

## BY-LAW NO.1

A by-law relating generally to the conduct of the affairs of Kawartha Credit Union Limited

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BE IT ENACTED AND IT IS HEREBY ENACTED as a by-law of Kawartha Credit Union Limited (~~hereinafter called~~ the "**Credit Union**") as follows:

## ARTICLE ONE

### INTERPRETATION

#### 1.01 Definitions

~~1.01 In the by-laws of the Credit Union~~ In these By-laws, unless the context otherwise requires:

- ~~(1)~~ (a) "**Act**" means the *Credit Unions and Caisses Populaires Act, 1994 and 2020*, the regulations ~~and guidelines~~ made pursuant thereto and the Authority Rules, all as from time to time amended, and every statute, ~~regulation or rule~~ that may be substituted therefor and, in the case of such substitution, any reference in the ~~by-laws~~ 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, regulation or rule~~;
- ~~(2)~~ (b) "**Articles**" means the articles of ~~incorporation or other instrument by which amalgamation of~~ the Credit Union ~~is incorporated~~; as amended from time to time;
- ~~(3)~~ (c) "**Authority**" means the Financial Services Regulatory Authority of Ontario continued under the *Financial Services Regulatory Authority of Ontario Act, 2016*;
- ~~(4)~~ (d) "**Authority Rules**" means rules made by the Authority under the Act or the Financial Services Regulatory Authority of Ontario Act, 2016;
- ~~(5)~~ (e) "Appoint" includes "elect" and vice-versa;
- ~~(6)~~ (f) "**Board**" means the board of directors of the Credit Union;
- ~~(7)~~ (g) "**By-laws**" means this by-law and all other by-laws of the Credit Union from time to time in force and effect;
- ~~(8)~~ (h) "**CEO**" means the president and chief executive officer of the Credit Union;
- ~~(9)~~ (i) "**Chief Executive Officer of the Authority**" means the Chief Executive Officer appointed under the *Financial Services Regulatory Authority of Ontario Act, 2016*;
- ~~(10)~~ (j) "**Committee**" means a ~~Committee~~ committee of the Board;
- ~~(11)~~ (k) "**Immediate Family**" means, regarding any particular individual, the spouse, parents, siblings or children of the individual or the parents, siblings or children of the individual's spouse;

- (j) “Director Nomination Policy” means the policy or policies adopted by the Board governing the nomination of individuals as directors of the Credit Union;
- (k) “Election Guidelines” means the method and manner in which nominees are permitted to campaign for election as may be established by the nominating committee;
- ~~(8)(m)~~ **“Non-Business Day”** means Saturday, Sunday and any other day that is a holiday as defined in the *Legislation Act, 2006* ~~(Ontario);~~;
- ~~(9)~~ “Ordinary resolution” means a resolution requiring a majority of not less than 50% +1 of the members who voted in favour of the resolution to pass.
- ~~(10)(n)~~ **“Recorded Address”** means, in the case of a member or ~~shareholder~~Shareholder, ~~his/her the member’s or Shareholder’s~~ address as recorded in the members or securities register; and, in the case of joint members or ~~shareholders~~Shareholders, the address appearing in the members or securities register in respect of such joint holding or the first address so appearing if there is more than one; and, in the case of a director, officer, auditor or member of a ~~committee of the Board, his/her~~ Committee, the person’s latest address as recorded in the records of the Credit Union;
- ~~(o)~~ “Related Person”, when used to indicate a relationship with any natural person, means: (i) a spouse of the person; (ii) any son or daughter of the person; or (iii) any relative by blood, marriage or adoption, of the person or of any person mentioned in sub-paragraphs (i) and (ii);
- ~~(11)(p)~~ **“Shares”** means membership shares, patronage shares and any other ~~share~~shares issued by the Credit Union, unless a form of share is specifically excluded in the By-laws or the context otherwise requires;
- ~~(q)~~ “Shareholder” means a person who, according to the securities register of the Credit Union, is the owner of a Share of the Credit Union (other than a membership share) or is entitled to be entered in the securities register as the owner of a Share (other than a membership share);
- ~~(12)(r)~~ **“Signing Officer”** means, in relation to any instrument, any person authorized to sign the same on behalf of the Credit Union by ~~paragraph~~ section 3.02 or by a resolution passed pursuant thereto; ~~and~~
- ~~(13)s)~~ “~~Special~~**special resolution**” means a resolution requiring two-thirds (2/3) or more of the votes cast in favour by the members or shareholders who voted in respect to that resolution to pass-; and
- ~~(14)t)~~ all other terms contained in the By-laws and which are defined in the Act shall have the meanings given to such terms in the Act.

~~Gender, Plural, etc.~~

## 1.02 Interpretation

~~1.02~~ In these By-laws, the singular shall include the plural and the plural shall include the singular; ~~the masculine shall include the feminine and neuter 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.

## 1.03 Conflict

If there is a conflict or inconsistency between the By-laws and the Act, the Act shall prevail.

# ARTICLE TWO

## MEMBERSHIP

### 2.01 Membership Eligibility

~~2.01~~ Membership in the Credit Union shall be limited to:

- (a) individuals residing or employed in Ontario;
- (b) ~~related persons~~ Related Persons or entities of such members qualifying under any clause-paragraph in this section 2.01 and the Act ~~and regulations;~~
- (c) for greater certainty, employees of the Credit Union;
- (d) a person who originally qualified for and became a member under clauses paragraphs (a), (b), or (c) above and who no longer qualifies under clauses-paragraphs (a), (b) or (c) above;
- (e) persons 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%~~ three percent 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 or its CEO or the CEO's~~ delegate, and the names of such persons or entities admitted to membership on this basis are identified as such in the records of the Credit Union; and
- (f) ~~Her~~ His Majesty the ~~Queen-King~~ in right of Ontario or in right of Canada; corporations, including municipalities as defined in the *Municipal Affairs Act*; unincorporated associations; or partnerships registered under the *Business Names Act* or a predecessor thereof, subject to any conditions that may be imposed by the Act or any regulation passed thereunder.

### 2.02 Membership Application

~~2.02~~ Application for membership shall be made in writing, and such form as may be specified by the Board from time to time, or by an employee authorized by resolution of the Board, ~~may from time to time specify the form of such application for such purposes.~~

### **2.03 Membership Shares**

(a) The price of each membership share is \$5.00.

~~2.03~~ (b) No person shall become a member of the Credit Union until ~~he/she~~ the person has fully paid for the minimum membership ~~Share-share~~ investment and 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.

(b) Except as permitted by this section 2.03, the minimum membership ~~Share-share~~ investment is five ~~\$5.00~~ membership ~~Shares-shares~~ of the Credit Union.

(c) For individuals under the age of ~~eighteen~~ 18, the minimum membership ~~Share-share~~ investment is one ~~\$5.00~~ membership ~~Share-share~~ of the Credit Union.

~~The Board may, by resolution~~ (d) The CEO or delegate of the CEO may, generally or in any particular case, grant allow for a transitional period following a member's ~~eighteenth~~ 18th birthday ~~or following the Credit Union's creation by amalgamation,~~ during which a member may maintain membership with less than the minimum membership ~~Share-share~~ investment.

(e) In addition to the minimum number of membership shares required under this section 2.03, at the discretion of the Credit Union, members may hold up to an additional 200 membership shares for an additional aggregate consideration of \$1,000 or such other maximum limit that may be specified in the Act.

### **2.04 Members Under 18 Years of Age**

~~2.04~~ A person under 18 years of age may, if ~~he/she~~ the person 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 16 years of age is not entitled to vote on any matter a member would be entitled to vote on; and

(b) any other restriction set out in the Act or these By-laws.

### **2.05 Voting Rights**

~~2.05~~ Each Subject to section 2.04, each member of the Credit Union has one vote at a membership meeting and in respect of an election of directors.

## 2.06 Suspension

~~2.06~~ A member that ceases to hold the minimum number of membership shares required by ~~Section~~ section 2.03 may not exercise any rights a member may exercise under these By-laws or the Act.

## 2.07 Expulsion

~~2.07~~

~~(a)~~ Where a member:

- ~~(i)~~ (a) commits an act of misconduct in the affairs of the Credit Union;
- ~~(ii)~~ (b) fails to abide by the Bylaws, including, without limitation, failing for any reason to hold the required minimum number of membership ~~Shares~~ shares of the Credit Union pursuant to section 2.03 hereof; or
- ~~(iii)~~ (c) fails to repay indebtedness to the Credit Union in accordance with the conditions of repayment,

the Board may give ~~ten~~ 10 days' advance notice to such member of intent to remove such member from membership, personally or by prepaid mail addressed to such member at such member's Recorded Address, and, after giving the member an opportunity to be heard and to be represented at the Board meeting by a person authorized under the *Law Society Act* to represent the member, by resolution at a Board meeting, such member may be expelled from membership. The Corporate Secretary shall, within five ~~(5)~~ days after the resolution expelling a member was passed, notify the member of the decision of the Board by registered mail to the member's Recorded Address. Subject to section ~~62(354)(3)~~ of the Act in respect of Shares, the Credit Union shall forthwith pay to a member so expelled any balance standing to the credit of such person on the books of the Credit Union, after deducting all amounts due from the member to the Credit Union, within ~~ninety~~ 90 days after the day on which the member is expelled.

~~(b)~~ An expelled member may appeal the decision of the Board at the next annual or general meeting of the members of the Credit Union by giving the Board notice of ~~his/her or her the member's~~ intention to appeal the expulsion within ~~twenty-one~~ (21) 21 days after receiving the notice of expulsion. If written representations of not longer than ~~two thousand~~ (2,000) words from an expelled member appealing ~~his/her or her the member's~~ expulsion are received by the Credit Union at least seven ~~(7)~~ days before the mailing or publication of the notice of the general meeting, the Board shall, at the expense of the Credit Union, include with the notice of meeting a notice that those representations are available for inspection by members at the head office and branches of the Credit Union. The members of the Credit Union, at that general meeting, by resolution passed by a majority of

the votes cast at the meeting, may confirm, vary, or set aside the Board's decision to expel the member.

## **2.08 Withdrawal**

~~2.08~~ Where a member wishes to withdraw from the Credit Union ~~he/she, the member~~ shall give notice to the Credit Union of ~~his/her the member's~~ intention to withdraw. Subject to ~~section 62 subsection 54(3)~~ of the Act and the Articles, the Credit Union shall, after deduction of all amounts due from the member to the Credit Union, remit the balance of ~~his/her Shares the member's membership shares~~ and deposits to such member within ~~ninety 90~~ days of ~~his/her the member~~ giving notice of ~~his/her the member's~~ intention to withdraw, or in accordance with the conditions of payment under a contract with the member.

## **Language**

~~2.09~~ The Credit Union's language of operation shall be English.

## **Records**

~~2.10~~ Each member is entitled to a statement or other record specifying the amount paid upon Shares, deposits and loans by him.

## **2.09 ARTICLE THREE**

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

## **3.01 Corporate Seal**

~~3.01~~ The Credit Union may have a corporate seal which shall be adopted and may be changed by resolution of the Board.

## **3.02 Execution of Instruments**

~~3.02~~ Contracts, documents or instruments in writing requiring the signature of the Credit Union may be signed on behalf of the Credit Union by any two officers or directors, and instruments in writing so signed 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 this By-law 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, the Vice-Chair, the Corporate Secretary or any director of the Credit Union and/or any other officer or officers, person or persons, appointed as aforesaid by resolution of the Board may, if specifically authorized by resolution of the Board, be printed, engraved, lithographed or otherwise reproduced upon instruments in writing or bonds, debentures, notes or other securities of the Credit Union executed or issued by or on behalf of the Credit Union, 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.~~

Except for documents executed in the usual and ordinary course of the Credit Union's business, which may be signed by any officer or employee of the Credit Union acting within the scope of the officer or employee's authority, the following are the only persons authorized to sign any document on behalf of the Credit Union:

- (a) any individual appointed by resolution of the Board to sign the specific document, that type of document or documents generally on behalf of the Credit Union; or
- (b) any director or any officer appointed to office by the Board.

Any document so signed may, but need not, have the corporate seal of the Credit Union applied, if there is one.

### **3.03 Borrowing**

~~3.03~~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 ~~fifty per cent (50%)~~ 50 percent of its regulatory capital and deposits.

### **3.04 Banking Arrangements**



~~3.04~~ Subject to section 3.03 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 ~~Limited~~ 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.

### 3.05 Language

The Credit Union shall carry on business primarily in the English language, but may, at its own discretion, from time to time communicate to members in any other language.

## ARTICLE FOUR

### DIRECTORS

#### 4.01 Number of Directors and Quorum

~~4.01~~ The number of directors of the Credit Union shall be ~~as follows:~~

~~Until the 2022 annual meeting—ten;~~

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

#### 4.02 Qualification

~~4.02~~ Only A person is eligible to be a director of the Credit Union if the person is a natural person who:

- (a) ~~is is~~ a member of the Credit Union in full compliance with the minimum membership share requirements contained in section 2.03 hereof;
- (b) ~~is is~~ at least ~~eighteen~~ 18 years of age;
- (c) is a Canadian citizen or a person lawfully admitted to Canada for permanent residency and ordinarily resident in Canada;
- (d) has then served as a director of the Credit Union for not more than four ~~(4)~~ consecutive terms, to a maximum of ~~twelve (12)~~ 12 consecutive years;
- (e) is not a ~~member of the Immediate Family Related Person~~ of an employee, officer or director of the Credit Union;
- (f) is not disqualified under the Act; ~~and~~
- (g) has disclosed to the Board, in a timely fashion before the election in which the ~~natural~~ person is a candidate is held, everything ~~he/she or she the~~

person is required by the Act to disclose as a candidate for director of a credit union<sub>;</sub>

(h) has complied with the Election Guidelines in any election in which the person is seeking election or has been elected;

~~is eligible to be a director of the Credit Union.~~

~~No former employee of the Credit Union or of one of the credit unions which amalgamated to form the Credit Union shall be qualified for election as a director if he/she (i) is not a former employee of the Credit Union who was employed by the Credit Union or by one of the credit unions which amalgamated to form the Credit Union in the two years immediately preceding the date of the election at which he/she seeks the former employee was to be a candidate for election as a director<sub>;</sub>~~

~~No (j) is not a spouse, parent or child of a former employee of the Credit Union or of one of the credit unions which amalgamated to form the Credit Union shall be qualified for election as a director if the former employee was employed by the Credit Union or by one of the credit unions which amalgamated to form the Credit Union in the two years immediately preceding the date of the election at which the spouse, parent or child seeks to be a candidate for election as a director<sub>;</sub>~~

~~No person who is (k) \_\_\_\_\_ is not a director, officer, committee member or employee of a financial institution other than the Credit Union, or whose spouse is a director, officer, committee member or employee of a financial institution, shall be qualified for election as a director. an entity (other than any entity for which an exception has been made by the Board from time to time) that is engaged in, or has the reasonable potential to be engaged in, business activity materially and directly competitive with the existing or proposed business activities of the Credit Union;~~

(l) \_\_\_\_\_ is not the spouse of a person described in paragraph (k) above;

~~No person who has (m) \_\_\_\_\_ has not been removed from a board of a body corporate for failure to attend meetings, failure to perform the duties allotted to him/her the person as a director or for breach of their the person's fiduciary duty ~~shall be qualified for election as a director<sub>;</sub> and~~~~

~~No person who (n) \_\_\_\_\_ has not refused to complete a training program within the required time, as determined by the Board, ~~shall be qualified for election as a director.~~~~

#### **4.03 Director Term of Office**

~~4.03~~

- (a) Subject to the Act, a person elected as a director will take office at the end of the annual 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 end of the annual 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 end of the annual meeting.
- ~~(a) Subject to the Act, a member elected as a director shall take office at the close of the membership meeting at which he/she or she is 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~~ appointed. If, for any reason, the terms of the remaining directors will not allow for the expiry of one-third (1/3) of the directors' terms at each successive annual general meeting, the directors may, by resolution, determine the lengths of terms to be served by directors elected in subsequent elections in such a manner that the Board may return as soon as is practicably possible to the normal cycle of one-third (1/3) of directors' terms expiring at each successive annual meeting.
- (c) If, in an election, terms of office of varying lengths are to be filled, the ~~nominees~~ candidates obtaining the greater number of votes shall be declared to be elected to the longer terms of office available.
- (d) In any election, if there are two or more persons having an equal number of votes, the successful candidate or the lengths of term of office, as the case may be, will be decided by lot by the nominating committee.
- ~~(d)~~(e) If, in the case of an acclamation of all ~~nominees~~ candidates, terms of office of varying lengths are to be filled, the terms shall be assigned by voluntary agreement among the ~~nominees~~ candidates or, failing that, by chance in a manner determined by the Chair of the Board in ~~his/her or her~~ the Chair's sole and absolute discretion.

#### **4.04 Nominating Committee**

The Board shall appoint from among themselves a nominating committee of at least three members. No director who is eligible for re-election at the annual 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.

#### **4.05 Nominations**

An individual seeking election to the Board shall be required to submit to the processes detailed in the Director Nomination Policy, including, but not limited to, the nomination and selection process outlined therein.

#### **4.06 Nominee Declaration**

All nominations shall contain, in a form specified by the Board from time to time, an acknowledgement and consent to investigations, a certificate and undertaking that they are not disqualified from being a director, a confirmation of the nominee's understanding of the responsibilities of a director, and an undertaking by the nominee to take such further training or educational opportunities as may be required of the director by the Board.

#### **4.07 Nominee Interviews**

The nominating committee may conduct interviews of those nominees it considers have the experience, expertise and qualifications to serve on the Board or who fill identified skills requirements, based on a Board-approved preliminary screening process, who are not regarded as incumbent directors of the Credit Union for the purposes of this process. If it conducts such interviews, it shall make reasonable efforts to ensure a fair and transparent process by posing similar questions to each such nominee. An incumbent director will not be regarded as an incumbent director for the purposes of this process unless the incumbent director has been previously elected a director of the Credit Union and was subject to an interview prior to that election.

#### **4.08 Acclamation**

- (a) If the number of qualified persons nominated for the election is equal to the number of positions to be filled, those persons will be declared elected by acclamation.
- (b) If the number of qualified persons nominated for the election to be held is less than the number of positions to be filled, the persons so nominated will be declared elected by acclamation. The Board may appoint qualified person(s) to the remaining position(s) and advise the members at the annual meeting of such appointment(s).

#### **4.09 Notice of Election**

Where an election is to be held, the nominating committee will provide at least 10 days before the commencement of voting, to all members of the Credit Union entitled to vote:

- (a) a list of the candidates for election and such information regarding the candidates as may be determined by the nominating committee in its sole discretion;
- (b) notice of the dates and times during which voting in the election will take place; and
- (c) a ballot by electronic means and instructions for obtaining a ballot by non-electronic means to the extent such non-electronic means are made available.

#### **4.10 Manner of Election**

The following provisions will apply to an election of directors:

- (a) *Voting Eligibility* – Only a member (other than a member under the age of 16 years) as of the record date determined in accordance with section 8.07 of the By-laws is eligible to cast a ballot in an election of a director or directors. Subject to the Act, in the case of a corporation, partnership or unincorporated association, its vote may be cast on its behalf through a proxy produced at any branch or head office, signed by the president or other senior executive with signing authority of the member, appointing one or more persons to vote on its behalf. Any person so appointed need not be a member of the Credit Union. Any such proxy shall cease to be valid on the day following the next annual meeting of the Credit Union.
- (b) *In-Branch and Electronic Voting Process* – Voting in an election of directors shall take place in advance of the annual meeting and, in such election, members shall be permitted to choose to cast their ballots by either:
  - (i) voting at any branch of the Credit Union; or
  - (ii) voting by electronic means in the manner prescribed by the Board.
- (c) *Alternative Voting Process* – The Board shall have the discretion in any given election year to permit, by resolution, members to cast a ballot by mail, in addition to the voting process under paragraph (b), in an election of directors.
- (d) *Rules for Alternative Voting Processes* – If the Board exercises its discretion under paragraph (c), it may, by resolution, make additional rules governing the conditions that apply to a ballot cast by mail, provided that these and any other rules governing such votes are made available to the members.

#### **4.11 Returning Officer**

The Board may appoint a returning officer to oversee the election process, and if so appointed, shall be appointed at least 60 days prior to the date on which voting in an election is to commence.

#### **4.12 Supervision of Election Process**

The returning officer or, if there is no returning officer, the nominating committee shall supervise the election process and:

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

#### **4.13 Announcement of Election Results**

The nominating committee may publicize the results of the election at any date after which the results have been conclusively determined and shall announce the results of the election at the annual meeting next following the completion of voting. If the election results with respect to the election are not determined by the end of the annual meeting, then as soon thereafter as the results are determined.

#### **4.14 Removal of Directors by Members**

~~4.04~~ 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.

#### **4.15 Vacation of Office**

~~4.05~~ A director ceases to hold office when ~~he/she the director~~ dies, resigns, becomes disqualified pursuant to the Act or pursuant to section 4.02 hereof, is removed from office by the members, the Board or the ~~Superintendent of Financial Services~~ Chief Executive Officer of the Authority or is otherwise replaced in accordance with the Act, or ~~his/her the director's~~ term expires.

#### **4.16 Vacancies**

~~4.06~~ 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. In the absence of a quorum of the Board, the directors then in office shall forthwith call a special general 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.

## ARTICLE FIVE

### BOARD POWERS AND PROCEEDINGS

#### Action by 5.01 Powers of the Board

4.07(a) The Board shall supervise the management of the business and affairs of the Credit Union, but the Board, a Committee or a director shall not directly manage or be involved in the day-to-day activities of the Credit Union.

Subject to paragraph 4.08, the (b) The powers of the Board may be exercised at a meeting at which a quorum is present.

(c) 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.

#### Electronic 5.02 Remote Meetings

4.08A A director may participate in and vote at a meeting of the Board or of a ~~committee of the Board~~ 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.

#### 5.03 Place of Meeting

4.09 Meetings (a) In-person meetings of the Board may be held at any place within Ontario.

(b) Remote meetings of the Board shall be deemed to be held in Ontario.

#### 5.04 Calling of Meetings

4.10(a) 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 the Vice-Chair, or any three ~~(3)~~ directors may determine, and the Corporate Secretary, when directed by the Board, the Chair of the Board, a the Vice-Chair, the audit committee, or any three ~~(3)~~ directors, shall convene a meeting of the Board.

(b) The Board-Chair may appoint-determine 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 the calendar for~~ such regular meetings shall be sent to each director forthwith after being ~~passed~~determined by the Chair, 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.

## **5.05 Notice of Meeting**

~~4.11~~(a) Notice of the date, time, and place of each meeting of the Board shall be given in the manner provided in ~~Section 14.01~~section 15.01 to each director not less than 48 hours (exclusive of any part of a ~~Non-business day~~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.

~~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 elected.~~

(b) It will not be necessary to give notice of a meeting of the Board to any director if such meeting is to be held immediately following an annual meeting at which such director has taken office or is the meeting at which the director is appointed.

(c) Notice of an adjourned meeting of the Board is not required if the date, time and place of the adjourned meeting is announced at the original meeting.

## **5.06 Votes to Govern**

~~4.12~~ At all meetings of the Board every question shall be decided by a majority of the votes cast on the question. The chair of the meeting will not be entitled to a vote, except as permitted by this section. In the event of an equality of votes the chair of the meeting shall cast the deciding vote, but, for greater clarity, the chair of the meeting shall not be entitled to a second vote. Any director may request the outcome of the vote to be recorded.

## **5.07 Conflict of Interest**

~~4.13~~ Subject to the Credit Union's conflict of interest policy, a director, officer, ~~committee~~Committee member or employee of the Credit Union who is a party to, or who is a director or officer of or has a material interest in any person who is a party to, or is a spouse, parent or child of an individual who is a party to, a material contract or transaction or proposed material contract or transaction with the Credit Union 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 the~~ 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 any discussion or voting to approve the same except as permitted by the Act.

## **5.08 Remuneration and Expenses**

Subject to the Act:

4.14 ~~The (a) the~~ directors shall be paid such remuneration for their services as the Board may determine on an annual basis, having reference to the financial status of the Credit Union, the remuneration paid at comparable ~~Credit Unions~~ credit unions, the effect of inflation and such other matters as the Board considers relevant~~;~~;

~~These (b) those~~ directors holding the positions of Chair and Vice-Chair of the Board or Chair of a ~~Board~~ Committee may receive additional remuneration to reflect the additional duties they perform~~;~~;

~~The (c) 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 or of the Board or any ~~committee thereof~~ Committee or otherwise in the performance of their duties.

## **ARTICLE FIVE SIX**

### **COMMITTEES**

#### **6.01 Committee of Directors**

5.01 ~~The Chair may Appoint~~ Subject to the Act, the Board may appoint a committee of directors and officers to perform such duties as may be delegated by the Board and to make recommendations to the Board. Decision making power may not be delegated to ~~committees~~ a Committee, but must remain with the Board.

#### **6.02 Audit Committee**

(a) ~~Appointment 5.02(a)-~~ The ~~Chair-Board~~ shall ~~Appoint~~ appoint annually from among members of the Board an audit committee, to be composed of at least three directors.

#### **Chair and Meetings**

(b) ~~Chair and Meetings -~~ The Board shall ~~Appoint~~ appoint a chair of the audit committee~~,~~ and meetings of the audit committee shall be at the call of the

chair of the audit committee, the Credit Union's auditor or a director, provided that the audit committee shall meet at least quarterly.

## **Duties**

~~(e)~~(c) Duties - The audit committee shall perform such duties as are delegated by the Board, including those set out in the Act.

## **6.03 Procedure**

~~5.03~~ Subject to this By-law 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 and to regulate its procedure. For greater certainty, the Board may, by resolution, determine the procedure by which Committee members and Committee ~~Chairs~~chairs are appointed.

## **ARTICLE ~~SIX~~SEVEN**

### **OFFICERS**

## **7.01 Selection**

~~6.04~~(a) The Board shall, at their first meeting after every annual meeting of the Credit Union, elect from their own number a Chair of the Board and a Vice-Chair, ~~and shall Appoint a Chief Executive Officer.~~

(b) The Board shall from time to time appoint a CEO, a Corporate Secretary and such other officers of the Credit Union as the Board may, by resolution, determine, and all such officers shall hold office until their successors are elected or appointed as the case may be.

(c) Subject to ~~paragraphs 6.02 and 6.03~~sections 7.02 and 7.04, an officer may but need not be a director, and one person may hold more than one office.

(d) The Board may specify the duties of and, in accordance with ~~this By-law~~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

~~All officers shall sign such contracts, documents, or instruments in writing as require their respective signatures.~~ In the case of the absence or 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**

~~6.02~~ The Chair of the Board shall be a director and shall, when present, preside at all meetings of the members, the Shareholders and Board~~the Board~~; provided, however, the Chair may delegate to the Vice-Chair the duty to chair all or part of any meeting. The Chair of the Board shall perform such other duties as may from time to time be assigned to ~~him~~the Chair by the Board.

### **7.03 Term of the Chair of the Board**

~~6.03~~ The Chair of the Board shall serve for a 4-one year term. The Chair of the Board may serve for no more than 3-three consecutive terms.

### **7.04 Vice-Chair**

~~6.04~~ The Vice-Chair shall be a director and it shall be the duty of the Vice-Chair to perform the duties of the Chair in case of the absence, disability or refusal to act of the latter; and to perform such other duties as may from time to time be assigned to ~~him~~the Vice-Chair by the Board.

### **7.05 Corporate Secretary**

~~6.05~~ The Corporate Secretary may but need not be a director. It shall be the duty of the Corporate Secretary to have custody of all books, papers, records, documents and instruments belonging to the Credit Union, to ensure that the records of the By-laws of the Credit Union and the minutes of meetings of the Board are kept up to date, and to give or cause to be given as and when instructed, all notices to members, Shareholders, directors, officers, auditors and members of committees of the Board, except when some other officer has been appointed for any of the preceding purposes; ~~and he/she~~ (provided, however, the Corporate Secretary shall at all times be responsible to ensure that the records of the By-laws of the Credit Union and the minutes of meetings of the Board are kept up to date); and the Corporate Secretary shall have such other duties as the Board may specify.

## **Chief Executive Officer**

### **7.06 CEO**

~~6.06~~ The ~~Chief Executive Officer~~ CEO shall carry out, or shall cause to be carried out, the strategic plans and policies as established by the Board and ~~he/she~~ the CEO shall have such other powers and duties as the Board may specify, including but not limited to the management of the business and affairs of the Credit Union.

### **7.07 Duties of Other Officers**

~~6.07~~ The duties of all other officers shall be such as the terms of their engagement call for. The Board may, from time to time and subject to the provisions of the Act, vary, add to or limit the duties of any officer.

### **7.08 Term of Office**

~~6.08~~ The Board, in its discretion, may remove any officer of the Credit Union from ~~his/her the officer's~~ office with or without cause, without prejudice to such officer's rights under any employment contract. Otherwise each officer appointed by the Board shall hold office until ~~his/her the officer's~~ successor is appointed or until the earlier of ~~his/her the officer's~~ resignation or death.

## **7.09 Terms of Employment and Remuneration**

~~6.09~~ 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 the officer~~ from receiving such remuneration as may be so determined.

## **7.10 Conflict of Interest**

~~6.10~~ An officer shall disclose ~~his/her the officer's~~ interest in any material contract or transaction or proposed material contract or transaction with the Credit Union in accordance with ~~paragraph 4.13~~section 5.07.

## **7.11 Agents and Attorneys**

~~6.11~~ The Board shall have power from time to time to ~~Appoint~~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**

~~6.12~~ Subject to the Act, the Board shall require directors, 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~~manner specified in the Act and subject to the conditions as prescribed under 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.

# **ARTICLE SEVENEIGHT**

## **MEETINGS OF MEMBERS**

### **8.01 Annual Meeting**

~~7.01(a)~~ The annual meeting of the Credit Union shall be held within 120 days following the ~~fiscal year~~financial year end, unless otherwise authorized by the ~~Superintendent~~Chief Executive Officer of the Authority.

~~Subject to the above-noted restriction, all (b)~~ All meetings of the members of the Credit Union shall be held at such time and at such place within ~~the geographic bond of association of the Credit Union Ontario~~ as the Board may ~~by resolution~~ determine.

## **8.02 Special General Meetings**

Other special general meetings may be convened by the Board and held in accordance with the provisions of the Act.

## **Electronic 8.03 Remote Meetings**

~~7.02~~ (a) 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 telephone~~ 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 ~~7.06-8.09~~ hereof, to have been present at the meeting.

(b) A remote meeting may be:

(i) a fully electronic meeting in which persons are entitled to participate solely by telephone or other electronic means; or

(ii) a partially electronic meeting in which persons are entitled to participate in person or by telephone or other electronic means,

provided that all persons attending the meeting are able to participate in it, whether by telephone, by other electronic means or, if applicable, in person.

(c) Notwithstanding section 8.01(b), if a remote meeting of members is a fully electronic meeting:

(i) the meeting is not required to have a physical location;

(ii) any notice of the meeting is not required to specify a location for the meeting; and

(iii) the meeting is deemed to be held in Ontario.

## **8.04 Order of Business at an Annual Meeting**

~~7.03~~ At an annual meeting, the Board shall place before the members:

(a) ~~Audited~~ audited financial statements of the Credit Union;

- (b) ~~r~~Report of the ~~a~~Auditor;
- ~~(c)~~ ~~r~~Report of the ~~a~~Audit ~~c~~Committee;
- ~~(e)~~(d) report of the nominating committee; and

~~(d)~~ ~~Such~~ ~~(e)~~ 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.

### 8.05 Order of Business at a Special General Meeting

The order of business at special general meetings of the Credit Union shall be as determined by the Board.

### 8.06 Notice of Meeting

~~7.04~~(a) Notice of all meetings of the Credit Union shall be given by the Corporate Secretary or the delegate of the Corporate Secretary, who shall, not later than ~~ten~~ 10 days before the date of the meeting or earlier than ~~fifty~~ 50 days before the date of the meeting, give notice of the meeting to each member of the Credit Union who is, as of the record date for such meeting determined in accordance with section ~~7.05~~ 8.07 hereof, a member of the Credit Union in full compliance with the minimum membership share requirements contained in section 2.03 hereof, by posting a notice of the meeting in each ~~office~~ branch of the Credit Union, and either

- (a*i*) sending the notice by prepaid mail to the Recorded Address of the member; or
- (b*ii*) publishing the notice ~~in a newspaper that is circulated in each of the communities in which any office~~ on the website of the Credit Union ~~is situated~~ and as may be otherwise required by the Act.

(b) Notice may also be delivered electronically to members who have authorized the Credit Union to communicate with them ~~in this fashion and provided the Credit Union with an~~ by electronic ~~mail address to which to send such electronic communications~~ means.

(c) Notice of a meeting at which a special resolution is to be ~~considered~~ voted on, including, without limitation, a special resolution to ~~amend the Credit Union's by-laws~~ confirm a by-law that has been passed by the Board, shall include a summary of the special resolution.

(d) The notice of an annual meeting shall specify that copies of the audited financial statements and the reports of the audit committee and the auditor will be available for inspection at the meeting and at the offices of the

Credit Union ~~ten~~ and electronically at least 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 committee and nominating committee, in sufficient detail to permit members to form a reasonable judgment on the matter.

### **8.07 Record Date**

~~7.05~~ (a) The Board may fix in advance a date preceding the date of any meeting of members by no more than ~~fifty~~ 50 days and not less than ~~ten~~ 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 seven days before such record date by newspaper advertisement.~~

(b) 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.

### **8.08 Chair and Secretary**

The chair of any meeting of members shall be the Chair or, if the Chair is absent or is unable for any reason to act, the Vice-Chair. If no such officer is present within 15 minutes from the time fixed for holding the meeting, the other directors present shall choose a director who is present to be chair. If the Corporate Secretary of the Credit Union is absent, the chair shall appoint some person, who need not be a member, to act as secretary of the meeting.

### **8.09 Quorum**

~~7.06~~ At all meetings of the members of the credit union ~~fifty~~ 50 members 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 seven or more than ~~fifteen~~ 15 days thereafter, and the decision of the adjourned meeting shall be binding upon the ~~credit union~~ Credit Union regardless of the number of members then present, provided that notice of the adjourned meeting shall be given by the ~~secretary~~ Corporate Secretary in the manner herein provided, at least seven days prior to the date of the adjourned meeting.

### **8.10 New Business**

~~7.07~~ At Subject to the Act, at all meetings of the members of the Credit Union, only the business stated in the notice calling such meeting may be transacted. In particular and without limiting the generality of the foregoing, due notice shall be given of any proposed By-law amendments.

### **8.11 Methods of Voting**

- (a) Voting at a meeting of members of the Credit Union will be by show of hands, unless the chair of the meeting determines to permit voting by a written vote or by electronic means and such means are made available.
- (b) 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 members upon the said question.

~~7.08~~(c) 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, provided that the Board shall allow voting by at least one of these methods on ~~both director elections and also~~ all special resolutions, vote at meetings of members by mail, or by in-branch, ~~telephonic~~telephone, 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 ~~7.06-8.09~~ hereof, to have been present at the meeting. This paragraph (c) shall in no way limit the discretion of the chair of the meeting as set out in paragraph (a) hereof.

## **8.12 Joint Members**

- ~~7.09~~(a) Where two or more persons hold the same Share or Shares jointly, any one of such persons present at a meeting of members has the right, in the absence of the other or others, to vote in respect of such Share or Shares, but, if more than one of such persons are present, they shall vote together as one on the Share or Shares jointly held by them.
- (b) Two or more persons jointly holding enough membership ~~Shares~~shares to entitle each of them to be a member in ~~his/her or her~~the person's own right are all considered as separate members.

## **8.13 Proxies**

~~7.10~~A member of the Credit Union which is ~~Her/His~~ Majesty the ~~Queen~~King, a corporation, a partnership or an unincorporated association shall only cast its vote as a member through a ~~written~~ proxy produced at in advance of the meeting in accordance with the voting rules and processes applicable to 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 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 after the expiration of one year from its



date or the end of any meeting for which it was expressly granted, whichever is earlier.

## **Nominations**

~~7.11 (a) Nominations for each directorship to be filled by election at the annual meeting shall be made from amongst members by filing notice thereof in writing with the Corporate Secretary in care of the Credit Union, not later than 4:00 p.m. on the last business day of November preceding the Credit Union's annual meeting.~~

~~All nominations shall be accepted in writing by the nominees.~~

~~Notice of forthcoming vacancies shall be posted in a manner approved by the Board at least ninety days before the end of the Credit Union's fiscal year.~~

~~All nominations shall also contain, in a form specified by the Board from time to time, an acknowledgement and consent to investigations, a certificate and undertaking that they are not disqualified from being a director, a confirmation of the nominee's understanding of the responsibilities of a director, and an undertaking by the nominee to take such further training or educational opportunities as may be required of him or her by the Board.~~

~~(b) The Chair shall Appoint annually from among the directors a nominating committee of at least three members, who shall make reasonable efforts to ensure that:~~

- ~~1) at least one member is nominated for election to each vacancy in the Board;~~
- ~~2) all nominees are eligible for election to, and have the experience, expertise and qualifications to serve on, the Board, and~~
- ~~3) all nominees understand, and are committed to performing, the duties and obligations of a director of the Credit Union.~~

~~No officer or employee of the Credit Union, and no director who is eligible for re-election at 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.~~

~~The nominating committee may conduct interviews of those nominees it considers have the experience, expertise and qualifications to serve on the Board or who fill identified skills requirements, based on a Board-approved preliminary screening process, who are not regarded as incumbent directors of the Credit Union for the purposes of this process.~~

~~If it conducts such interviews, it shall make reasonable efforts to ensure a fair and transparent process by posing similar questions to each such nominee.~~

~~An incumbent director will not be regarded as an incumbent director for the purposes of this process unless he/she or she has been previously elected a director of the Credit Union and was subject to an interview prior to that election.~~

~~The nominating committee shall not have the authority to prevent any nominee from seeking election to the Board, but shall simply have the authority to make a report to the membership recommending the nominees they believe are qualified for election to the Board.~~

~~\_\_\_\_\_ (c) \_\_\_\_\_ Only nominations made in accordance with this section shall be placed before the membership.~~

~~\_\_\_\_\_ (d) \_\_\_\_\_ If an election is necessary at a special meeting of the Credit Union, it shall be conducted in a manner determined by the Board and may, but shall not be required to, be conducted in accordance with this section.~~

## **8.14 Adjournment**

~~7.12~~ Subject to section ~~7.05-8.09~~ hereof regarding adjournment for lack of quorum and the requirement to give notice of a meeting adjourned for lack of quorum, the chair at the 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, and, if a meeting of members is adjourned for less than ~~thirty~~ 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 members is adjourned by one or more adjournments for an aggregate of ~~thirty~~ 30 days or more, notice of the adjourned meeting shall be given as for an original meeting.

## **8.15 Proposals**

~~7.13~~ 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 submitting it of the refusal, and give reasons therefor.

## **8.16 Requisitions**

~~7.14~~ Upon the ~~written~~ request of ~~5%~~ five percent of the membership, stating the general nature of the business to be presented at the meeting, ~~the~~ Board shall call a special general meeting of the Credit Union, for the transaction of that business, not later than ~~twenty-one~~ 21 days from the date the ~~written~~ request was

deposited at the head office, and such meeting shall be held within ~~sixty~~ 60 days from the date of the deposit of the requisition.

### **8.17 Rules of Order**

Subject to the Act, 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" will be used.

## **ARTICLE EIGHTNINE**

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

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

~~8.01~~ 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 though it had been approved, ratified or confirmed by every member or Shareholder of the Credit Union.

#### **9.02 Indemnity**

~~8.02~~ Subject to the limitations contained in the Act, the Credit Union shall indemnify a director, officer, or committee member, a former director or 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/her~~ (each, an "eligible person"), and such eligible person's 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~~ the eligible person in respect of any civil, criminal or administrative action or proceeding to which ~~he/she~~ the eligible person is made a party by reason of being serving or having ~~been a director or officer of the Credit Union or such body corporate~~ served in a qualifying capacity, if

- (a) ~~he/she~~ the eligible person 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/she~~ the eligible person had reasonable grounds for believing that ~~his/her~~ the impugned conduct was lawful.

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

### **9.03 Insurance**

~~8.03~~ Subject to the Act, the Credit Union may purchase and maintain insurance for the benefit of any person referred to in paragraph 8.02 section 9.02 against such liabilities and in such amounts as the Board may from time to time determine.

## **ARTICLE NINETEN**

### **SHARES**

#### **10.01 Allotment**

~~9.04(a)~~ 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.

(b) The maximum number of membership shares that may be issued to a member is set out in section 2.03(e) hereof.

(c) Subject to the Act, the Articles and any applicable offering statement, there is no maximum number of any class of Shares, other than membership shares, that may be issued to a Shareholder.

#### **10.02 Redemption of Shares**

(a) The Credit Union shall redeem membership shares in accordance with the provisions of the Articles.

(b) Subject to the Act, the Articles and these By-laws, the Credit Union may, by Board resolution, redeem any of its Shares on such terms and conditions and at such times as the Board determines.

(c) If the Credit Union proposes, at its option, to redeem some but not all of the Shares of any class, the Board may, subject to the rights, privileges, restrictions and conditions attached to such class of Shares, decide the manner in which the Shares to be redeemed will be selected.

#### **10.03 Commissions**

~~9.02~~ Except in respect of membership ~~Shares~~ shares and subject to the Act, the Board may, from time to time, authorize the Credit Union to pay a reasonable commission to any a person in consideration of his/her the person purchasing or agreeing to purchase Shares of the Credit Union, whether from the Credit Union or from any other person, or procuring or agreeing to procure purchasers for any such Shares.

#### **10.04 Registration of Transfers**

(a) Except as otherwise provided in these Bylaws, the Articles or the Act, transfer of membership shares other than to the Credit Union or to another credit union is prohibited.

~~9.03~~(b) Subject to paragraph (a) and 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 (if any), 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 paragraph 9.05section 10.06.

#### **10.05 Transfer Agents and Registrars**

~~9.04~~The Board may, from time to time, Appointappoint one or more agents to maintain, in respect of each class of securities of the Credit Union issued by it in registered form, a securities register and one or more branch securities registers. Such a person may be designated as transfer agent and registrar according to his/herthe person's functions and one person may be designated both registrar and transfer agent. The Board may at any time terminate such appointment.

#### **10.06 Lien for Indebtedness**

~~9.05~~The Credit Union shall have a lien on any membership Shareshare registered in the name of a member or his/herthe member's legal representatives for any liability of that member to the Credit Union. The Credit Union may enforce any lien that it has on Shares registered in the name of a member who has a liability 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.

#### **10.07 Non-recognition of Trusts**

~~9.06~~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, irrespective of any indication to the contrary through knowledge or notice or description in the Credit Union's records or on the Shareshare certificate.

#### **10.08 Share Certificates**

~~9.07~~(a) The Credit Union shall not issue certificates for membership Shareshares, provided that a member shall be entitled to a statement of

the number of membership ~~Shares~~ shares held by the member upon request.

- (b) Subject to paragraph (a) hereof, every holder of one or more Shares of the Credit Union shall be entitled, at ~~his/her~~ the holder's option, to a ~~Share~~ share certificate, or to a non-transferable written acknowledgement of ~~his/her~~ the holder's right to obtain a ~~Share~~ share certificate, stating the number and class or series of Shares held by ~~him~~ the holder as shown on the securities register. Share certificates and acknowledgements of a Shareholder's right to a ~~Share~~ share certificate, respectively, shall be in such form as the Board shall from time to time approve. ~~Any Share- (which may, for a non-transferable written acknowledgement, be in electronic form).~~ Any share certificate shall be signed in accordance with ~~paragraph 3.03~~ section 3.02 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 one of the Signing Officers or, in the case of ~~Share~~ 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~~ electronically reproduced ~~in facsimile~~ upon ~~Share~~ 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~~ share certificate executed as aforesaid shall be valid notwithstanding that one or both of the officers whose ~~facsimile~~ signature appears thereon no longer holds office at the date of issue of the certificate.

~~facsimile signature appears thereon no longer holds office at the date of issue of the certificate.~~

### **10.09 Replacement of Share Certificates**

~~9.08~~ The Board or any officer or agent designated by the Board may in its or ~~his/her~~ such officer or agent's discretion direct the issue of a new ~~Share~~ share certificate in lieu of and upon cancellation of a ~~Share~~ share certificate that has been mutilated or in substitution for a ~~Share~~ 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.

### **10.10 Joint Shareholders**

~~9.09~~ If two or more persons are registered as joint holders of any Share, the Credit Union shall not be bound to issue more than one certificate in respect thereof, and delivery of such certificate to one of such persons shall be sufficient

delivery to all of them. Any one of such persons may give effectual receipts for the certificate issued in respect thereof or for any dividend, bonus, return of capital or other money payable or warrant issuable in respect of such Shares.

### **10.11 Deceased Shareholders**

~~9.10~~ In the event of the death of a holder, or of one 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.

## **ARTICLE TENELEVEN**

### **DIVIDENDS, PATRONAGE RETURNS, AND RIGHTS**

#### **11.01 Dividends**

~~10.01~~ Subject to the provisions of the Act, the Board may, from time to time, declare dividends payable to members and ~~shareholders~~ 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.

#### **Cheques**

~~10.02 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/her 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.~~

#### **Non-receipt of Cheques**

~~10.03 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.~~

### **11.02 Payment of Dividends**

A dividend or patronage return payable in cash will be deposited into a member's account by the Credit Union.

### **11.03 Record Date for Dividends and Rights**

~~11.04~~The Board may fix in advance a date, preceding by not more than ~~fifty (50)~~ 75 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 seven ~~(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.

### **Unclaimed Dividends and Patronage Returns**

~~11.05 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.~~

## **ARTICLE ELEVENTWELVE**

### **MEETINGS OF SHAREHOLDERS**

#### **12.01 Not to Govern Membership Meetings**

~~11.04~~This Article Eleven-Twelve shall not govern meetings of members of the Credit Union, which shall be governed by Article Seven-Eight hereof.

#### **12.02 Meetings**

~~11.02~~(a) Subject to the Act, meetings of Shareholders shall be held at such time as ~~the Board or the Chair of~~ 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.

#### **Special Meetings**



~~11.03 The Board or the Chair of the Board shall have power to call a special meeting of Shareholders at any time.~~

### **Place of Meetings**

~~11.04 (b) Meetings of Shareholders shall be held at such place within the geographic bond of association of the Credit Union Ontario as the Board may by resolution determine.~~

### **12.03 Remote Meetings**

- ~~(a) A meeting of Shareholders may, if the Board determines and pursuant to such conditions, rules and procedures which may be approved by the Board, be held by telephone or electronic means. A Shareholder 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 12.09 hereof, to have been present at the meeting.~~
- ~~(b) A remote meeting may be:~~
- ~~(i) a fully electronic meeting in which persons are entitled to participate solely by telephone or other electronic means; or~~
  - ~~(ii) a partially electronic meeting in which persons are entitled to participate in person or by telephone or other electronic means, provided that all persons attending the meeting are able to participate in it, whether by telephone, by other electronic means or, if applicable, in person.~~
- ~~(c) Notwithstanding section 12.02(b), if a remote meeting of Shareholders is a fully electronic or remote meeting:~~
- ~~(i) the meeting is not required to have a physical location;~~
  - ~~(ii) any notice of the meeting is not required to specify a location for the meeting; and~~
  - ~~(iii) the meeting is deemed to be held in Ontario.~~

### **12.04 Notice of Meetings**

~~11.05 Notice of the time and place of each meeting of Shareholders (except for meetings of the holders of all or any series of the Class B Shares, to which Section 7.04 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 if exempted under the Act~~) shall be given by the Corporate Secretary, not less than ~~ten-10~~ days nor more than ~~fifty-50~~ days before the date of the meeting to each director, to the auditor and to each Shareholder of record at the record date for notice, in the manner provided in ~~paragraph 14.01~~section 15.01. 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 a summary~~ 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**

~~11.06~~ 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. 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**

~~11.07~~ 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, and Secretary and Scrutineers**

~~11.08~~ The chair of any meeting of Shareholders shall be the ~~first mentioned of such of the following officers as have been elected and who is present at the meeting: the Chair or a Vice-Chair who is a director. Chair or, if the Chair is absent or is unable for any reason to act, the Vice-Chair.~~ If no such officer is present within ~~fifteen-15~~ minutes from the time fixed for holding the meeting, the ~~persons other directors present and entitled to vote shall choose one of their number a director who is present~~ to be chair. If the Corporate Secretary of the Credit Union is absent, the chair shall ~~Appoint~~ appoint some person, who need not be a Shareholder, to act as secretary of the meeting.

~~If desired, one or more scrutineers, who need not be Shareholders, may be appointed by a resolution or by the chair with the consent of the meeting.~~

## **12.08 Persons Entitled to be Present**

~~11.09~~ The only persons entitled to be present at a meeting of Shareholders shall be those entitled to vote thereat, the directors, officers and the auditor of the Credit Union and others who, although not entitled to vote are entitled or required under any provision of the Act or the Articles or the By-laws to be present at the meeting. Any other person may be admitted only on the invitation of the chair of the meeting or with the consent of the meeting.

## **12.09 Quorum**

~~11.10(a)~~ Subject to ~~paragraph 11.11~~section 12.10, ~~two 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 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 Shareholders, unless a greater number is required to be present at the meeting by the Act or by the Articles or any other By-law, shall be persons present in person at the meeting, each being a Shareholder entitled to vote at the meeting or a duly appointed proxyholder for an absent Shareholder entitled to vote at the meeting, not being less than ~~twenty-five (25)~~25 in number.

(b) If there is no quorum, then the meeting shall be adjourned to such date, not being less than ~~ten~~10 days later, and to such time and place ~~, if any,~~ as may be announced by the chair at the meeting, and, subject to ~~paragraph 11.18~~section 12.17, it shall not be necessary to give notice of the adjourned meeting.

(c) At such adjourned meeting the persons present at such meeting, provided that there are at least two such persons present in person at the meeting, 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**

~~11.11~~ 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 ~~paragraph 11.06~~section 12.05, every person who is named in such list shall be entitled to vote the Shares shown opposite his/her the person's name, except to the extent that such person has transferred any of his/her the person's Shares after the record date determined in accordance with ~~paragraph 11.07~~section 12.06, and the transferee, having produced properly endorsed certificates evidencing such Shares or having otherwise established that he/she the person owns such Shares, has demanded not later than ~~ten~~10 days before the meeting that his/her the person's 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 ~~paragraph 11.06~~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 one or more Shares carrying the right to vote at such meeting.

### **12.11 Proxies**

~~11.12~~ Every Shareholder entitled to vote at a meeting of Shareholders may ~~Appoint~~appoint a proxyholder, or one or more alternate proxyholders, who need not be Shareholders, to attend and act at the meeting in the manner and to the extent authorized and with the authority conferred by the proxy. A proxy shall be in ~~writing, executed a form that is signed~~ by the Shareholder or ~~his/her the~~Shareholder's attorney authorized in writing or other format generated by telephonic or electronic means, and shall conform with the requirements of the Act.

### **12.12 Time for Deposit of Proxies**

~~11.13~~ 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 ~~forty-eight~~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**

~~11.14~~ If two or more persons hold Shares jointly, any one of them present ~~in person at the meeting~~ or represented by proxy at a meeting of Shareholders may, in the absence of the other or others, vote the Shares; but if two or more of those persons are present ~~in person at the meeting~~ or represented by proxy and vote, they shall vote as one the Shares jointly held by them.

### **12.14 Votes to Govern**

~~11.15~~ At any meeting of Shareholders every question shall, unless otherwise required by the Articles or By-laws ~~or by law~~, be determined by a majority of the votes cast on the question. In case of an equality of votes ~~either upon a show of hands or upon a poll~~, the chair of the meeting shall not be entitled to a second or casting vote.

### **Show of Hands**

### **12.15 Methods of Voting**

11.16 (a) Subject to the provisions of the Act, any question at a meeting of Shareholders shall be decided by ~~a show of hands~~, unless the chair of the meeting determines to permit voting by a written vote or by electronic means and such means are made available.

(b) Every person who is present and entitled to vote shall have one vote, 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 one vote.~~

(c) 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.

(d) Shareholders 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 Shareholders by mail, or by in-branch, telephone, or electronic means. A Shareholder 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 12.09 hereof, to have been present at the meeting. This paragraph (d) shall in no way limit the discretion of the chair of the meeting as set out in paragraph (a) hereof.

## 12.16 **Ballots**

11.17 (a) 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.

(b) A ballot so required or demanded shall be taken in such manner as the chair shall direct.

~~(c)~~ A requirement or demand for a ballot may be withdrawn at any time prior to the taking of the ballot.

(d) If a ballot is taken each person present at the meeting shall be entitled, in respect of the Shares which ~~he/she~~ the person is entitled to vote at the meeting upon the question, to that number of votes provided by the Act or the Articles, and the result of the ballot so taken shall be the decision of the Shareholders upon the said question.

## **12.17 Adjournment**

~~11.18~~ 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 ~~thirty~~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 ~~thirty~~30 days or more, notice of the adjourned meeting shall be given as for an original meeting.

## **12.18 Rules of Order**

Subject to the Act, a meeting of Shareholders 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" will be used.

# **ARTICLE ~~TWELVE~~THIRTEEN**

## **LENDING**

### **13.01 Lending**

~~12.01~~ The Credit Union may make loans in accordance with the Act and its lending policies as adopted by the Board from time to time.

# **ARTICLE ~~THIRTEEN~~FOURTEEN**

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

### **14.01 Annual Statements**

~~13.01~~ Every member or Shareholder applying in ~~writing such form or manner~~ therefor as the Credit Union may determine shall be entitled to receive a copy of the Credit Union's annual statement. Copies of the annual statements of any subsidiaries of the Credit Union shall be open to inspection by the members and Shareholders and the making of extracts thereof during normal business hours free of charge.

### **14.02 Inspection of Person's Own Account**

Each member or Shareholder is entitled to a record specifying the amount paid upon Shares, deposits and loans by the member or Shareholder.

### **14.03 Members and Shareholders Registers**

~~13.02~~ A Subject to the restrictions in the Act, a member or Shareholder shall be entitled to have access to or review an extract from the members or Shareholders register containing only the names, at the head office of the Credit Union during normal business hours on not less than three full business days' ~~written~~ notice to the Credit Union by such member ~~or Shareholder~~.

#### **14.04 Other Information Available to Members or Shareholders**

~~13.03~~ Except as provided by the Act, no member or 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 or contrary to applicable laws.

#### **14.05 Directors' Determination**

~~13.04~~ The Board may from time to time, subject to the rights conferred by the Act, determine whether and to what extent and at what time and place and under what conditions or regulations the documents, books and registers and accounting records of the Credit Union or any of them shall be open to the inspection of members and Shareholders, and no member or Shareholder shall have any right to inspect any document or book or register or accounting record of the Credit Union except as conferred by statute or authorized by the Board or by a resolution of the ~~Shareholders~~ members in general ~~meeting~~ meetings.

#### **14.06 Fee**

~~13.05~~ A member of the Credit Union shall be entitled ~~to a copy of the By-laws~~ ;

- (a) on request and free of charge to an electronic copy of the By-laws; and
- (b) on request and upon payment of a fee of ~~twenty-five dollars~~ \$25.00, or such lesser amount as the Board may from time to time establish, to a paper copy of the By-laws.

#### **14.07 Gender Diversity Report**

The Board shall report annually on the gender diversity of the Board in accordance with the requirements of the Act and shall make the gender diversity report available to the public by posting the report on the website of the Credit Union.

## **ARTICLE FOURTEEN FIFTEEN**

### **NOTICES**

#### **15.01 Method of Giving Notices**

- 14.01 Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served) (a) Subject to the Act or other applicable law, including the *Electronic Commerce Act, 2000*, a record or other document that is to be provided, issued or otherwise transmitted pursuant to the Act, the regulations thereunder, the Authority Rules, the Articles, the By-laws or otherwise to a member, Shareholder, director, officer, auditor or member of a ~~committee of the Board~~ Committee shall be sufficiently given if: (i) delivered personally to the person to whom it is to be given or if delivered to his/her Recorded Address or if mailed to him at his/her ~~Recorded Address by prepaid mail~~ or if sent to him at his/her Recorded Address by any means of prepaid transmitted or recorded communication, provided, issued or otherwise transmitted to the person's Recorded Address; (ii) mailed to the person at the person's Recorded Address by prepaid mail; or (iii) provided, issued or otherwise transmitted in electronic format in a manner agreed to by the intended recipient (including, without limitation, making such electronic documents accessible to the intended recipient by an electronic means notified to the intended recipient), provided that such electronic records or documents are accessible and capable of being retained by the recipient in a manner useable for subsequent reference.
- (b) A notice so delivered shall be deemed to have been given: (i) if delivered, when it is delivered personally or to the Recorded Address as aforesaid; a notice so (ii) if 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. (iii) if by electronic format, when it is provided, issued or otherwise transmitted in electronic format in a manner agreed to by the intended recipient.
- (c) The Corporate Secretary may change or cause to be changed the Recorded Address of any Shareholder, director, officer, auditor or member of a committee of the Board in accordance with any information believed by him the Corporate Secretary to be reliable.
- (d) For the purposes of this section 15.01, "record or other document" includes, without limitation, notices, communications, instruments, financial statements, resolutions, ballots and votes.

## **15.02 Signature to Notices**

~~14.02~~ 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~~ or printed. Subject to this Act or other applicable law, including the *Electronic Commerce Act, 2000*,



any such signature may be in electronic format if the director or officer of the Credit Union so determines.

### **15.03 Proof of Service**

~~14.03~~ A certificate of the Chair, ~~a~~the Vice-Chair, the Corporate Secretary or the Treasurer or of any other officer of the Credit Union in office at the time of the making of the certificate or of a transfer officer of any transfer agent or branch transfer agent of Shares of any class of the Credit Union as to the facts in relation to the mailing or delivery provision, issuance or other transmittal 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**

~~14.05~~ 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.

### **15.06 Undelivered Notices**

~~14.06~~ If any notice given to a member or Shareholder pursuant to paragraph 14.01 section 15.01 is returned because ~~he/she~~the member or Shareholder cannot be found or located, the Credit Union shall not be required to give any further notices to such member or Shareholder until ~~he/she~~the member or Shareholder informs the Credit Union in writing of his/her or by electronic means of the member or Shareholder's new address.

### **15.07 Omissions and Errors**

~~14.07~~ The accidental omission to give any notice to any member, Shareholder, director, officer, auditor or member of a committee of the Board, or the non-receipt of any notice by any such person, or any error in any notice not affecting the substance thereof, shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

### **15.08 Deceased Members or Shareholders**

~~14.08~~ Any notice or other document delivered or sent by post or left at the Recorded Address of any member or Shareholder shall, notwithstanding that such member or Shareholder be then deceased, and whether or not the Credit Union has notice of ~~his/her decease~~the member or Shareholder's death, be deemed to have been duly served in respect of the Shares held by such member or Shareholder (whether held solely or with any person or persons) until some other person be entered in ~~his/her~~the member or Shareholder's stead in the records of the Credit Union as the holder or one of the holders thereof, and such

service shall for all purposes be deemed a sufficient service of such notice or document on ~~his/her the member or Shareholder's~~ heirs, executors or administrators and on all persons, if any, ~~interested with him~~ having an interest in such Shares.

#### **15.09 Persons Entitled by Death or Operation of Law**

~~14.09~~ 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 member or Shareholder from whom ~~he/she the person~~ derives ~~his/her~~ title to such Share prior to his/her the person's name and address being entered on the securities register (whether such notice was given before or after the happening of the event upon which ~~he/she the person~~ became so entitled) and prior to his/her the person furnishing to the Credit Union the proof of authority or evidence of his/her the person's entitlement as prescribed by the Act.

#### **15.10 Waiver of Notice**

~~14.10~~ Any member or Shareholder (or ~~his/her such member or Shareholder's~~ duly appointed proxyholder), director, officer, auditor or member of a committee of the Board or advisory committee may at any time waive any notice, or waive or abridge the time for any notice, required to be given to ~~him such person~~ under any provision of the Act, the regulations thereunder, the Authority Rules, 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 or in electronic format, except a waiver of notice of a meeting of members or Shareholders or of the Board or of a committee of the Board, which may be given in any manner.

### **ARTICLE FIFTEEN-SIXTEEN**

#### **EFFECTIVE DATE**

#### **16.01 Effective Date**

~~15.01~~ Subject to the Act, this By-law shall come into force upon being passed by the Board and confirmed by a special resolution of the members.

**16.02 Repeal**

~~15.02~~ All By-laws previously enacted are revoked upon the coming into force of these By-laws. PASSED by the Board of Directors of Kawartha Credit Union Limited at a meeting duly constituted this ~~26<sup>th</sup>~~- 13<sup>th</sup> day of ~~January~~ 2021 - ~~December~~ \_\_\_\_\_, 2022.

WITNESS the corporate seal of Kawartha Credit Union Limited-.

CONFIRMED by the affirmative votes of at least two-thirds of the votes cast at a meeting of members of Kawartha Credit Union Limited duly constituted this ~~31<sup>st</sup>~~- \_\_\_\_\_ day of ~~March 2021~~ \_\_\_\_\_, 2023.



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~~Harvey Spry~~ Nancy Herr  
Chair



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Jeff Carter  
Corporate Secretary