



New Copperfin Credit Union Limited By-Laws

**Contents**

1. Interpretation ..... 1

2. Bond of Association ..... 2

3. Membership ..... 2

4. Business of the Credit Union ..... 5

5. Directors ..... 6

6. Committees ..... 10

7. Officers ..... 11

8. Meetings of Members ..... 13

9. Protection of Directors, Officers, and Others ..... 21

10. Shares ..... 22

11. Dividends, Rights, and Patronage Returns ..... 24

12. Meetings of Shareholders ..... 25

13. Lending ..... 29

14. Information Available to Members and Shareholders ..... 29

15. Notices ..... 29

16. Effective Date ..... 31

NOW THEREFORE BE IT ENACTED, AND IT IS HEREBY ENACTED, as a By-law of Copperfin Credit Union Limited (hereinafter called the "Credit Union") as follows.

**By-law 1 — Interpretation**

**1.01 Definitions** – In these By-laws, unless the context otherwise requires:

- a) "Act" means the Credit Unions and Caisses Populaires Act, 1994, and the regulations and guidelines made pursuant thereto, as from time to time amended, and every statute 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 shall be read as references to the substituted provisions therefor in the new statute or statutes;
- b) "Appoint" includes "elect" and vice versa;
- c) "Articles" means the articles of incorporation or other instrument by which the Credit Union is incorporated;
- d) "Board" means the board of directors of the Credit Union;
- e) "By-laws" means these by-laws and all other by-laws of the Credit Union from time to time in force and effect;
- f) "Child" means, regarding an individual, the individual's biological, adopted, or foster child (which shall include a step-child), and the Spouse of such a child;
- g) "Committee" means a Committee of the Board;

- h) "Nomination Period" has the meaning given to those words in Section 8.14 hereof;
- i) "Non-business day" means Saturday, Sunday, and any other day that is a holiday as defined in the Legislation Act, 2006 (Ontario);
- j) "Parent" means, regarding an individual, the biological or adoptive parent (which shall include a step-parent) of the individual or his or her Spouse;
- k) "Recorded Address" means, in the case of a member or shareholder, his 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 1, and in the case of a director, officer, auditor, or member of a Committee, his latest address as recorded in the records of the Credit Union;
- l) "Shareholder" means the holder of any Share of the Credit Union;
- m) "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;
- n) "Signing Officer" means, in relation to any instrument, any person authorized to sign the same on behalf of the Credit Union by Section 4.03 or by a resolution passed pursuant thereto; and
- o) "Spouse" means, regarding an individual, his or her spouse as defined for the purposes of Part III of the Family Law Act (Ontario).

All terms contained in the By-laws and which are defined in the Act shall have the meanings given to such terms in the Act.

**1.02 Gender, Plural, etc.** – In these By-laws the singular shall include the plural and the plural shall include the singular, references to any gender shall be deemed to be references to all genders, and the word "person" shall include individuals, bodies corporate, corporations, cooperatives, companies, partnerships, syndicates, trusts, unincorporated organizations, and any number or aggregate of persons.

### **By-law 2 — Bond of Association**

**2.01** The Credit Union's bond of association exists between persons or entities who, if individuals, whether minors or adults, reside or are employed in Ontario.

### **By-law 3 — Membership**

**3.01 Membership Qualifications** — Membership in the Credit Union shall be limited to:

- a) persons or entities that come within the Credit Union's bond of association;

- b) related persons or entities of such members qualifying under any clause in this Section 3.01 and the Act;
- c) a person or entity not otherwise qualifying for membership under the Credit Union's bond of association as long as the aggregate number of such members does not exceed 3% of the number of members of the Credit Union, the admission to membership of such persons or entities has been specifically approved by the Board, and the names of such person or entities admitted to membership on this basis are identified as such in the records of the Credit Union;
- d) a person or entity who originally qualified for and became a member under clauses a), b), or c) above and who no longer qualifies under clauses a), b), or c) above; and
- e) any unincorporated association, corporation, partnership, or government agency that is eligible for membership under the provisions of the Act.

**3.02 Members Under 18 Years of Age** – A person under 18 years of age may, if he otherwise qualifies as a member of the Credit Union under the Act and these By-laws, become a member of the Credit Union, subject to the following restrictions:

- a) a member under 18 years of age is not entitled to vote on any matter a member would be entitled to vote on;
- b) such a member is not entitled to 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 or the government of a Canadian province, territory or municipality; and
- c) any other restriction set out in the Act or these By-laws.

**3.03 Membership Application** – Application for membership shall be made in writing, and the Board may from time to time specify the form of such application. No person shall become a member of the Credit Union until that person's application for membership has been approved by the Board or by an employee authorized by resolution of the Board to approve such applications on its behalf.

**3.04 Membership Shares** – No person shall become a member of the Credit Union until he has fully paid for five (5) five dollar (\$5.00) membership shares of the Credit Union.

**3.05 Number of Membership Shares** – The maximum number of membership shares the Credit Union may issue to a member is the sum of the minimum number of membership shares that member must hold, pursuant to Section 3.04, and the number of membership shares that would be issued by the Credit Union for an additional consideration of \$1,000, as determined at the time the membership shares are issued.

**3.06 Suspension** – A member that ceases to hold the minimum number of

membership shares required by Section 3.04 may not exercise any rights a member may exercise under these By-laws or the Act.

**3.07 Expulsion** – Subject to Section 3.08, a member may be expelled from membership, by a resolution passed at a meeting of the Board, for failing to:

- a) conduct himself or herself appropriately when transacting business with the Credit Union;
- b) hold the required number of membership shares in the Credit Union;
- c) abide by the Credit Union's By-laws; or
- d) repay indebtedness to the Credit Union in accordance with its conditions of repayment.

**3.08 Member Rights** – Prior to resolving to expel a member, the Credit Union must provide the member the following rights:

- a) to receive 10 days' advance notice of the meeting where such resolution is to be considered, personally or by prepaid mail addressed to the member at his Recorded Address;
- b) to attend such meeting, to make submissions at that meeting, and to be represented by a person authorized under the Law Society Act to represent the member at such meeting;
- c) to appeal the decision of the Board at the next general meeting of the members; and
- d) to be reinstated as a member of the credit union if, at the next general meeting, the members, by a majority of the votes cast at the meeting, set aside the resolution of the Board expelling the member.

**3.09 Procedures on Appeal** – A member who wants to appeal his expulsion, in accordance with Section 3.08 c), must give written notice to the Board of his intention to appeal within 21 days of receiving notice of expulsion.

**3.10 Written Appeal** – A member appealing his expulsion may make written representations no more than 2,000 words in length. If the Credit Union receives these representations at least 7 days before it issues notice of the relevant general meeting of members pursuant to Section 8.04, the Credit Union shall include at its expense in that notice a notice that it has made available, for its members' review, any such written representations at the head office and each of the branches of the Credit Union.

**3.11 Withdrawal** – Where a member wishes to withdraw from the Credit Union he shall give notice in writing of intention to withdraw to the Board.

**3.12 Payment Out upon Withdrawal or Expulsion** – Upon the withdrawal of a member under Section 3.11 or the expulsion of a member under Section 3.07, and subject to section 62(3) of the Act, the Credit Union shall, after deduction of all amounts due from the member to the Credit Union, remit the balance of his shares and deposits to such member within 90 days of his giving notice of his intention to withdraw or the date of the resolution expelling the member.

**3.13 Language** – The Credit Union's language of operation shall be English.

**3.14 Records** – Each member is entitled to a passbook or other record specifying the amount paid upon shares, deposits, and loans by him.

**By-law 4 — Business of the Credit Union**

**4.01 Corporate Seal** – The Credit Union may have a corporate seal, which shall be adopted and may be changed by resolution of the Board.

**4.02 Fiscal Year-End** - The financial year of the Credit Union shall end on December 31 of each calendar year.

**4.03 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 2 officers or directors, and instruments in writing so signed shall be binding upon the Credit Union without any further authorization or formality. The Board shall 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, person or persons, appointed as aforesaid by resolution of the Board.

The term "contracts, documents, or instruments in writing" as used in these By-laws shall 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 Chair of the Board, a Vice-Chair, the Corporate Secretary, an Assistant Corporate Secretary or any director of the Credit Union, and/or any other officer or officers, or person or persons, appointed as aforesaid by resolution of the Board may, if specifically authorized by resolution of the directors, be printed, engraved, lithographed, or otherwise reproduced upon contracts, documents, or 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, and all contracts, documents, or instruments in writing or bonds, debentures, notes, or other securities of the Credit Union upon which the signature or signatures of any of the foregoing officers or directors or persons authorized as aforesaid shall be so reproduced pursuant to special authorization by resolution of the Board, shall be deemed to have been manually signed by such officers or directors or persons whose signature or signatures is or are

so reproduced, and shall 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.

**4.04 Banking Arrangements** – Subject to Section 4.05 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, shall be transacted with Central 1 Credit Union and 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 shall be transacted under such agreements, instructions, and delegations of power as the Board may from time to time by resolution prescribe or authorize.

**4.05 Borrowing** – The Credit Union shall be 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 shall not borrow in the aggregate an amount exceeding 50% of its regulatory capital and deposits.

#### By-law 5 — Directors

**5.01 Number of Directors and Quorum** – The number of directors of the Credit Union shall be the number set out below:

- a) From the conclusion of the annual general meeting of the Credit Union held in 2021 until the conclusion of the annual general meeting of the Credit Union held in 2022 – Eleven (11) directors;
- b) From the conclusion of the annual general meeting of the Credit Union held in 2022 until the conclusion of the annual general meeting of the Credit Union held in 2023 – Ten (10) directors; and
- c) From the conclusion of the annual general meeting held in 2023 and thereafter – Nine (9) directors.

The quorum for the transaction of business at any meeting of the Board shall be a majority of the Board.

**5.02 Qualification** – An individual is eligible for election as a director of the Credit Union if, and only if:

- A. as of the last day of the Nomination Period, the individual:
  - i. is a member of the Credit Union;
  - ii. is at least eighteen (18) years of age;
  - iii. is not disqualified from becoming or acting as a director pursuant

- to the Act;
- iv. if a former employee of the Credit Union, was not an employee of the Credit Union at any time in the 5 year period ending with the last day of the Nomination Period;
  - v. if a Spouse, Parent or Child of a former employee of the Credit Union, the former employee of the Credit Union was not an employee of the Credit Union at any time in the 5 year period ending with the last day of the Nomination Period;
  - vi. is not the Spouse, Parent or Child of an individual who is also a candidate for election as a director in the same election, or who is then a director of the Credit Union; and
  - vii. is not an executive in any local, or in the provincial or national office, of any union certified as the collective bargaining agent for any employee or employees of the Credit Union; and
- B. the individual has been nominated in accordance with Section 8.16 hereof.

### 5.03 Director Term of Office

- (a) Subject to the Act, a member elected as a director shall take office at the close of the membership meeting at which he is declared to have been elected.
- (b) Except where an election is held to fill the unexpired portion of a director's term or as otherwise specifically provided in this section, directors shall be elected or acclaimed for terms of three (3) years, or until their successors in office are elected or Appointed.
- (c) If, in an election, terms of office of varying lengths are to be filled, the nominees obtaining the greater number of votes shall be declared to be elected to the longer terms of office available.
- (d) If, in an election, an equality of votes results which must be resolved to determine which person or persons are elected to the Board and which person or persons are not so elected, there shall be a run-off election held among the members present at the membership meeting in question, regardless of whether those members had voted in the election prior to that membership meeting, involving only those candidates involved in the equality of votes.
- (e) If, in the case of an acclamation of all nominees or an equality of votes between two or more of the persons elected to the Board, terms of office of varying lengths are to be filled, or there has been a reduction in the number of vacancies approved earlier in the meeting which has reduced the number of vacancies to be filled, the terms or vacancies, as the case may be, shall be assigned by voluntary agreement among the nominees or the persons involved in the equality of votes, as the case may be, or, failing that, by chance in a manner determined by the Chair of the Board in his or her sole and absolute discretion.

### 5.04 Election and Term – Prior to every annual general meeting of the Credit

Union, after the first election of the Board, an election shall be held to fill the places of directors whose terms of office have expired.

- 5.05 Disclosure of Interest** – Prior to each election to be held pursuant to Section 5.04, the Board shall make available in the head office and all branches of the Credit Union, during the voting period set out in Section 8.10(d), a copy of every candidate for a director position's disclosure made pursuant to section 94.1 of the Act.
- 5.06 Maximum Number of Terms** – A director shall serve for no more than 4 consecutive terms.
- 5.07 Removal of Directors by Members** – Subject to the provisions of the Act, the members may, by special resolution passed at a meeting specially called for such purpose, remove any director from office, and the vacancy created by such removal shall be filled at the same meeting.
- 5.08 Removal of Directors by Board** - A person may be removed as a director for any reason and in any manner permitted by the Act, and by resolution of the Board, passed by the affirmative votes of not less than two thirds of the directors present and voting at a meeting of the Board, if that director:
- a. has failed, without, in the opinion of the directors voting on the matter in their sole and absolute discretion, good cause, to attend at least seventy-five percent (75%) of the meetings of the Board held in the preceding twelve (12) months;
  - b. has breached the Standards of Business Conduct Policy for directors; or
  - c. has breached, in the opinion of the directors voting on the matter in their sole and absolute discretion, the confidentiality of any proceedings, deliberations, or information or governing policies of the Board.

At least 7 days prior to the meeting at which the removal of a director is to be considered, the Corporate Secretary will provide the director to be removed with both notice of the meeting, and also the grounds for proposing the director's removal from the Board. The director to be removed may appear at that meeting, either personally or by a person authorized under the Law Society Act to represent the director at that meeting, and may make submissions at the meeting prior to the consideration of the resolution removing the director from the Board, such consideration to occur in the absence of the director whose removal is proposed.

- 5.09 Vacation of Office** – A director ceases to hold office when he dies, resigns, becomes disqualified pursuant to the Act or Section 5.02 hereof, is removed from office by the members, by the Board pursuant to Section 5.08 hereof, or by the Superintendent of Financial Services in accordance with the Act, or his term expires, except that a death, resignation or removal which occurs, or a disqualification which is first discovered, after the commencement of the Nomination Period, but before the next annual general meeting of the Credit Union, shall be deemed to result in a vacation of office on the day following the next annual general meeting of the Credit Union.



- 5.10 Action by the Board** – The Board shall manage or supervise the management of the business and affairs of the Credit Union, but the Board, any individual director, or any member of a Committee shall not manage, or be involved in, the day to day activities of the Credit Union. Subject to Section 5.12, the powers of the Board may be exercised at a meeting at which a quorum is present. 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.
- 5.11 Vacancies** – Subject to the Act, a quorum of the Board may fill a vacancy in the Board by appointing a qualified individual to serve until the next annual meeting of members of the Credit Union, when the members will elect a qualified person to fill the unexpired term of the director who vacated his or her office. In the absence of a quorum of the Board, the directors then in office shall forthwith call a special meeting of members to fill the vacancy. If the directors then in office fail to call such meeting or if there are no directors then in office, any member may call the meeting.
- 5.12 Meeting by Telephone** – If all the directors of the Credit Union present or participating in the meeting consent, which consent shall be deemed unless any such director makes a specific objection to such participation, which objection is accepted as having merit by the Chair, or unless the Chair determines in his or her sole and absolute discretion that such participation should not be permitted, a director may participate in a meeting of the Board or of a Committee by means of such telephone, electronic, or other communications facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and a director participating in such a meeting by such means is deemed to be present at the meeting.
- 5.13 Place of Meeting** – Meetings of the Board may be held at any place within the province of Ontario.
- 5.14 Calling of Meetings** – Subject to the Act, meetings of the Board shall be held from time to time, but no less than quarterly, on such day and at such time and at such place as the Board, the Chair of the Board, a Vice-Chair, or any 2 directors may determine, and the Corporate Secretary, when directed by the Board, the Chair of the Board, a Vice-Chair, or any 2 directors, shall convene a meeting of the Board.
- 5.15 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 time to be named. A copy of any resolution of the Board fixing the place and time of such regular meetings shall be sent to each director forthwith after being passed, but no other notice shall be required for any such regular meeting except where the Act requires the purpose thereof or the business to be transacted thereat to be specified.
- 5.16 Notice of Meeting** – Notice of the date, time, and place of each meeting of

the Board shall be given in the manner provided in Section 15.01 to each director 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.

**5.17 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 meeting of members at which such Board is declared to have been elected.

**5.18 Adjourned Meeting** – Notice of an adjourned meeting of the Board is not required if the time and place of the adjourned meeting is announced at the original meeting.

**5.19 Votes to Govern** – At all meetings of the Board, every question shall be decided by a majority of the votes cast on the question, including the vote of

the Chair if offered, except where the Act or the By-laws requires otherwise. In case of an equality of votes, the chair of the meeting shall not be entitled to a second or casting vote.

**5.20 Conflicts of Interest** - Subject to the Credit Union's conflict of interest policy, a director, officer, committee member or employee 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, shall 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 his/her interest, at the time and in the manner provided by the Act. Any such contract or transaction, or proposed contract or transaction, shall 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 so referred to the Board shall not vote on, or be present at the consideration of, any resolution to approve the same except as permitted by the Act.

**5.21 Remuneration and Expenses** – The directors shall be paid such remuneration for their services as the Board may from time to time determine. The directors shall also be entitled to be reimbursed for travelling and other expenses properly incurred by them in attending meetings of the members, shareholders, the Board, or any Committee thereof, or otherwise in the performance of their duties.

## By-law 6 — Committees

**6.01 Audit Committee** – The Board shall elect annually, at its first meeting after the annual meeting of the Credit Union, an audit Committee, to be composed of at least 3 members of the Board. The audit Committee shall have the powers and duties provided in the Act.

**6.02 Nominating Committee** - The Board shall Appoint a nominating Committee of at least 3 members of the Board, who shall make reasonable efforts to ensure that:

(a) at least one more member than the number of vacancies on the Board is nominated and recommended for election to fill the vacancies in the Board;

(b) all nominees are eligible for election to, and have the experience, expertise and qualifications to serve on, the Board, and

(c) all nominees understand, and are committed to performing, the duties and obligations of a director of the Credit Union.

The Chair of the Board may not serve on the nominating Committee. No director who is eligible for re-election in the election held prior to the annual general meeting of the Credit Union for which nominations are being sought (whether or not that director stands for re-election), shall be eligible to serve on the nominating Committee.

**6.03 Other Committees** – In addition to the audit and risk and nominating Committees, the Board may elect from among its numbers 1 or more other Committees, however designated, and delegate to such Committees any of the powers of the Board, except those which, under the Act, a Committee has no authority to exercise.

**6.04 Term of Office of Members of Other Committees** – Members of Committees, other than the audit and risk Committee, serve at the pleasure of the Board.

**6.05 Transaction of Business** – The powers of a Committee may be exercised by a meeting at which a quorum is present.

**6.06 Procedures** – Subject to these By-laws and unless otherwise determined by the Board, each Committee shall have power to fix its quorum at not less than a majority of its members, to elect its Chair, and to regulate its procedures.

**6.07 Remuneration** – Committee members shall be paid such remuneration for their services as the Board may from time to time determine.

#### **By-law 7 — Officers**

**7.01 Appointment** – The Board shall appoint a Chair of the Board, a Chief Executive Officer, and a Corporate Secretary, and may appoint, from time to time, 1 or more Vice-Chairs (to which title may be added words indicating seniority or function), and such other officers as the Board may determine,

including 1 or more assistants to any of the officers so appointed. 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 Chair and any Vice Chair must be a director. The Chief Executive Officer must be an employee. Any officer, other than the Chair, any Vice-Chairs, or the Chief Executive Officer, may but need not be a director, and 1 person may hold more than 1 office. All officers shall sign such contracts, documents, or instruments in writing as require their respective signatures. In the case of the absence or the inability or refusal 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.

- 7.02 Chair of the Board** – The Chair of the Board shall be a director and shall, when present, preside at all meetings of the Board and of the members and Shareholders of the Credit Union. The Chair of the Board shall be vested with and may exercise such powers and shall perform such other duties as may from time to time be assigned to him by the Board. During the absence or the inability or refusal to act of the Chair of the Board, his duties shall be performed and his powers exercised by a Vice-Chair.
- 7.03 Term of the Chair of the Board** – The Chair of the Board shall serve for a 1 year term. The Chair of the Board may serve for no more than 3 consecutive terms.
- 7.04 Vice-Chair** – Each Vice-Chair shall be a director, and shall have such powers and duties as the Board or the Chair of the Board may specify. The Vice-Chair or, if more than 1, the Vice-Chair designated from time to time by the Board or by the Chair of the Board, shall be vested with all the powers and shall perform all the duties of the Chair of the Board in the absence or the inability or refusal to act of the Chair of the Board.
- 7.05 Chief Executive Officer** – The Chief Executive Officer shall carry out, or shall cause to be carried out, the strategic plans and policies as established by the Board, and he shall have such other powers and duties as the Board may specify.
- 7.06 Corporate Secretary** – The Corporate Secretary shall give or cause to be given, as and when instructed, all notices to members, shareholders, directors, officers, auditors, and members of Committees; he shall 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; he shall ensure that the records of the By-laws and the minutes of meetings of the Board, the membership, and the Shareholders are kept up to date; and he shall have such other powers and duties as the Board may specify.
- 7.07 Powers and Duties of Other Officers** – The powers and duties of all other officers shall be such as the terms of their engagement call for or as the Board may specify. Any of the 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.

- 7.08 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.
- 7.09 Term of Office** – Each officer appointed by the Board who is not an employee of the Credit Union, other than the Chair, shall hold office until his successor is appointed, or until the earlier of his resignation, retirement, or death. Every employee appointed as officer shall be appointed to that office annually at the discretion of the Board, but any such appointment shall automatically terminate upon the officer's termination of employment. Notwithstanding the foregoing, the Board, in its discretion, may remove any officer of the Credit Union from his office with or without cause, without prejudice to such officer's rights under any employment contract.
- 7.10 Terms of Employment and Remuneration** – The terms of employment and the remuneration of an officer appointed by the Board shall be settled by it from time to time. The fact that any officer or employee is a Shareholder of the Credit Union shall not disqualify him from receiving such remuneration as may be so determined.
- 7.11 Agents and Attorneys** – The Board shall 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.
- 7.12 Fidelity Bonds** – Subject to the Act, the Board shall require directors and officers, employees, and agents of the Credit Union receiving or having charge of money, to furnish bonds for the faithful discharge of their powers and duties, provided by an insurer licensed under the Insurance Act (Ontario) to write surety and fidelity insurance, and in an amount at least equal to any minimum amount required by the Act or calculated in accordance with the formula specified in the Act, but no director shall be liable for failure to require any such bond or for the insufficiency of any such bond or for any loss by reason of the failure of the Credit Union to receive any indemnity thereby provided.

#### **By-law 8 — Meetings of Members**

- 8.01 Annual Meeting** – Unless otherwise authorized by the Superintendent, the annual meeting of the Credit Union shall be held within 120 days following the fiscal year-end. Subject to the above-noted restriction, meetings of the members of the Credit Union shall be held on such date, at such time and such place, within the province of Ontario, as determined by the Board.
- 8.02 Electronic Meetings** - A membership meeting may, if the Board determines by resolution to do so, and pursuant to such conditions, rules and procedures which may be approved by the Board, be held by telephonic or electronic means. A member who, by such means, votes at the meeting

or establishes a communications link to the meeting shall be deemed for all purposes, including, without limiting the generality of the foregoing, the calculation of quorum pursuant to Section 8.07 hereof, to have been present at the meeting.

**8.03 Order of Business at an Annual Meeting** – At an annual meeting, the Board shall place before the members:

- (a) the audited financial statements of the credit union;
- (b) the report of the auditor;
- (c) the report of the audit and risk Committee; and
- (d) such further information respecting the financial position of the Credit Union and the results of its operations as the Board determines should be presented to the members.

The order of business at any special meeting of the members of the Credit Union shall be as determined by the Board.

**8.04 Notice of Meeting** – Notice of all meetings of the Credit Union shall be given by the Corporate Secretary, who shall, not later than ten days before the date of the meeting or earlier than fifty 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 such meeting determined in accordance with Section 8.05 hereof, a member of the Credit Union in full compliance with the minimum membership share requirements contained in Section 3.04 hereof, by posting a notice of the meeting in each office of the Credit Union, and either:

- (a) sending the notice by electronic mail to members who have authorized the Credit Union communicating with them in this fashion and provided the Credit Union with an electronic mail address to use for this purpose, and otherwise sending the notice by prepaid mail to the Recorded Address of the member; or
- (b) posting the notice on the Credit Union's website.

The notice shall specify that copies of the financial statements and the reports of the audit and risk Committee and the auditor will be available for inspection at the meeting and at the offices of the Credit Union 10 days before the date of the meeting, and shall set out any matters to be dealt with at the meeting, other than the audited financial statements and the reports of the auditor and of the audit and risk Committee, in sufficient detail to permit members to form a reasoned judgment on the matter.

**8.05 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 no less than 10 days, as a record date for the determination of the members entitled to notice of the meeting, provided that notice of such record date shall be given not less than 7 days before such record date by newspaper advertisement. If no record date is fixed, the record date for determining the members entitled to

notice of the meeting shall be at the close of business on the day immediately preceding the day on which the notice is given.

**8.06 Accidental Omission** – Where notice of a meeting is received generally by the members of the Credit Union, the accidental omission to give notice to any member thereof, or the non-receipt of the notice by any member thereof, shall not invalidate any resolution passed or any proceedings taken at the meeting.

**8.07 Quorum** – At all meetings of the members of the Credit Union 40 members present at the meeting, or not present at the meeting but having cast a ballot in accordance with Section 8.10 hereof, shall constitute a quorum, but, if no quorum is present, the presiding officer of the meeting shall adjourn the meeting to a date not less than 7, or more than 15, days thereafter, and the decision of the adjourned meeting shall be binding upon the Credit Union, regardless of the number of members then present, provided that notice of the adjourned meeting shall be given by the Corporate Secretary in the manner herein provided, at least 7 days prior to the date of the adjourned meeting.

**8.08 New Business** – At all meetings of the members of the Credit Union, only the business stated in the notice calling such meeting may be transacted.

**8.09 Voting** – Every member who is entitled to receive notice of the meeting of members pursuant to Section 8.04 hereof shall be entitled to one vote thereat and as otherwise specified in Section 8.10 hereof.

**8.10 Methods of Voting**

(a) General: Every question submitted to any meeting of members, except as otherwise provided in this section or unless a poll is demanded or required thereon prior to the vote and such a demand or requirement is not withdrawn before the completion of the vote, shall be decided in the first instance by a show of hands. In the case of an equality of votes, the Chair of the meeting shall, both on a show of hands and at a poll, have a second or casting vote in addition to the vote or votes to which he/she may be entitled as a member.

At any meeting, unless a poll is demanded, a declaration by the chair of the meeting that a resolution has been carried, carried unanimously, or carried by a particular majority, or lost or not carried by a particular majority, shall be conclusive evidence of the fact.

(b) Election and Special Resolutions: Voting in any election of directors, and on any special resolution, shall take place before the members' meeting at which the result will be announced and, on such election or special resolution, members shall be permitted to choose to cast their ballots using any of the following methods, but each member shall select only one of the following methods and cast only one ballot:



- (i) in-branch voting at any branch or administrative office of the Credit Union, at the discretion of and in the manner prescribed by the Board;
- (ii) mail, at the discretion of and in the manner prescribed by the Board; or
- (iii) electronic means prior to or at the time of the meeting, at the discretion of and in the manner prescribed by the Board.

The Board shall determine, prior to giving notice of any meeting, whether and in what manner voting will be permitted pursuant to subparagraphs (i), (ii) and (iii) above, but shall, for any particular meeting, permit voting pursuant to at least one of subparagraphs (i), (ii) and (iii) above.

(c) Notice of Meeting: The first or initial notice, under Section 8.04, of the annual general meeting at which an election will occur, or of the annual general meeting or special meeting or at which a special resolution will be presented to the members for approval, shall be given not later than forty (40) days before the date of the members' meeting, and shall contain the following:

- (i) a notice of the election of Board, if one will occur at the meeting;
- (ii) a notice of any special resolution(s) requiring the approval of the members;
- (iii) a list of candidates for election to the Board, if such an election will occur at the meeting;
- (iv) clear and precise instructions for voting, including that the member may vote by only one of the permitted methods;
- (v) notification of the date (or dates) and time(s) during which voting in the election and on the special resolution by mail, electronic, or in-branch means, if applicable, shall take place;
- (vi) notification of the place (or places) at which in-branch polling in the election or on the special resolution shall take place, if applicable, and the manner in which mail or electronic ballots, if applicable, may be cast (or details of alternative methods of voting, if applicable);
- (vii) the conditions under which members will be eligible to vote in the election and/or on the special resolution; and
- (viii) a notification to members that the special resolution(s) cannot be amended.

(d) Voting Period: Voting in the election and on the special resolution, if any, shall take place in the Credit Union's branches, by mail, and by electronic means, as applicable, in advance of the meeting, during a period of at least ten (10) consecutive business days, ending not less than five (5) calendar days before the annual general meeting or special meeting at which the election will occur and/or at which the



special resolution(s) will be presented to the members. Voting will also take place electronically at the time of the said meeting, as applicable.

(e) **Idem:** The Board may, by resolution, make additional rules governing the conditions that apply to a ballot cast in any manner permitted by this section, provided that these and any other rules governing such votes are made available to the members together with the information required to be made available under subparagraph (c).

(f) **Chief Returning Officer:** The Board may appoint a Chief Returning Officer to oversee the in-branch, mail and electronic voting process, as applicable, and, if so appointed, the Chief Returning Officer shall be appointed at least thirty (30) days prior to the date on which in-branch, mail and electronic voting, as applicable, is to commence.

(g) **Information on the Question:** The Chief Returning Officer shall make available, in all branches and the head office of the Credit Union, at least fifteen (15) days before the commencement of the voting period, to all members of the Credit Union entitled to vote, the text of any proposed special resolution(s), and the Board's reasons for proposing the approval by the members of the special resolution(s).

(h) **Voting Process:** Only a member (other than a member under the age of 18 years) entitled to receive notice of the meeting of members pursuant to Section 8.04 hereof is eligible to cast a ballot in the election or on the special resolution. Subject to the Act, in the case of a corporation, partnership or unincorporated association, its vote may be cast on its behalf through a written proxy produced at any branch or the head office, signed by the president or other head officer, the vice-president, secretary or treasurer 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 shall cease to be valid on the day following the meeting of the members of the Credit Union in question.

(i) **Administration of the Vote:** The Chief Returning Officer may engage the employees of the Credit Union and such other resource persons as the Board or the Chief Returning Officer agree are required to conduct the voting in a proper manner and to ensure compliance with the voting process set out in this By-law.

(j) **Ballots:** The ballot used for the vote shall refer to any special resolution(s) and contain instructions on how the voter may indicate such voter's vote on the question. If an election to the Board also occurs at the annual general meeting in question, the ballot shall also contain:

(i) a list of the names, in alphabetical order, of the persons nominated for election to the Board;

(ii) instructions as to the number of persons for which the member shall vote, and the method by which his or her selection should be signified;

(iii) a warning that a failure to vote for the required number of candidates will result in a spoiled ballot, and that the Act does not

permit a member to cast more than one vote for one candidate;  
and

(iv) an explanation that, should a candidate for election to the Board become disqualified, withdraw or become ineligible after the start of voting, no vote cast in favour of this candidate shall be counted in the tally of the ballots, but the ballots shall not otherwise be deemed to be void.

(k) Supervision of Election Process: The Chief Returning Officer shall supervise the voting process and

(i) may require a member to provide proof and particulars of membership;

(ii) shall obtain or cause to be obtained all ballots and, after the close of balloting, shall cause a tally to be made of all ballots, such tally to be made in a manner that ensures the secrecy of the balloting; and

(iii) shall determine whether a ballot is to be accepted or rejected, and such determination is final and not open to review.

(l) Report to Membership Meeting: The ballots cast electronically prior to and at the time of the meeting (if any), in the branches of the Credit Union (if any), and by mail (if any) shall be counted and reported to the members of the Credit Union at the meeting in question, and the Chair of the meeting shall declare directors elected in accordance with section 5.03 hereof and shall declare each special resolution carried or not carried as appropriate.

(m) Accidental Omission: Where the voting in the election and on the special resolution(s) is conducted substantially in accordance with the provisions of this section, the accidental omission to give notice to any member thereof, or the nonreceipt of the notice by any member thereof, or the accidental failure to include any statement required to be included in any such notice, shall not invalidate the decision reached in the election and on the special resolution(s).

(n) Interpretation: For the purposes of this section, "Chief Returning Officer" shall mean that person appointed by the Board as the senior official responsible for overseeing the voting process for compliance with all legal, regulatory and By-law requirements, or in the absence of a specific appointment, the Corporate Secretary.

**8.11 Remote Voting** - Members may, if the Board determines by resolution to do so, and pursuant to such conditions, rules and procedures which may be approved by the Board, vote at meetings of members, otherwise than permitted by Section 8.10, by mail, or by in-branch, telephonic, or electronic means. A member who, by such means, casts a vote shall be deemed for all purposes, including, without limiting the generality of the foregoing, the calculation of quorum pursuant to Section 8.07 hereof, to have been present at the meeting.

**8.12 Joint Members**

- a) Where 2 or more persons hold the same share or shares jointly, any 1 of such persons present at a meeting of members or voting in accordance with Sections 8.10 or 8.11 hereof, has the right, in the absence of the other or others, to vote in respect of such share or shares, but, if more than 1 of such persons are present or voting, they shall vote together as one on the share or shares jointly held by them.
- b) 2 or more persons jointly holding enough membership shares to entitle each of them to be a member in his own right are all considered as separate members.

**8.13 Proxies** – A member of the Credit Union which is Her Majesty the Queen, a corporation, a partnership, or an unincorporated association shall only cast its vote as a member through a written proxy produced at the meeting, signed by the president or other head officer or by the vice-president or secretary or treasurer of such entity, and appointing some 1 or more persons to vote on its behalf. Any person so appointed need not be a member of the Credit Union. Any such proxy shall cease to be valid after the expiration of 1 year from its date or the end of any meeting for which it was expressly granted, whichever is earlier.

**8.14 Notice of Nomination Period** - Notice of the first and last day during which nominations for candidates for election to the Board will be received by the chair of the nominating Committee (the "Nomination Period") shall be given by the Corporate Secretary, who shall not later than 90 days before the annual general meeting give such notice by posting such notice in each office of the Credit Union, and any one of

- (a) sending the notice by electronic mail to members who have authorized the Credit Union communicating with them in this fashion and provided the Credit Union with an electronic mail address to use for this purpose, and otherwise sending the notice by prepaid mail to the Recorded Address of the member;
- (b) posting the notice on the Credit Union's website; or
- (c) publishing the notice in a newspaper that is circulated within each of the communities in which the Credit Union has a branch location.

The last day on which nominations will be received shall be at least 50 days before the annual general meeting.

**8.15 Eligibility for Nominations** - A member is eligible for nomination for election to the Board if he qualifies to be a director of the Credit Union pursuant to Section 5.02 of the By-laws, and files the nomination form referred to in Section 8.16 hereof. Where a person whose name was submitted to the chair of the nominating Committee is not eligible for election, the chair of the nominating Committee shall advise that person of that fact and the reasons therefor.

**8.16 Nomination Form** - Nominations, to be valid, must be:

- (i) in the form prescribed by the chair of the nominating Committee, which form may be obtained at the Credit Union during the Nomination Period and will contain a declaration that the nominee:
  - (a) has familiarized himself or herself with the Act, and in particular those provisions of the Act which are particularly relevant to the obligations of directors of credit unions in Ontario;
  - (b) has familiarized himself or herself with these By-laws;
  - (c) is aware of the duties, legal obligations and liabilities of a credit union director;
  - (d) if elected, is willing to commit the necessary time to discharge faithfully his or her duties;
  - (e) if elected, will participate in required training programs; and
  - (f) is not disqualified from being a director of a credit union in Ontario;
- (ii) received by the chair of the nominating Committee during the Nomination Period. A nomination may be delivered by hand to the to the Credit Union and should be in a sealed envelope addressed to the chair of the nominating Committee, or may be mailed by prepaid ordinary mail or registered mail addressed to the chair of the nominating Committee; and
- (iii) signed by 2 members of the Credit Union, who are eligible to vote at such election, and the person nominated, signifying his or her acceptance of the nomination.

**8.17 Notice of Nomination Period not Received** - Where notice of the Nomination Period is given in accordance with the provisions hereof:

- (1) the accidental omission to post such a notice in an office of the Credit Union; or
- (2) the receipt of any nomination after the end of the Nomination Period by the chair of the nominating Committee; or
- (3) the non-receipt of a nomination by the chair of the nominating Committee;

shall not invalidate the election, and the chair of the nominating Committee shall declare as validly nominated only those persons nominated in accordance with the provisions hereof during the Nomination Period.

**8.18 Elections at Special General Meetings** - Elections which occur at membership meetings other than annual general meetings shall be conducted in such manner as the Board may determine, and need not be conducted in the manner outlined in Section 8.10 and Sections 8.14 through

8.17 hereof, inclusive.

**8.19 Adjournment** - The chair of a meeting of members may, with the consent of the meeting and subject to such conditions as the meeting 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 shall 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 shall be given as for an original meeting.

**8.20 Proposals** – Upon receipt of a proposal from a member to raise an issue at the annual meeting and a request that a statement in relation to that issue be attached to the notice of meeting, the Board shall, within 10 days of its receipt, meet to consider whether or not the proposal is to be included in the notice of meeting, and, where the Board refuses to include the proposal in the notice of meeting, the Chair of the Board shall notify the member who submitted it of the refusal, and give reasons therefor.

**8.21 Requisitions** – Upon the written request of 5% of the members stating the general nature of the business to be presented at the meeting, the Board shall, as nearly as possible in the same manner as a membership meeting is called pursuant to these By-laws, call 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 head office, and such meeting shall be held within 60 days from the date of the deposit of the request. Requisitions may be made in counterpart.

#### **By-law 9 — Protection of Directors, Officers, and Others**

##### **9.01 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 shall 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 or by the Credit Union's Articles or any other By-law) shall be as valid and as binding upon the Credit Union and upon all the members and Shareholders as if it had been approved, ratified, or confirmed by every member or Shareholder of the Credit Union.

**9.02 Indemnity** – Subject to the limitations contained in the Act, the Credit Union shall indemnify a director, officer, or Committee member, a former director, officer, or Committee member, or 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 member, shareholder, or creditor, and his heirs and legal representatives, against all costs, charges, and expenses,

including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him in respect of any civil, criminal, or administrative action or proceeding to which he is made a party by reason of being or having been a director or officer of the Credit Union or such body corporate, if:

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

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

**9.03 Insurance** – Subject to the Act and where such insurance can be reasonably obtained, the Credit Union shall purchase and maintain insurance for the benefit of any person referred to in Section 9.02, against such liabilities and in such amounts as the Board may from time to time determine.

#### **By-law 10 — Shares**

**10.01 Allotment** – Subject to the Act, 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 shall determine, provided that no Share shall be issued until it is fully paid as provided by the Act.

**10.02 Commissions** – 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 his purchasing or agreeing to purchase Shares of the Credit Union other than membership shares, whether from the Credit Union or from any other person, or procuring or agreeing to procure purchasers for any such Shares.

**10.03 Registration of Transfers** – Subject to the provisions of the Act, no transfer of Shares shall 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 10.05.

**10.04 Transfer Agents and Registrars** – The Board may from time to time appoint 1 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 1 or more branch securities registers. Such a person may be designated as

transfer agent and registrar according to his functions, and 1 person may be designated both registrar and transfer agent. The Board may at any time terminate such appointment.

**10.05 Lien for Indebtedness** – The Credit Union shall have a lien on any membership Share registered in the name of a member or his legal representatives for a debt of that member to the Credit Union. The Credit Union may enforce any lien that it has on membership Shares registered in the name of a member indebted to the Credit Union by any action, suit, remedy, or proceeding authorized or permitted by law, and, pending such enforcement, the Credit Union may refuse to redeem the whole or any part of such Shares. Notwithstanding the above, the Credit Union may not apply any service charges or other deductions against a members' membership Share account except upon the termination of the member's membership.

**10.06 Non-recognition of Trusts** – Subject to the provisions of the Act, the Credit Union may treat 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 regarding such Share, irrespective of any indication to the contrary through knowledge or notice or description in the Credit Union's records or on the Share certificate.

**10.07 Share Certificates**

- a) The Credit Union shall not issue certificates for membership Shares, provided that a member shall be entitled to a statement of the number of membership Shares held by the member upon request.
- b) Subject to clause a) hereof, every holder of 1 or more Shares of the Credit Union shall be entitled, at his option, to a Share certificate, or to a transferable written acknowledgement of his right to obtain a Share certificate, stating the number and class or series of Shares held by him as shown on the securities register. Share certificates and acknowledgements of a Shareholder's right to a Share certificate, respectively, shall be in such form as the Board shall from time to time approve. Any Share certificate shall be signed in accordance with Section 4.03, 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 shall not be valid unless countersigned by or on behalf of such transfer agent and/or registrar. The signature of 1 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 share certificates, and every such facsimile signature shall for all purposes be deemed to be the signature of the officer whose signature it reproduces and shall be binding upon the Credit Union. A Share certificate executed as aforesaid shall be valid notwithstanding that 1 or both of the officers whose facsimile signature appears thereon no longer holds office at the date of issue



of the certificate.

**10.08 Replacement of Share Certificates** – The Board or any officer or agent designated by the Board may in its or his 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.

**10.09 Joint Shareholders** – If 2 or more persons are registered as joint holders of any Share, the Credit Union shall not be bound to issue more than 1 certificate in respect thereof, and delivery of such certificate to 1 of such persons shall be sufficient delivery to all of them. Any 1 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.

**10.10 Deceased Shareholders** – In the event of the death of a holder, or of 1 of the joint holders, of any Share, the Credit Union shall 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.

#### **By-law 11 — Dividends, Rights, and Patronage Returns**

**11.01 Dividends and Patronage Returns** - Subject to the provisions of the Act, the Board may, from time to time, declare dividends payable to members and 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 returns may be paid in accordance with the Act.

**11.02 Dividend or Patronage Return Cheques** - A dividend or patronage return 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 member or registered holder at his or her Recorded Address, or credited to the member's or Shareholder's account with the Credit Union, unless such member or holder otherwise directs. In the case of joint members or holders, the cheque shall, unless such joint members or holders otherwise direct, be made payable to the order of all of such joint members or holders and mailed to them at their Recorded Address. The mailing of such cheque as aforesaid, unless the same is not paid on due presentation, shall satisfy and discharge the liability for the dividend or patronage return to the extent of the sum represented thereby, plus the amount of any tax which the Credit Union is required to



and does withhold.

**11.03 Non-receipt of Cheques** - In the event of non-receipt of any dividend or patronage return cheque by the person to whom it is sent as aforesaid, the Credit Union shall 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.

**11.04 Record Date for Dividends and Rights** - The Board may fix in advance a date, preceding by not more than 120 days the date for the payment of any dividend or the date for the issue of any warrant or other evidence of the right to subscribe for securities of the Credit Union, as a record date for the determination of the persons entitled to receive payment of such dividend or to exercise the right to subscribe for such securities, and notice of any such record date shall be given not less than 7 days before such record date in the manner provided by the Act. If no record date is so fixed, the record date for the determination of the persons entitled to receive payment of any dividend, or to exercise the right to subscribe for securities of the Credit Union, shall be at the close of business on the day on which the resolution relating to such dividend or right to subscribe is passed by the Board.

**11.05 Unclaimed Dividends** - Any dividend or patronage return unclaimed after a period of six (6) years from the date on which the same has been declared to be payable shall be forfeited, and shall revert to the Credit Union.

## **By-law 12 — Meetings of Shareholders**

**12.01 Not to Govern Membership Meetings** - This Section 12 is not to govern members' meetings, which are governed by Section 8 hereof.

**12.02 Meetings** – Subject to the Act, meetings of Shareholders shall be held at such time and such place, within the Province of Ontario, as the Board 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.

**12.03 Special Meetings** – The Board shall have power to call a special meeting of Shareholders at any time.

**12.04 Notice of Meetings** – Notice of the time and place of each meeting of Shareholders (except for meeting of the holders of the Class A (Patronage) Shares, to which Section 8.04 shall apply if the Credit Union obtains an order of the Superintendent exempting it from the requirement to deliver a management information circular and proxy form to each such Shareholder regarding that meeting) shall be given in the manner provided in Section 15.01, 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 1 or more shares carrying the right to vote at the meeting. Notice of a meeting of Shareholders shall 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.

**12.05 List of Shareholders Entitled to Notice** – For every meeting of Shareholders, the Credit Union shall 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 Section 12.06, the shareholders listed shall be those registered at the close of business on such record date. If no record date is fixed, the Shareholders listed shall 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 shall 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.

**12.06 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 shall be given not less than 7 days before such record date by newspaper advertisement in the manner provided in 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 shall 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.

**12.07 Chair, Secretary, and Scrutineers** – The chair of any meeting of Shareholders shall be the first mentioned of such of the following officers as have been appointed who is present at the meeting: the Chair of the Board; 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 shall choose 1 of their number to be chair. If the Corporate Secretary of the Credit Union is absent, the chair shall appoint some person, who need not be a Shareholder, to act as secretary of the meeting. If desired, 1 or more scrutineers, who need not be Shareholders, may be appointed by a resolution or by the chair with the consent of the meeting.

**12.08 Persons Entitled to be Present** – The only persons entitled to be present at a meeting of Shareholders shall be those entitled to vote thereat, the directors, the auditor of the Credit Union, any members of the Credit Union who are not Shareholders and are therefore not entitled to vote thereat, and

others who, although not entitled to vote thereat, are entitled or required under any provision of the Act, 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.

**12.09 Quorum** – Subject to Section 12.10, regarding Shares originally issued by the Credit Union or by the former Notre Dame Keewatin Credit Union Limited or the former Lakewood Credit Union Limited pursuant to an offering statement (“Investment Shares”), two persons present in person, each being a holder of Investment Shares entitled to vote at the meeting, or a duly appointed proxyholder for an absent holder of Investment Shares entitled to vote at the meeting, shall be a quorum at any meeting of the holders of Investment Shares 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 the holders of Investment Shares, unless a greater number is required to be present, or a greater number of Investment Shares are required to be represented, at the meeting by the Act or by the Articles or any other By-law, shall be persons present in person, each being a holder of Investment Shares entitled to vote at the meeting, or a duly appointed proxyholder for an absent holder of Investment Shares entitled to vote at the meeting, not being less than 2 in number, and holding or representing by proxy not less than 51% of the total number of the issued Investment Shares of the Credit Union for the time being enjoying voting rights at such meeting.

Subject to Section 12.10, regarding any class of Shares, other than Investment Shares or membership Shares, issued by the Credit Union, 40 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, shall be a quorum at any meeting of the Shareholders.

Regarding any meeting of the Shareholders of the Credit Union, if there is no quorum, then the meeting shall 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 12.17, it shall not be necessary to give notice of the adjourned meeting.

At such adjourned meeting, the persons present at such meeting, provided that there are at least 2 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, shall be a quorum for the transaction of the business for which the meeting was originally called.

**12.10 Right to Vote** – Subject to the provisions of 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 12.05, every person who is named in such list shall be entitled to vote the Shares shown opposite his name, except to the extent that such person has transferred any of his Shares after the record date determined in accordance with Section 12.06 and the transferee, having produced properly endorsed certificates evidencing such Shares or having otherwise established that he owns such Shares, has demanded not later than 10 days

before the meeting that his name be included in such list. In any such case, the transferee shall 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 12.05, every person shall be entitled to vote at the meeting who at the time is entered in the securities register as the holder of 1 or more Shares carrying the right to vote at such meeting.

**12.11 Proxies** – Every Shareholder entitled to vote at a meeting of Shareholders may appoint a proxyholder, or 1 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 shall be in writing, executed by the Shareholder or his attorney authorized in writing, and shall conform with the requirements of the Act.

**12.12 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 shall be acted upon only if, prior to the time so specified, it shall 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 of the Credit Union or by the chair of the meeting or any adjournment thereof prior to the time of voting.

**12.13 Joint Shareholders** — If 2 or more persons hold Shares jointly, any 1 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 2 or more of those persons are present in person or represented by proxy and vote, they shall vote as 1 the Shares jointly held by them.

**12.14 Votes to Govern** – At any meeting of Shareholders, every question shall, unless otherwise required by the Articles, By-laws, or the Act, be determined by a majority of the votes cast on the question. In case of an equality of votes the chair of the meeting shall not be entitled to a second or casting vote.

**12.15 Show of Hands** – Subject to the provisions of the Act, any question at a meeting of Shareholders shall be decided by a show of hands unless a ballot thereon is required or demanded as hereinafter provided. Upon a show of hands every person who is present and entitled to vote shall have 1 vote. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon is so required or demanded, a declaration by the chair of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried, and an entry to that effect in the minutes of the meeting, shall be prima facie evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of the Shareholders upon the said question.

**12.16 Ballots** – On any question proposed for consideration at a meeting of Shareholders, and whether or not a vote by show of hands 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 shall be taken in such manner as the chair shall 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 shall be entitled, in respect of the Shares which he 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 shall be the decision of the Shareholders upon the said question.

**12.17 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 provisions of 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 shall 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 shall be given as for an original meeting.

### **By-law 13 — Lending**

**13.01 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.

### **By-law 14 — Information Available to Members and Shareholders**

**14.01 Annual Statements** – Every member or Shareholder applying in writing therefor shall be entitled to receive a copy of the Credit Union's last annual audited financial statements. Copies of the annual audited financial statements of any subsidiaries of the Credit Union shall be open to inspection by the members and Shareholders, and to the making of extracts thereof, during normal business hours free of charge.

**14.02 Members List** – A member may inspect, during business hours, a list, extracted from the register of members, Shareholders, and other security holders, of the names of the members and Shareholders.

**14.03 Information Available to Shareholders** – Except as provided by the Act, no Shareholder shall be entitled to discovery of any information respecting any details or conduct of the Credit Union's business which in the opinion of the Board it would be detrimental to the interests of the Credit Union to communicate to the public.

**14.04 Directors' 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, registers, and accounting records of the Credit Union or

any of them shall be open to the inspection of Shareholders, and no Shareholder shall have any right to inspect any document, book, 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 general meeting.

**14.05 Fee** – A member of the Credit Union shall be entitled to a copy of the By-laws upon payment of a fee of \$25.00, or such lesser amount as the Board may from time to time establish.

#### **By-law 15 — Notices**

**15.01 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, director, officer, auditor, or member of a Committee, shall be sufficiently given if delivered personally to the person to whom it is to be given, or if delivered to his Recorded Address, or if mailed to him at his Recorded Address by prepaid mail, or if sent to him at his Recorded Address by any means of prepaid transmitted or recorded communication. A notice so delivered shall be deemed to have been given when it is delivered personally or to the Recorded Address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box, and shall 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 shall 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 in accordance with any information believed by him to be reliable.

**15.02 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 written, stamped, typewritten, or printed, or partly written, stamped, typewritten, or printed.

**15.03 Proof of Service** – A certificate of any 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, shall be conclusive evidence thereof and shall be binding on every Shareholder, director, officer, or auditor of the Credit Union as the case may be.

**15.04 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 shall be excluded.

**15.05 Undelivered Notices** – If any notice given to a member or shareholder pursuant to Section 15.01 is returned on 3 consecutive occasions because he cannot be found, the Credit Union shall not be required to give any further notices to such member or shareholder until he informs the Credit Union in writing of his new address.

**15.06 Omissions and Errors** – The accidental omission to give any notice to any member, Shareholder, director, officer, auditor, or member of a Committee, or the non-receipt of any notice by any such person, or any error in any notice not affecting the substance thereof, shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

**15.07 Deceased Members or Shareholders** – Any notice or other document delivered, sent by post, or left at the address of any member or Shareholder as the same appears in the records of the Credit Union, shall, notwithstanding that such member or Shareholder be then deceased, and whether or not the Credit Union has notice of his 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 his stead in the records of the Credit Union as the holder or 1 of the holders thereof, and such service shall for all purposes be deemed a sufficient service of such notice or document on his heirs, executors, or administrators and on all persons, if any, interested with him in such shares.

**15.08 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, shall become entitled to any Share, shall be bound by every notice in respect of such Share which shall have been duly given to the Shareholder from whom he derives his title to such Share prior to his name and address being entered on the securities register (whether such notice was given before or after the happening of the event upon which he became so entitled) and prior to his furnishing to the Credit Union the proof of authority or evidence of his entitlement as prescribed by the Act.

**15.09 Waiver of Notice** – Any member or Shareholder (or his duly appointed proxyholder), director, officer, auditor, or member of a Committee may at any time waive any notice, or waive or abridge the time for any notice, required to be given to him 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, shall cure any default in the giving or in the time of such notice, as the case may be. Any such waiver or abridgement shall be in writing, except that a waiver of notice of a meeting of members or Shareholders or of the Board or of a Committee may be given in any manner.

**By-law 16 — Effective Date**



**16.01 Effective Date** – The By-laws shall come into force upon confirmation by a special resolution of the membership.

**16.02 Repeal** – All by-laws previously enacted are revoked upon the coming into force of these By-laws.

**PASSED by the Board of Directors of Copperfin Credit Union Limited at a meeting duly constituted and held at Kenora, Ontario on the 27 day of October, 2018.**

**WITNESS the corporate seal of Copperfin Credit Union Limited.**

**CONFIRMED by special resolution at a general meeting of the members of Copperfin Credit Union Limited duly constituted and held at Kenora, Ontario on the 15 day of April, 2019.**

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Corporate Secretary