of Directors shall, at least 18 days prior to the date set for commencement of voting on the Special Resolution, provide to all members entitled to vote a notice setting forth:

- (a) the Special Resolution to be voted on or, if the Special Resolution is lengthy, a summary description of the change or action proposed to be made by the Special Resolution accompanied by instructions for how to access the wording of the Special Resolution by electronic means (including, but not limited to, on the website of the Credit Union) and in any branch of the Credit Union;
- (b) such required or permitted information as the Board of Directors deems necessary or advisable in connection with the voting;
- (c) a ballot containing the provision for a vote 'for' or 'against' the Special Resolution;
- (d) clear and precise instructions for casting an electronic or paper ballot and the return thereof, which shall specify the date by which the ballot must be returned to the address specified in the voting instructions;
- (e) where ballots are provided by electronic means, advice of the right of each member to request in writing, not less than 10 days prior to the close of voting, a ballot which may be cast by mail instead of being cast by electronic means; and
- (f) if the voting is to be conducted using a mail-in paper ballot:
  - (i) a ballot envelope;
  - (ii) a ballot authentication envelope which must provide spaces for the name, address, membership number and signature of the member; and

- (iii) an addressed envelope bearing the address to which the completed ballot papers are to be mailed.
- 10.4 **Voting Eligibility.** To be eligible to vote on a Special Resolution, a person must be a member in good standing other than a junior member, 90 days prior to the date of the commencement of voting.
- 10.5 **Lost or Destroyed Ballot.** If a member eligible to vote does not receive a ballot pursuant to Rule 10.3, or loses or destroys the ballot before it is cast, then upon receipt prior to the close of voting of a declaration from that member that the ballot was not received, or has been lost or destroyed, and that the member has not cast a ballot in that vote, the Credit Union shall make available to that member the items and information to be provided pursuant to Rule 10.3.
- 10.6 **Returning Officer.** If a proposed Special Resolution ballot is being conducted concurrently with the election of Board of Directors, then the Returning Officer appointed for the election shall also supervise the tallying of the ballots for the Special Resolution. If the ballot being conducted is not concurrent with an election, the Board of Directors will appoint a Returning Officer for the purpose of supervising the Special Resolution process and balloting.
- 10.7 **Membership Declaration.** Every member desiring to vote on the Special Resolution shall:
  - (a) provide such proof and particulars of membership as the Board of Directors or the Returning Officer may prescribe; and
  - (b) provide a declaration, in the form prescribed by the Board of Directors, that the member is a member in good standing and has not previously voted on the Special Resolution.
- 10.8 **Ballot Requirements.** No vote on the Special Resolution shall be counted unless:
  - (a) the ballot is received by the Credit Union within the time and at that address, or in the manner specified, in the voting instructions;
  - (b) the ballot has been marked in a manner which indicates that the voter intended to vote 'for' or 'against' the Special Resolution; and
  - (c) all valid requirements of the Board of Directors have been fulfilled with respect to the casting of the ballots.
- 10.9 **Counting of Ballots.** The Returning Officer shall, after the close of balloting, cause all ballots to be tallied, in a manner to ensure the secrecy of balloting.
- 10.10 **Validity of Ballots.** The final decision on whether a ballot is to be rejected or accepted shall be made prior to the tallying of votes by the Returning Officer, whose discretion is final and absolute.
- 10.11 **Results.** As soon as practicable but in no event later than 10 days from the closing of balloting, the Returning Officer shall communicate the results of the voting to the Chair of the Board of Directors.
- 10.12 **Announcement.** The result of the vote on the Special Resolution shall be posted on the Credit Union's website and in the Main Administration Office of the Credit Union as soon as practicable after the Returning Officer has communicated the results of voting to the Chair of the Board of Directors and shall remain posted for three clear business days.
- 10.13 **Filing with Superintendent.** The Credit Union will file with the Superintendent every Special Resolution passed by its members.

- 10.14 **Separate Resolutions.** The provisions of these Rules and of the *Credit Union Incorporation Act* relating to notice of and voting on Special Resolutions shall apply, with the necessary changes and so far as are applicable, to separate resolutions of any class of shares.

## 11. Board of Directors

- 11.1 **Number of Directors.** Subject to provisions of Rule 11.2, the number of Directors shall be determined from time to time by the Board of Directors, but shall be no fewer than seven and no greater than nine; provided that if the members have been notified that an election is to take place, the Board of Directors may not change the number of Directors until the results of that election have been determined and the newly elected Directors have taken office.
- 11.2 **Additional Directors for Merger.** Notwithstanding Rule 11.1, if the Credit Union enters into an agreement to purchase all or substantially all of the assets of another credit union or of a branch of another credit union, the Board of Directors may appoint one or more additional Directors to hold office for such term or terms not exceeding three years as the Board of Directors specify, but the total number of directors shall not exceed 15.
- 11.3 **Vacancies After Merger.** Where the term of office of a Director appointed pursuant to Rule 11.2 has expired or, where the position becomes vacant prior to the expiration of the term, no vacancy shall be deemed to exist and the number of Directors shall be deemed to have been reduced accordingly.
- 11.4 **Organizational Meeting.** At the first meeting of the Board of Directors after each Annual General Meeting, the Directors shall elect from their own members a Chair and Vice-Chair and may appoint such additional officers as they may deem necessary.
- 11.5 **Frequency of Meetings.** The Directors shall meet as often as they deem appropriate each year and not less frequently than once in each quarter.
- 11.6 **Calling Meetings.** The Chair may call a meeting of the Board of Directors at any time and shall, within 14 days of receipt of written request of three Directors, call a meeting of the Board of Directors.
- 11.7 **Notice of Meetings.** At least three days' notice shall be given of meetings of the Board of Directors by personal delivery, by mail, postage prepaid, addressed to each of the Directors at the Director's address as it appears on the books of the Credit Union, or by leaving it at the Director's usual business or residential address or by telephone, fax or email or any method of transmitting legibly recorded messages, including electronic means. A Director may waive, in writing, notice of any past or present meeting of the Board of Directors. It will not be necessary to give notice of a meeting of the Board of Directors to any Director if such meeting is to be held immediately following an Annual General Meeting at which such Director has taken office or is the meeting at which such Director is appointed. Accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any Director shall not invalidate the proceedings at that meeting, except where a quorum as set out in Rule 11.8 is not met.
- 11.8 **Quorum.** A majority of Directors shall constitute a quorum but a lesser number may adjourn from time to time until a quorum is obtained.
- 11.9 **Director With Conflict Counted in Quorum.** A Director who is interested, directly or indirectly, in a proposed contract or transaction with the Credit Union may be counted for the purposes of the quorum required by Rule 11.8.
- 11.10 **Appointment of Officers.** The Board of Directors shall appoint a President, Secretary and Chief Executive Officer and exercise oversight of the Chief Executive Officer's selection and compensation of other key management employees, particularly those with direct reporting relationships to the Board of Directors.

- 11.11 **Eligibility for Office of Chair.** A Director is eligible to:
- (a) stand for the office of Chair only if the Director has completed one full year as a Director;
  - (b) hold the office of Chair for a maximum of five consecutive years.
- 11.12 **Vice-Chair.** In the case of the absence of the Chair, or the Chair's inability for any cause to act, or in the case the office of the Chair becomes vacant, the Vice-Chair shall discharge the duties of the Chair. In the event that the Vice-Chair is also not available to discharge the duties of the Chair, the Directors shall elect from amongst themselves a temporary chair to fulfill the Chair responsibilities until either of the Chair or Vice-Chair is available.
- 11.13 **Board Committees.** The Directors shall elect the Conduct Review Committee, and elect or appoint other Board Committees as required.
- 11.14 **Meetings by Telecommunications.** Directors or Board Committee members may participate in a meeting of the Board of Directors or any Board Committee by means of telephone or other communications medium if all Directors or Board Committee members participating in the meeting are able to participate in it, whether by telephone, other communications medium or in person, provided that in the case of an in person meeting or a partially electronic meeting of the Board of Directors, a majority of the Directors participating in the meeting are in British Columbia at the time of the meeting. A Director or Board Committee member participating in accordance with this Rule shall be deemed to be present at the meeting and shall be counted in a quorum and be entitled to speak and vote.
- 11.15 **Consent Resolutions.** A resolution consented to in writing, whether by document, facsimile transmission, email or any other method of transmitting legibly recorded messages (including, without limitation, by any other electronic means) by all of the Directors or all of the members of a Board Committee, shall be as valid and effectual as if it had been passed at a meeting of the Board of Directors or of a Board Committee duly called and held. Such resolution may be in two or more counterparts, which together shall be deemed to constitute one resolution in writing. Such resolution shall be filed with the minutes of the proceedings of the Board of Directors or the Board Committee, as the case may be, and shall be effective on the date stated thereon or on the latest date stated on any counterpart.
- 11.16 **Capacity if Vacancy.** If the number of Directors of the Credit Union is reduced below the number determined by the Board of Directors under Rule 11.1 by death, resignation, disqualification or removal from office or by failure to elect or appoint a Director pursuant to these Rules, the remaining Directors, save as provided by any other provision in these Rules, shall have all of the power of the Directors until the vacancy or vacancies caused thereby have been filled by appointment or election.
- 11.17 **Appointment to Fill Vacancy.** Subject to Rule 11.3, where a casual vacancy occurs among the Directors or, for any reason, the office of Director is not filled in an election, the remaining Directors may appoint a qualified person to fill the vacancy. Any person so appointed shall hold office until the close of the next Annual General Meeting.
- 11.18 **Number of Directors Less than Quorum.** Where the number of Directors is reduced below the number set by or under these Rules as the necessary quorum for Directors, the continuing Directors may act for the purpose of filling vacancies up to that number, or of summoning a general meeting of the Credit Union, but for no other purpose.
- 11.19 **Rules of Order.** Subject to the *Credit Union Incorporation Act* and the *Financial Institutions Act*, the Directors may adopt rules of order governing their conduct but, where no rules are adopted, the current edition of "Robert's Rules of Order Newly Revised" shall be used.

- 11.20 **Voting.** At all meetings of the Board of Directors, every question shall be decided by a majority of the votes cast on the question and, in the event of an equality of votes, the Chair of the meeting at the time the vote is taken, shall have a second or deciding vote.
- 11.21 **Delegation of Powers.** Subject to the *Credit Union Incorporation Act* and the *Financial Institutions Act*, the Directors may delegate any of their powers to:
- (a) committees consisting of such persons as the Directors think fit; and
  - (b) such officer or officers as the Directors think fit;
- and may from time to time revoke any such delegations.
- 11.22 **Terms of Reference.** Any committee formed under Rule 11.21 shall, in the exercise of the powers so delegated, conform to any terms and conditions that may from time to time be imposed upon it by the Directors.
- 11.23 **Quorum for Board Committees.** A majority of the members of a Board Committee will constitute a quorum.
- 11.24 **Reporting.** Every Board Committee shall report to the next succeeding meeting of the Board of Directors all business dealt with by the committee since the last preceding meeting of the Board of Directors.
- 11.25 **Indemnification.** Subject to the limitations contained in the *Financial Institutions Act*, the Credit Union shall indemnify:
- (a) each director and officer of the Credit Union;
  - (b) each former director and officer of the Credit Union; and
  - (c) each individual who acts or who has acted at the request of the Credit Union as a director or officer of a corporation of which the Credit Union is or was a member or creditor;
- against all costs, charges and expenses, including an amount paid to settle any action or satisfy any judgement, reasonably incurred by the director or officer for any civil, criminal or administrative action or proceeding, whether threatened, pending, continuing or completed, to which the director or officer is made a party by reason of being or having been a director or officer of the Credit Union or corporation, if:
- (d) the director or officer of the Credit Union or corporation acted honestly and in good faith with a view to the best interests of the Credit Union or corporation, as the case may be; and
  - (e) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the director or officer had reasonable grounds for believing that the conduct was lawful.
- Subject to applicable laws, if the director or officer is required to include in income or in the income of that individual's estate, any payment made under this indemnification for the purpose of determining income tax payable by the director or officer, the Credit Union will pay an amount by way of indemnity that will fully indemnify for the amount of all liabilities described in this Rule and all income taxes payable as a result of the receipt of the indemnity payment.
- 11.26 **Remuneration of Directors.** The remuneration, if any, of the Directors in relation to their service as Directors may be established, from time to time, by the Board of Directors. The Credit Union shall disclose such remuneration to the members of the Credit Union in accordance with applicable legislation and regulatory requirements.

## 12. Election of Directors

- 12.1 **Director Elections to be Held.** Each year, Directors shall be elected to replace those whose terms expire and a Director whose term expires is eligible for re-election.
- 12.2 **Length of Term.** Except where an election is held to fill the unexpired portion of a term, Directors shall be elected to hold office for three years.
- 12.3 **Varying Terms.** Where any offices of Directors being filled at any election are for different lengths of terms, the term of each person shall be determined in proportion to the number of votes each person receives, the person receiving the greatest number of votes to hold office for the longest term, provided that if there are two or more persons having an equal number of votes, their terms of office shall be determined by lot; but, if there is an election by acclamation, the chair of the Nominations and Elections Committee shall either determine the respective terms of the persons so elected or direct that the terms be determined by lot.
- 12.4 **Eligibility to Act as a Director.** A member in good standing, other than a person disqualified by Rule 12.5, shall be eligible for election as a Director.
- 12.5 **Disqualification.** A person is not eligible to be elected or appointed to the office of Director and, if holding the office of Director, shall immediately vacate the office, if such person:
- (a) fails to hold the minimum number of shares required for membership in the Credit Union;
  - (b) does not, or ceases to, meet the eligibility requirements of the *Financial Institutions Act* or the *Credit Union Incorporation Act* for becoming or acting as a director;
  - (c) is an employee of the Credit Union Deposit Insurance Corporation of British Columbia, an auditor of a credit union or a public servant whose duties relate to financial institutions;
  - (d) is a corporation;
  - (e) is an undischarged bankrupt;
  - (f) is a discharged bankrupt and less than five years has elapsed since the date of discharge from bankruptcy;
  - (g) unless the Supreme Court of British Columbia orders otherwise, is convicted in or outside of British Columbia of an offence in connection with the promotion, formation or management of a corporation or involving fraud, unless five years have elapsed since the latest of:
    - (i) the expiration of the period fixed for suspension of the passing of sentence without sentencing;
    - (ii) the imposition of a fine; or
    - (iii) the conclusion of a term of imprisonment and probation, if any;but a person is not disqualified under this Rule 12.5(g) if a pardon was granted or issued, or a record suspension was ordered, under the *Criminal Records Act (Canada)* and the pardon or record suspension, as the case may be, has not been revoked or ceased to have effect;
  - (h) is found, by a Court in Canada or elsewhere to be incapable of managing the individual's own affairs, unless a Court, in Canada or elsewhere, subsequently finds otherwise;



- (i) being a Director, has failed without being excused to attend meetings of the Board of Directors for three consecutive months in which meetings are held;
- (j) is an employee of the Credit Union or any of its subsidiaries or affiliates;
- (k) is the Spouse, parent, step-parent, child, step-child, mother-in-law, father-in-law, daughter-in-law or son-in-law of an employee or Director of the Credit Union or any of its subsidiaries or affiliates;
- (l) is, or is the Spouse of, a director, officer or employee of another credit union (other than a central credit union), bank, trust company, savings and loan association, loan company, deposit taking institution, insurance company or agency, stock brokerage or investment dealer or any other firm, association, syndicate, company, corporation or other business enterprise engaged in or concerned with or interested in, any business or any part thereof from time to time carried on by the Credit Union or by any of its subsidiaries (except where the Board of Directors determines, by resolution, that this Rule 12.5(l) shall not apply to such person);
- (m) has not been a member in good standing of the Credit Union, or a credit union that has disposed of all or substantially of all of its assets to the Credit Union, for at least 12 months prior to the date on which nominations for the election of Directors are closed pursuant to these Rules;
- (n) has been an employee of the Credit Union or any of its subsidiaries or affiliates who, during the 12 month period immediately before such election or proposed appointment, has worked over 200 hours in such capacity;
- (o) is a party to any legal action or other proceeding in which the Credit Union or any subsidiary or affiliate thereof, is a party adverse in interest to such person; or
- (p) being a Director, has breached the conflict of interest policy, the code of conduct or the code of performance standards for Directors (if any), as adopted by the Board of Directors from time to time, if not less than 2/3 of the remaining Directors have determined, by resolution, that such breach has occurred after giving the Director at least seven days notice of the meeting at which the Director's removal is to be considered and the Director has been given an opportunity to appear and make submissions at the meeting prior to the Directors voting on the resolution for the Director's removal.

12.6 **Appointment of Nominations and Elections Committee.** At least 120 days before each Annual General Meeting, the Chair shall appoint a Nominations and Elections Committee of not less than three persons who shall be members in good standing of the Credit Union, but not junior members. Appointees to the Nominations and Elections Committee may, but need not be, Directors, provided that no Director standing for office in the election may serve on the committee. The Nominations and Elections Committee shall be charged with the conduct of the elections of those persons to be elected prior to the next Annual General Meeting.

12.7 **Call for Nominations.** At least 90 days before an Annual General Meeting, the Nominations and Elections Committee shall notify all members of the Credit Union that an election of Directors is to take place, specifying the number of positions to be filled and shall invite the nomination of eligible members as provided herein that meet the desired skill set as identified by the Board of Directors prior to the close of nominations, and stating the date on which nominations close, which shall not be less than 21 days from the date of giving such notice.

12.8 **Candidate Nomination.** Candidates must be nominated in writing by at least three members in good standing or be invited to stand for election by the Nominations and Elections Committee.

12.9 **Junior Members.** A junior member is not eligible to nominate candidates, be nominated or vote in a Director election.

- 12.10 **Number of Nominations Per Member.** No member may nominate more than one candidate in respect of an election of a Director or Directors.
- 12.11 **Candidate Declaration.** Before the name of a person is placed in nomination as a candidate for election as a Director, that person shall deliver to the Nominations and Elections Committee a declaration, in writing, stating:
- (a) that the person is willing to stand for election, and if elected, to serve as a Director;
  - (b) that the person is not disqualified from eligibility by the operation of these Rules or applicable legislation in effect at the time the person is nominated;
  - (c) if elected, the person will comply with the provisions of the *Credit Union Incorporation Act*, the *Financial Institutions Act* and other legislation, as applicable;
  - (d) if elected, the person will comply with the conflict of interest policy, the code of conduct and the code of performance standards for directors (if any), adopted by the Board of Directors from time to time; and
  - (e) that the person will observe and abide by these Rules and the Election Guidelines relating to the election and the conduct thereof.
- 12.12 **Role of Nominations and Elections Committee.** The Nominations and Elections Committee shall:
- (a) examine each nomination received and determine whether the nomination meets the qualifications of a Director as determined by the Board of Directors, relevant legislation and these Rules;
  - (b) accept each nomination of a member qualified to be a candidate whose nomination is in order and reject each nomination which is not in order or that does not comply with the qualifications of a Director as determined by the Board of Directors, the relevant legislation or these Rules;
  - (c) notify each nominee accordingly;
  - (d) request each candidate meet with the Nominations and Elections Committee for the purpose of an interview within 15 days of the close of nominations;
  - (e) place in nomination the names of qualified candidates who meet the qualifications of a Director as determined by the Board of Directors, relevant legislation and these Rules;
  - (f) inform each candidate of the provisions of these Rules with respect to the conduct of the election and any determinations of the Board of Directors or the Nominations and Elections Committee relating to elections and the conduct thereof;
  - (g) conduct the elections of Directors in accordance with these Rules and the Election Guidelines.
- 12.13 **Conflicts of Interest.** At the time of nomination, every nominated candidate will make a statement of all known conflicts of interest between the candidate and the Credit Union in a form as prescribed by the Nominations and Elections Committee.
- 12.14 **Candidate Statement.** A candidate may submit, by the date on which nominations close, a current photograph and a combined resume and statement not exceeding 250 words, which shall be reviewed by the Nominations and Elections Committee. The statement shall be rejected by the committee if considered by the Nominations and Elections Committee to be lacking in good taste, defamatory, injurious to the reputation of the Credit Union or exceeds 250 words.

**12.15 Acclamation.**

- (a) If the number of qualified persons nominated for election is less than the number of offices to be filled, the persons so nominated shall be declared elected by acclamation and the Board of Directors may, after the close of the next Annual General Meeting, appoint qualified persons to the remaining positions in accordance with Rule 11.17.
- (b) If the number of qualified persons nominated for election is equal to the number of offices to be filled, those persons shall be declared elected by acclamation.

**12.16 Method of Voting.** Voting in an election of Directors shall be by mail ballot; provided, however, the Board of Directors may, subject to the *Credit Union Incorporation Act* and the *Electronic Transactions Act*, determine that members may also vote by such electronic means as may be prescribed by the Board of Directors in its discretion.

**12.17 Notice of Election.** If the number of qualified persons nominated for election exceeds the number of offices to be filled, an election shall be conducted and the Nominations and Elections Committee, shall at least 18 days before the date set for commencement of voting, provide to all members entitled to vote a notice setting forth:

- (a) a list of conditions under which members will be eligible to vote in an election;
- (b) a ballot listing alphabetically the name of all nominees;
- (c) a photograph, resumé and statement if submitted by a candidate pursuant to Rule 12.14;
- (d) if the Nominations and Elections Committee chooses to recommend a candidate or candidates, an indication of which candidate or candidates the Nominations and Elections Committee chooses to recommend;
- (e) such additional information regarding the candidates as may be determined by the Nominations and Elections Committee in its sole discretion and instructions on how additional information regarding for the candidates for election may be obtained;
- (f) clear and precise instructions for casting an electronic or paper ballot and the return thereof, which shall specify the date by which the ballot must be returned to the address specified in the voting instructions;
- (g) where ballots are provided by electronic means, advice of the right of each member to request in writing, not less than 10 days prior to the close of voting, a ballot which may be cast by mail instead of being cast by electronic means; and
- (h) if the election is to be conducted using a mail-in paper ballot:
  - (i) a ballot envelope;
  - (ii) a ballot authentication envelope which must provide spaces for the name, address, membership number and signature of the member; and
  - (iii) an addressed envelope bearing the address to which the completed ballot papers are to be mailed.

**12.18 Ineligibility or Death of Candidate.** If a nominated candidate dies or becomes ineligible for election before the close of nominations, the election will proceed as if the candidate was not nominated. If a nominated candidate dies following the close of nominations and before the close of voting, the election

shall be cancelled and new election proceedings will be initiated. Any other candidate whose name was placed in nomination for election as a Director shall be deemed to be a candidate in the new election without re-nomination. The Nominations and Elections Committee shall conduct the new election in accordance with these Rules, with such changes and so far as are applicable, as the Nominations and Elections Committee may in its sole discretion determine.

- 12.19 **Voting Eligibility.** Only a member who is not a junior member and who is in good standing 90 days prior to the date of the Annual General Meeting is eligible to cast a ballot in an election of a Director or Directors.
- 12.20 **Lost or Destroyed Ballots.** If member who is entitled to receive a ballot does not receive a ballot pursuant to Rule 12.17, or loses or destroys the ballot before it is cast, then upon receipt prior to the close of voting of a declaration from that member that the ballot was not received, or has been lost or destroyed, and that the member has not cast a ballot in that election, the Credit Union shall make available to that member the items and information to be provided pursuant to Rule 12.17.
- 12.21 **Member Declaration.** Every member desiring to cast a ballot in the election shall:
- (a) provide such proof and particulars of membership as the Nominations and Elections Committee or the Returning Officer may prescribe; and
  - (b) provide a declaration, in the form prescribed by the Nominations and Elections Committee, that the member is a member in good standing and has not previously cast a ballot in the election then in progress.
- 12.22 **Election Guidelines.** The Nominations and Elections Committee may, from time to time, determine the Election Guidelines.
- 12.23 **Disqualification.** If, in the opinion of the Nominations and Elections Committee, a candidate or person representing the candidate, campaigns in any method or manner in contravention of the Election Guidelines, the Nominations and Elections Committee will contact the candidate to request that the candidate comply with the Election Guidelines. If the candidate fails to comply immediately with the request made by the Nominations and Elections Committee, the matter will be referred to the Board of Directors to consider disqualification of the candidate. At least three days prior to the meeting at which the disqualification of a candidate is to be considered, the secretary will provide such candidate with notice of the meeting and the grounds for considering the candidate's disqualification. The candidate may appear and make submissions at the meeting prior to the Board of Directors making its decision. If the Board of Directors determines that the candidate has violated the Election Guidelines in conducting the candidate's campaign, the candidate will be disqualified from the election then in progress and be deemed ineligible to serve as a Director for such election. Within 24 hours of the disqualification of such candidate by the Board of Directors, the Board of Directors will give written notice of such disqualification to the candidate and the notice will specify the reason or reasons for disqualification. If a candidate has been disqualified, no vote cast in favour of that candidate will be counted in the tally of ballots, but the ballots will not otherwise be deemed to be void. The decision of the Board of Directors will be final, conclusive and binding on the candidate.
- 12.24 **Returning Officer.** At least 60 days prior to the date on which voting in an election is to commence, the Nominations and Elections Committee shall appoint a Returning Officer, who shall be responsible for supervising the tallying of the election ballots. The final decision on whether a ballot is to be rejected or accepted shall be made prior to the tallying of votes by the Returning Officer, whose discretion is absolute and not open to question or review.
- 12.25 **Qualifications.** The Returning Officer appointed under Rule 12.24 may, but need not, be a member of the Credit Union, but the Returning Officer shall not be a Director or an employee of the Credit Union.

- 12.26 **Ballot Requirements.** No ballot shall be counted in the election unless:
- (a) such ballot is received by the Credit Union within the time and in the manner specified in the voting instructions;
  - (b) such ballot has been marked in a manner which indicates that the voter intended to vote for any number of duly nominated candidates up to and including, but not exceeding, the number of persons required to be elected; and
  - (c) all valid requirements of the Nominations and Elections Committee have been fulfilled with respect to the casting of the ballot.
- 12.27 **Counting of Ballots.** The Returning Officer shall, after the close of balloting, cause all ballots received to be tallied, in a manner to ensure the secrecy of balloting.
- 12.28 **No Interference.** No candidate shall interfere with any person in the election process or seek assistance in connection with the election from any employee of the Credit Union.
- 12.29 **Results.** As soon as practicable, but not later than 10 days from the closing of an election in accordance with the voting instructions relating thereto, the Returning Officer shall communicate the results of the election to the chair of the Nominations and Elections Committee, who shall communicate such results to each of the Directors and each of the candidates for election and arrange communication to the membership.
- 12.30 **Posting of Results.** An alphabetic listing of the candidates and the number of votes received by each shall be posted on the Credit Union's website and in the Main Administration Office of the Credit Union and shall remain posted until the close of business on the tenth business day once approval to disclose the election results to the membership is made by the chair of the Nominations and Elections Committee.
- 12.31 **Announcement.** The results of the election, including the total number of ballots cast, the number of spoiled ballots and the number of votes obtained by each candidate, shall be announced at the next Annual General Meeting.
- 12.32 **Personal Information Return.** Before commencing duties, a Director shall complete and submit to the Superintendent the personal information return in the form prescribed by the *Financial Institutions Act*, disclosing the prescribed information.
- 12.33 **When Directors Take Office.** Subject to the *Financial Institutions Act* and Rule 12.32, a person elected as a Director shall take office at the close of the Annual General Meeting next following the person's election, or, if the election results with respect to the election of that person are not determined by the close of the Annual General Meeting, then as soon thereafter as the results are determined provided that, for the purpose of determining that person's length of term, the person shall be deemed to have taken office at the close of the Annual General Meeting.

## 13. Alteration

- 13.1 **Changes to Rules.** The Credit Union may alter these Rules by Special Resolution from time to time.

## 14. Miscellaneous

- 14.1 **Voting.** Subject to the *Credit Union Incorporation Act* and these Rules, no member has more than one vote on a resolution or in an election of Directors and no auxiliary member has more than one vote on a separate resolution.

- 14.2 **Auxiliary Members.** Subject to the *Credit Union Incorporation Act*, an auxiliary member is not entitled to vote, be a Director or be a member of a committee of the Credit Union.
- 14.3 **Accidental Omission.** Where a call for nominations or notice of an election, meeting or resolution of the Credit Union is received generally by members of the Credit Union or the holders of any class of shares entitled to receive notice of the resolution, the omission to give the call for nominations or notice to any member or other shareholder, as the case may be, or the non-receipt thereof by any member or shareholder, will not invalidate the election, resolution passed or proceedings taken at the meeting and will not invalidate any resolution passed by any method of voting which is permitted pursuant to these Rules.
- 14.4 **Electronic Means.** Subject to the *Credit Union Incorporation Act*, the *Financial Institutions Act* and the *Electronic Transactions Act*, if the Board of Directors determines pursuant to these Rules that members may vote or participate in meetings by electronic means, the Board of Directors may prescribe such technological and other requirements for the use of such electronic means as the Board of Directors in its discretion considers desirable in the circumstances.
- 14.5 **Electronic Communications.** Subject to the *Credit Union Incorporation Act*, the *Financial Institutions Act* and the *Electronic Transactions Act*, unless these Rules expressly provide otherwise:
- (a) where these Rules require the use of documents that are “written”, “in writing” or other similar words, the Board of Directors may in its discretion permit the use of documents in such electronic forms as the Board of Directors in its discretion considers desirable in the circumstances, provided that such electronic documents are accessible in a manner useable for subsequent reference;
  - (b) where the *Credit Union Incorporation Act*, the *Financial Institutions Act* or these Rules require the provision or delivery of documents, the Board of Directors may in its discretion permit the provision or delivery of such documents in such electronic form and by such electronic means (including without limitation making such electronic documents accessible to the intended recipient by an electronic means notified to the intended recipient or by attachment to or inclusion in the member’s monthly statement) as the Board of Directors in its discretion considers desirable in the circumstances, provided that such electronic documents are accessible by the recipient in a manner useable for subsequent reference and capable of being retained by the recipient in a manner useable for subsequent reference; and
  - (c) for the purpose of this Rule, “documents” includes, without limitation, notices (including notices of meetings, Director elections and Special resolutions), instruments, resolutions, reports, statements (including financial statements), and ballots.