

## SUMMARY OF PROPOSED RULES AMENDMENTS

The following table summarizes the proposed amendments to the Rules of Bulkley Valley Credit Union (the “credit union”). The summary below does not address minor typographical corrections or updated Rule cross references and does not necessarily address non-substantive changes.

The following changes have been made globally to the Rules:

- References to Class “B” Non-Equity Shares have been deleted. The credit union does not intend to issue any Class “B” Non-Equity Shares going forward and there are currently no Class “B” Non-Equity Shares issued.
- Where the words “he”, “his”, “she” or “her” appeared in the current Rules, they have been replaced with gender neutral language.

	Current Rule	Proposed Rule Amendment	Summary/Rationale
1.	1.1 Every application for membership shall be in writing and shall be accompanied by payment in full of the number of Class “A” Membership Equity Shares required to be held by a member on the date of application for membership.	1.1 Every application for membership shall be submitted in a form approved by the credit union and shall be accompanied by payment in full of the number of Class “A” Membership Equity Shares required to be held by a member on the date of application for membership.	New wording has been added to allow for the credit union to use electronic or other technological means to onboard members.
2.	2.3 The shares of the credit union shall be divided into the following classes of shares, each consisting of an unlimited number of shares: Class “A” Membership Equity Shares; Class “B” Non-Equity Shares.	2.3 The shares of the credit union shall consist of an unlimited number of Class “A” Membership Equity Shares.	The reference to Class “B” Non-Equity Shares has been deleted. There are no such shares issued, and the credit union does not wish to have the ability to issue such shares on a go forward basis.
3.	2.5 Subject to the <u>Credit Union Incorporation Act</u> and these Rules, the credit union may, by resolution of the	Intentionally deleted.	Share redemption is dealt with in Rule 2.8 (now Rule 2.7 under proposed revisions), so Rule 2.5 can be deleted.

	directors, redeem or purchase any of its shares.		
4.	<p>2.6 If the credit union proposes, at its option, to redeem some but not all of the shares of any class, the directors may, subject to the special rights and restrictions attached to such class of shares, decide the manner in which the shares to be redeemed shall be selected.</p>	<p>2.5 If the credit union proposes, at its option, to redeem some but not all of its shares, the directors may, subject to the special rights and restrictions attached to such shares, decide the manner in which the shares to be redeemed shall be selected.</p>	<p>The new wording reflects the credit union having one class of shares authorized under the proposed revisions to the Rules.</p>
5.	<p>2.8 Class "A" Membership Equity Shares have attached thereto the following rights and restrictions:</p> <ul style="list-style-type: none"> <li>(a) ownership, assignment, transfer and issue of Class "A" Membership Equity Shares is limited as set out in the <u>Credit Union Incorporation Act</u>;</li> <li>(b) subject to the <u>Credit Union Incorporation Act</u>, the credit union shall redeem the Class "A" Membership Equity Shares held by a member if: <ul style="list-style-type: none"> <li>(i) the member is a natural person and dies, subject to Rule 2.17 and subject to any contrary instruction of the personal</li> </ul> </li> </ul>	<p>2.7 Class "A" Membership Equity Shares have attached thereto the following rights and restrictions:</p> <ul style="list-style-type: none"> <li>(a) ownership, assignment, transfer and issue of Class "A" Membership Equity Shares is limited as set out in the <u>Credit Union Incorporation Act</u>;</li> <li>(b) subject to the <u>Credit Union Incorporation Act</u>, the credit union shall redeem the Class "A" Membership Equity Shares held by a member if: <ul style="list-style-type: none"> <li>(i) the member is a natural person and dies, subject to any contrary instruction of the personal representative of the</li> </ul> </li> </ul>	<p>New wording has been added in Rule 2.7(b)(v) to provide that the credit union will redeem Class "A" Membership Equity Shares held by an unincorporated association upon dissolution of the unincorporated association. Rule 2.7(b)(vii), which required redemption of the shares of a member whose age is 60 or over, has been deleted in order to avoid potential non-compliance with human rights legislation.</p>

	<p>representative of the deceased member to transfer the shares to a person entitled to hold the same pursuant to the <u>Credit Union Incorporation Act</u> and these Rules;</p> <p>(ii) the member is an incorporated company and is dissolved or wound up;</p> <p>(iii) the credit union terminates the membership of the member;</p> <p>(iv) the member withdraws from membership in the credit union;</p> <p>(v) the member is a partnership which dissolves; or</p> <p>(vi) the member, in any other case, ceases to be a legal entity according to the statute by or pursuant to which it was created;</p> <p>(vii) the member's age is 60 or older.</p>	<p>deceased member to transfer the shares to a person entitled to hold the same pursuant to the <u>Credit Union Incorporation Act</u> and these Rules;</p> <p>(ii) the member is an incorporated company and is dissolved or wound up;</p> <p>(iii) the credit union terminates the membership of the member;</p> <p>(iv) the member withdraws from membership in the credit union;</p> <p>(v) the member is a partnership or unincorporated association which dissolves; or</p> <p>(vi) the member, in any other case, ceases to be a legal entity according to the statute by or pursuant to which it was created.</p>	
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6.	<p>2.9 Each member of the credit union, at the time this Rule comes into force, shall subscribe, fully pay for, and hold the following number of Class "A" Membership Equity Shares:</p> <ul style="list-style-type: none"><li>(a) except as provided below, each member - <u>25</u> shares;</li><li>(b) each junior member - <u>5</u> shares;</li><li>(c) each member over 60 years of age - <u>5</u> shares;</li><li>(d) each member which is an incorporated company - <u>25</u> shares;</li><li>(e) each member which is a legal entity, other than an incorporated company, created by or pursuant statute - <u>25</u> shares.</li><li>(f) If shares are jointly held, the first member registered on the register of members - <u>20</u> shares, each other member - <u>5</u> shares, provided that the number of members jointly holding those shares shall not exceed 2.</li></ul>	<p>2.8 As a condition of membership, each member of the credit union shall subscribe, fully pay for, and hold five Class "A" Membership Equity Shares.</p>	<p>Reducing the share requirement to a consistent \$5.00 for all types of members will simplify administration and avoid having to collect an additional \$20.00 from junior members when they reach the age of majority and to return \$20.00 to members once they exceed 60 years of age.</p> <p>A consistent amount will also make it easier to track member accounts in the banking system.</p> <p>The lower membership share requirement will make it more accessible for people to become members of the credit union.</p>
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7.	2.10 Subject to Rule 2.16, Rule 2.9 shall come into force and effect on a date stated in a notice given to all members of the credit union, which date shall be not less than ninety (90) days following the date on which the notice is deemed to have been received by the members.	Intentionally deleted.	This Rule had historical significance that is no longer applicable. It relates to a point in time when previous amendments came into force.
8.	2.12 If, on the expiration of not less than 30 days after the deemed receipt of the notice described in Rule 2.10 or Rule 2.11, a member does not hold the required number of Class "A" Membership Equity Shares, the credit union may apply any money on deposit and interest thereon or invested in Class "B" Non-Equity Shares and dividends credited thereon in the name of the member to the purchase of sufficient Class "A" Membership Equity Shares in the name of the member so that the member shall hold the number of Class "A" Membership Equity Shares required by Rule 2.9 or Rule 2.11.	2.10 If a member does not at any time hold the required number of Class "A" Membership Equity Shares under Rule 2.8 or under Rule 2.9 (in the latter case, on the expiration of the period of notice described in Rule 2.9), the credit union may apply any money on deposit and interest thereon in the name of the member to the purchase of sufficient Class "A" Membership Equity Shares in the name of the member so that the member shall hold the number of Class "A" Membership Equity Shares required by Rule 2.8 or Rule 2.9, as applicable.	The wording has been revised to delete references to Class "B" Non-Equity Shares and to ensure that the credit union can apply money on deposit for the purchase of the required number of Class "A" Membership Equity Shares at any time that the member does not hold the required number of such membership shares.
9.	2.13 If, on the expiration of the period of notice described in Rule 2.10 or Rule 2.11, a member does not hold the required number of Class "A" Membership Equity Shares and the member has insufficient monies on deposit or invested in Class "B" Non-Equity Shares to permit the purchase of	2.11 If a member does not at any time hold the required number of Class "A" Membership Equity Shares under Rule 2.8 or under Rule 2.9 (in the latter case, on the expiration of the period of notice described in Rule 2.9), and the member has insufficient monies on deposit to permit the purchase of	The wording has been revised to delete references to Class "B" Non-Equity Shares and to ensure that the credit union can terminate membership at any time if a member does not hold the required number of Class "A" Membership Equity Shares and does not have sufficient funds on deposit to permit the

	sufficient Class "A" Membership Equity Shares pursuant to Rule 2.12, the directors may terminate that member's membership unless that membership shall terminate in accordance with the <u>Credit Union Incorporation Act</u> .	sufficient Class "A" Membership Equity Shares pursuant to Rule 2.10, the member's membership shall terminate in accordance with the <u>Credit Union Incorporation Act</u> .	purchase of the required number of such membership shares.
10.	<p>2.15</p> <p>(a) A junior member becomes a member with full membership rights and obligations on attaining the age of majority, provided that such member then holds the number of Class "A" Membership Equity Shares required to be held by a member of the age of majority.</p> <p>(b) If, on the 30th day preceding the day on which a junior member attains the full age of majority, that member does not own the number of shares referred to in Rule 2.15 (a), then Rules 2.12 and 2.13 shall apply, except that no notice shall be required.</p>	<p>2.13 A junior member becomes a member with full membership rights and obligations on attaining the age of majority, provided that such member then holds the number of Class "A" Membership Equity Shares required to be held by a member.</p>	<p>Since Rule 2.10 of the proposed Rules will apply to all members, whether junior members or adult members, the words "of the age of majority" at the end of Rule 2.15(a) can be deleted.</p> <p>Since there will be no difference between the required number of Class "A" Membership Equity Shares for a member versus a junior member, Rule 2.15(b) should be deleted.</p>
11.	2.16 A person who becomes a member of the credit union at any time after notice is given under Rule 2.10 or	2.14 A person who becomes a member of the credit union at any time after notice is given under Rule 2.9	The new wording reflects the deletion of Rule 2.10.

	Rule 2.11 shall, as a condition of membership, subscribe and fully pay for the number of Class "A" Membership Equity Shares required to be held by a member.	shall, as a condition of membership, subscribe and fully pay for the increased number of Class "A" Membership Equity Shares required to be held by a member.	
12.	<p>2.17</p> <p>(a) Equity shares may be held jointly, but nothing in this Rule diminishes the number of Class "A" Membership Equity Shares that a member must hold.</p> <p>(b) All jointly held equity shares shall carry the right of survivorship unless a contrary statement, in writing, is given at the time of subscription and signed by all parties jointly holding the shares.</p> <p>(c) The credit union shall not be required to redeem any equity share that is jointly held, until the death of the last joint holder</p>	Intentionally deleted.	No members of the credit union currently hold equity shares jointly, and the credit union does not plan to permit members to hold equity shares jointly in the future.
13.	2.18 Where required by applicable legislation, the credit union shall issue share certificates for equity shares, each of which shall state on its face the words " <b>NOT GUARANTEED BY THE</b>	2.15 If the credit union issues share certificates for equity shares, each share certificate shall state on its face the words " <b>NOT GUARANTEED BY THE</b>	The new wording reflects that share certificates are optional for membership shares pursuant to section 60(1) of the <i>Credit Union Incorporation Act</i> .

	<b>CREDIT UNION DEPOSIT INSURANCE CORPORATION".</b>	<b>CREDIT UNION DEPOSIT INSURANCE CORPORATION".</b>	
14.	2.21 A share certificate registered in the names of two or more persons shall be delivered to the person first named on the register of members.	Intentionally deleted.	Since the Rules will no longer permit members to hold equity shares jointly, Rule 2.21 should be deleted.
15.	2.27 If the directors so require, each instrument of transfer shall be in respect of only one class of shares.	Intentionally deleted.	Since the credit union will have only one class of shares authorized under the proposed revisions to the Rules, Rule 2.27 can be deleted.
16.	2.28 Every instrument of transfer shall be executed by the transferor and left at the registered office of the credit union for registration, together with the share certificate, if any, for the shares to be transferred and such other evidence, if any, as the directors may require to prove the title of the transferor or his right to transfer the shares. All instruments of transfer, which are registered, shall be retained by the credit union but any instrument of transfer that the directors decline to register shall be returned to the person depositing the same, together with the share certificate which accompanied the same when tendered for registration.	2.23 Every instrument of transfer shall be executed by the transferor and left at the registered office of the credit union for registration, together with the share certificate, if any, for the shares to be transferred and such other evidence, if any, as the directors may require to prove the title of the transferor or the transferor's right to transfer the shares. All instruments of transfer, which are registered, shall be retained by the credit union but any instrument of transfer that the directors decline to register shall be returned to the person depositing the same, together with the share certificate which accompanied the same when tendered for registration.	The wording has been revised to make the provisions gender-neutral.
17.	2.29 The signature of the registered owner of any equity shares or of his duly authorized attorney on the form of	2.24 The signature of the registered owner of any equity shares or of the registered owner's duly authorized	The wording has been revised to make the provisions gender-neutral.

	transfer constitutes an authority to the credit union to register the shares specified in the form of transfer in the name of the person named in that form as transferee.	attorney on the form of transfer constitutes an authority to the credit union to register the shares specified in the form of transfer in the name of the person named in that form as transferee.	
18.	2.31 Subject to these Rules and the <u>Credit Union Incorporation Act</u> , a person who becomes entitled to an equity share as a result of the death or bankruptcy of any member or auxiliary member, on producing the evidence required by the <u>Credit Union Incorporation Act</u> , or who becomes entitled to a share as a result of an order of a court of competent jurisdiction or a statute, on producing such evidence as the directors think sufficient that he is so entitled, may be registered as holder of the share or may transfer the share to a person entitled by these Rules and the <u>Credit Union Incorporation Act</u> to hold such share.	2.26 Subject to these Rules and the <u>Credit Union Incorporation Act</u> , a person who becomes entitled to an equity share as a result of the death or bankruptcy of any member or auxiliary member, on producing the evidence required by the <u>Credit Union Incorporation Act</u> , or who becomes entitled to a share as a result of an order of a court of competent jurisdiction or a statute, on producing such evidence as the directors think sufficient that the person is so entitled, may be registered as holder of the share or may transfer the share to a person entitled by these Rules and the <u>Credit Union Incorporation Act</u> to hold such share.	The wording has been revised to make the provisions gender-neutral.
19.	2.32  (a) A member may subscribe for a maximum of <u>1000</u> Class "A" Membership Equity Shares.	2.27 A member may subscribe for a maximum of 1,000 Class "A" Membership Equity Shares.	The subsection (a) indicated in the current Rule is not necessary so has been deleted in the new Rule. A comma has been inserted in the numeric reference to 1,000 for consistency with other numerical figures in the Rules.

20.	<p>2.33</p> <p>(a) Dividends, patronage refunds, or bonuses declared, if any, at the discretion of the directors may be paid as an allocation of Class "A" Membership Equity Shares.</p> <p>(b) Dividends declared, if any, may, at the discretion of the directors, be at a different rate for different classes of shares.</p> <p>(c) Subject to the provisions of the <u>Financial Institutions Act</u> and the <u>Credit Union Incorporation Act</u>, the credit union, or the directors on behalf of the credit union, may pay a commission or allow a discount to any person in consideration of that person subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in the credit union, or procuring or agreeing to procure subscriptions, whether absolutely or conditionally, for any such</p>	<p>2.28</p> <p>(a) Dividends, patronage refunds, or bonuses declared, if any, at the discretion of the directors may be paid as an allocation of Class "A" Membership Equity Shares.</p> <p>(b) Subject to the provisions of the <u>Financial Institutions Act</u> and the <u>Credit Union Incorporation Act</u>, the credit union, or the directors on behalf of the credit union, may pay a commission or allow a discount to any person in consideration of that person subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in the credit union, or procuring or agreeing to procure subscriptions, whether absolutely or conditionally, for any such shares, provided that the rate of the commission and discount shall not in the aggregate exceed the amount permitted by the</p>	<p>As the credit union will have only one class of shares authorized under the proposed revisions to the Rules, Rule 2.33(b) can be deleted.</p>
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	shares, provided that the rate of the commission and discount shall not in the aggregate exceed the amount permitted by the <u>Credit Union Incorporation Act</u> .	<u>Credit Union Incorporation Act</u> .	
21.	2.35 Class “B” non-equity shares shall be redeemed by the credit union upon the written request of the member.	Intentionally deleted.	As the proposed Rules do not contemplate Class “B” Non-Equity Shares, Rule 2.35 should be deleted.
22.	3.2 Subject to the <u>Credit Union Incorporation Act</u> and the <u>Financial Institutions Act</u> , the directors shall determine the terms and conditions of loans as to interest and other charges, terms of repayment and security, and may require that a number of Class “B” Transaction Equity Shares be subscribed for and purchased by a member as a condition of a loan to that member and may, by resolution, delegate the power to make loans and to make the determination aforesaid.	3.2 Subject to the <u>Credit Union Incorporation Act</u> and the <u>Financial Institutions Act</u> , the directors shall determine the terms and conditions of loans as to interest and other charges, terms of repayment and security, and may, by resolution, delegate the power to make loans and to make the determination aforesaid.	The reference to Class “B” Non-Equity Shares has been deleted. There are no such shares issued, and the credit union does not wish to have the ability to issue such shares on a go forward basis.
23.	4.1 For the purpose of election of directors commencing at the Annual General Meeting of the credit union in 2001, there shall be four geographic areas of the credit union know as representative regions as follows:	4.1 For the purpose of election of directors, there shall be four geographic areas of the credit union known as representative regions as follows:  Smithers Representative Region; Houston Representative Region;	Wording has been revised to remove the outdated reference date and to make the provisions gender-neutral.  The reference in Rule 4.1(d) to the location of the branch of the credit union in New Hazelton has been revised to reflect the

	<p>Smithers Representative Region; Houston Representative Region; Burns Lake Representative Region; and Hazelton Representative Region.</p> <p>(a) A member carrying on his or her principal financial dealing with the credit union at the branch of the credit union situated in Smithers, British Columbia will be considered a member from the Smithers Representative Region;</p> <p>(b) A member carrying on his or her principal financial dealing with the credit union at the branch of the credit union situated in Houston, British Columbia will be considered a member from the Houston Representative Region;</p> <p>(c) A member carrying on his or her principal financial dealing with the credit union at the branch of the credit union situated in Burns Lake, British Columbia will be considered a member from the Burns Lake Representative Region;</p>	<p>Burns Lake Representative Region; and Hazelton Representative Region.</p> <p>(a) A member carrying on the member's principal financial dealing with the credit union at the branch of the credit union situated in Smithers, British Columbia will be considered a member from the Smithers Representative Region.</p> <p>(b) A member carrying on the member's principal financial dealing with the credit union at the branch of the credit union situated in Houston, British Columbia will be considered a member from the Houston Representative Region.</p> <p>(c) A member carrying on the member's principal financial dealing with the credit union at the branch of the credit union situated in Burns Lake, British Columbia will be considered a member from the Burns Lake Representative Region.</p> <p>(d) A member carrying on the member's principal financial</p>	<p>correct location of the branch as being in New Hazelton as opposed to Hazelton.</p>
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	<p>(d) A member carrying on his or her principal financial dealing with the credit union at the branch of the credit union situated in Hazelton, British Columbia will be considered a member from the Hazelton Representative Region;</p> <p>(e) Wherever for the purpose of these Rules it shall be necessary to determine whether or not a member or a director is a member from a particular representative region, the nominating committee shall make the determination which shall be final and conclusive.</p> <p>(f) The Board of Directors of the credit union as at the close of the Annual General Meeting held in 2001, shall consist of the following:</p> <p>(i) six directors being members from the Smithers Representative Region;</p>	<p>dealing with the credit union at the branch of the credit union situated in New Hazelton, British Columbia will be considered a member from the Hazelton Representative Region.</p> <p>(e) Wherever for the purpose of these Rules it shall be necessary to determine whether or not a member or a director is a member from a particular representative region, the nominating committee shall make the determination which shall be final and conclusive.</p> <p>(f) Subject to Rule 4.1(g), the board of directors of the credit union shall consist of the following:</p> <p>(i) six directors being members from the Smithers Representative Region;</p> <p>(ii) one director being a member from the Houston Representative Region;</p>	
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	<p>(ii) one director being a member from the Houston Representative Region;</p> <p>(iii) one director being a member from the Burns Lake Representative Region;</p> <p>(iv) one director being a member from the Hazelton Representative Region;</p> <p>(g) The directors of the credit union may, at any time after the Annual General Meeting held in 2002, adjust the number of directors to be elected from a Representative Region in the event the directors determine that there has been a material change in the assets, profitability or number of members of the branch of the credit union located in that Representative Region relative to the assets, profitability or number of member of the other branches of the credit union</p>	<p>(iii) one director being a member from the Burns Lake Representative Region; and</p> <p>(iv) one director being a member from the Hazelton Representative Region;</p> <p>(g) At least 120 days before an annual general meeting, the directors of the credit union shall consider whether to adjust the number of directors to be elected from a representative region if, as determined by the directors, there has been a material change in the assets, profitability or number of members of the branch of the credit union located in that representative region relative to the assets, profitability or number of members of the other branches of the credit union over a particular period of time. In such case, the directors may adjust the number of directors to be</p>	
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	<p>over a particular period of time. In such case, an increase or decrease in the number of directors from such Representative Region shall be carried out by increasing or decreasing the number of directors from another Representative Region by a like amount. A Representative Region shall, at all times, have no less than one (1) director. A change in the number of directors to be elected by a Representative Region shall be put into effect at a time to be set by the directors. Any determination made by the Board pursuant to this Rule shall be final and conclusive.</p> <p>(h) Each year, directors shall be elected to replace those whose terms expire and, subject to these Rules, a director whose term expires is eligible for re-election in his or her representative region.</p>	<p>elected from a representative region, provided that any increase or decrease in the number of directors from a representative region shall be carried out by increasing or decreasing the number of directors from another representative region by a like amount. A representative region shall, at all times, have no less than one director. A change in the number of directors to be elected by a representative region shall be put into effect at a time to be set by the directors, provided that if the members have been notified that an election is to take place, the directors may not change the number of directors to be elected by a representative region until the results of the election have been determined and newly elected directors have taken office. Any determination made by the directors pursuant to this Rule shall be final and conclusive.</p>	
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		(h) Each year, directors shall be elected to replace those whose terms expire and, subject to these Rules, a director whose term expires is eligible for re-election in the director's representative region.	
24.	<p>4.5 No person who:</p> <p>(a) is a person disqualified from becoming or acting as a director pursuant to the Financial Institutions Act or the Credit Union Incorporation Act, or these Rules;</p> <p>(b) is or becomes a paid employee of the credit union or an affiliate of the credit union or the spouse, child or step-child of a paid employee of the credit union or an affiliate of the credit union;</p> <p>(c) was an employee of a credit union or an affiliate of a credit union during the one-year period prior to the date that nominations for</p>	<p>4.5 No person who:</p> <p>(a) is a person disqualified from becoming or acting as a director pursuant to the <u>Financial Institutions Act</u> or the <u>Credit Union Incorporation Act</u>, or these Rules;</p> <p>(b) is or becomes a paid employee of the credit union or an affiliate of the credit union or the spouse, child or step-child of a paid employee of the credit union or an affiliate of the credit union;</p> <p>(c) was an employee of a credit union or an affiliate of a credit union during the one-year period prior to the date that nominations for the</p>	<p>New wording has been added as subsection (h) to provide an additional disqualification from director eligibility that is consistent with usual practice of other British Columbia credit unions. The requirement to vacate the office of director has been moved to new proposed Rule 4.6.</p>

	<p>the office of director under these Rules closed;</p> <p>(d) is an employee, officer or director of a bank, trust company, loan company, savings and loan association, deposit-taking institution, lending institution or another credit union (other than a director of a central credit union) or a subsidiary of any of them except where that person has been requested or authorized in writing by the directors to serve as a director of a bank, trust company, loan company, savings and loan association, deposit-taking institution, lending institution, other credit union or a subsidiary of any of them;</p> <p>(e) has not been a member in good standing of the credit union for twelve consecutive months; or</p> <p>(f) being a director, has failed, without being excused, to attend regular meetings of the directors for three</p>	<p>office of director under these Rules closed;</p> <p>(d) is an employee, officer or director of a bank, trust company, loan company, savings and loan association, deposit-taking institution, lending institution or another credit union (other than a director of a central credit union) or a subsidiary of any of them except where that person has been requested or authorized in writing by the directors to serve as a director of a bank, trust company, loan company, savings and loan association, deposit-taking institution, lending institution, other credit union or a subsidiary of any of them;</p> <p>(e) has not been a member in good standing of the credit union for twelve consecutive months;</p> <p>(f) being a director, has failed, without being excused, to attend regular meetings of the directors for three</p>	
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	<p>consecutive months in which meetings are held; or</p> <p>(g) is a party to any legal action or other proceeding in which the credit union, or any subsidiary or affiliate thereof, is a party adverse in interest to such person,</p> <p>is eligible to be nominated for election or to hold office as a director and, if holding office as a director, shall vacate office forthwith. If while holding office, a director ceases to be a member in good standing or if a director fails, without being excused, to attend regular meetings for the directors for three consecutive months in which meetings are held, that person shall vacate office forthwith.</p>	<p>consecutive months in which meetings are held;</p> <p>(g) is a party to any legal action or other proceeding in which the credit union, or any subsidiary or affiliate thereof, is a party adverse in interest to such person; or</p> <p>(h) is or has been removed at any time within the previous five years from the position of director by the directors in accordance with Rule 4.6,</p> <p>is eligible to be nominated for election or to hold office as a director and, if holding office as a director, shall vacate office forthwith.</p>	
25.	N/A	<p>4.6 A person may be removed as a director by a directors resolution passed by not less than two-thirds of the remaining directors if that director:</p> <p>(a) has failed, without being excused for reasonable circumstances by the chair (or, in the case of the chair, the vice-chair), to attend:</p>	<p>New Rule 4.6 has been added to provide detail and clarity regarding the circumstances in which a director may be removed from office consistent with the common practice of other British Columbia credit unions, and to provide a procedurally fair process for making the removal decision.</p>

		<ul style="list-style-type: none"><li>(i) three consecutive regular meetings of the directors;</li><li>(ii) three consecutive regular meetings of a committee of the directors to which the director has been appointed or elected; or</li><li>(iii) more than a total of three meetings of the directors and any committee of the directors to which the director has been appointed or elected in any financial year;</li></ul> <p>(b) ceases to be a member in good standing of the credit union;</p> <p>(c) owns or controls a 50% or greater interest in an incorporated or unincorporated entity which is more than 90 days delinquent in any obligation to the credit union;</p>	
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		<p>(d) has breached these Rules or the campaigning guidelines established pursuant to Rule 4.26 when the director was a candidate for election as a director;</p> <p>(e) has breached the conflict of interest policy, the code of conduct &amp; ethics or the code of performance standards for directors, adopted by the directors from time to time; or</p> <p>(f) has breached the confidentiality of any proceedings, deliberations or information of the directors,</p> <p>in each case, as may be determined by the resolution of the remaining directors. At least seven days prior to the meeting at which the removal of a director is to be considered, the secretary will provide such director with notice of the meeting and the grounds for considering the director's removal. The director may appear and make submissions at the meeting prior to the directors voting on the directors resolution for the director's removal.</p>	
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26.	<p>4.7 At least one hundred twenty (120) days before an Annual General Meeting, the directors shall appoint a nominating committee of not less than three members, who shall be natural persons and not junior members, and who may, but need not be directors, provided however, that no director whose term of office is expiring at the annual general meeting next following the appointment of the committee may serve as a member of the committee.</p>	<p>4.8 At least 120 days before an annual general meeting, the directors shall appoint a nominating committee of not less than three directors, provided however, that no director whose term of office is expiring at the annual general meeting next following the appointment of the committee may serve as a member of the committee. The nominating committee will be responsible for:</p> <ul style="list-style-type: none"><li>(a) determining desired experience and skill of candidates for election as a director, taking into account the background of existing directors and the specific ongoing needs of the credit union;</li><li>(b) identifying, recruiting and, if considered appropriate by the nominating committee, endorsing or recommending candidates for election as directors who meet the criteria established in Rule 4.8(a);</li><li>(c) preparing for delivery to the members, the notice of election required by Rule 4.15;</li></ul>	<p>New wording has been added to provide more detail about the duties and responsibilities of the nominating committee consistent with the common practice of other British Columbia credit unions.</p> <p>In addition, the Rule has been revised to provide that only directors will be appointed to the nominating committee, since it is the directors who must play an active role in the recruitment, development and succession of the board of directors as per the Governance Guideline.</p>
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		<p>(d) monitoring the conduct of candidates during the election process in accordance with the campaigning guidelines; and</p> <p>(e) conducting the nomination and election of directors in accordance with these Rules.</p>	
27.	<p>4.9 No member, unless he/she is a member of the nominating committee, may nominate more than one (1) candidate in respect of an election of a director or directors.</p>	<p>4.10 No member, unless the member is a member of the nominating committee, may nominate more than one candidate in respect of an election of a director or directors.</p>	<p>Wording has been revised to make the provisions gender-neutral and to delete the numerical reference to (1) for grammatical consistency throughout the Rules.</p>
28.	<p>4.11 A member of a credit union who is not an individual may vote in an election of directors by an individual who:</p> <p>(a) is not a member, and</p> <p>(b) by written authorization deposited with the credit union, is authorized to vote on behalf of that member.</p>	<p>Intentionally deleted.</p>	<p>Rule 4.11 has been deleted to be consistent with subsections 70(3) and (4) of the <i>Credit Union Incorporation Act</i>, which provides that authorized representative voting applies to meetings of credit unions. As the directors are not elected at meetings, this Rule should be deleted.</p>
29.	<p>4.12 Before the name of a person is placed in nomination as a candidate for election as a director, that person shall deliver to the nominating committee a</p>	<p>4.12 Before the name of a person is placed in nomination as a candidate for election as a director, that person shall deliver to the nominating committee a</p>	<p>New wording has been added to subsection (c) to provide additional detail regarding codes and standards with which a potential nominee for director must agree to comply. Underlining has been added to statutory</p>

	<p>declaration, in writing, stating that the member is willing:</p> <ul style="list-style-type: none"> <li>(a) to stand for election as a director for his or her representative region, and if elected, to serve as a director for such representative region;</li> <li>(b) to observe the provisions of the Credit Union Incorporation Act and the Financial Institutions Act, as applicable;</li> <li>(c) to comply with the directors' conflict of interest guidelines adopted by the directors, from time to time; and</li> <li>(d) to observe the Rules of the credit union and procedures relating to the election and the conduct thereof.</li> </ul>	<p>declaration, in writing, stating that the member is willing:</p> <ul style="list-style-type: none"> <li>(a) to stand for election as a director for that person's representative region, and if elected, to serve as a director for such representative region;</li> <li>(b) to observe the provisions of the <u>Credit Union Incorporation Act</u> and the <u>Financial Institutions Act</u>, as applicable;</li> <li>(c) to comply with the directors' conflict of interest policy, code of conduct &amp; ethics or code of performance standards, adopted by the directors, from time to time; and</li> <li>(d) to observe the Rules of the credit union and procedures relating to the election and the conduct thereof.</li> </ul>	<p>references for grammatical consistency throughout the Rules.</p>
30.	<p>4.13 The nominating committee shall examine each nomination received and determine whether the nomination complies with the Financial Institutions Act and these Rules, and shall accept each nomination of a member qualified</p>	<p>4.13 The nominating committee shall examine each nomination received and determine whether the nomination complies with the <u>Financial Institutions Act</u> and these Rules, and shall accept each nomination of a member qualified</p>	<p>Wording has been revised to replace "Board" with "board of directors" and underlining has been added to statutory references for grammatical consistency throughout the Rules.</p>

	<p>to be a candidate whose nomination is in order and reject each nomination which is not in order or that does not comply and notify each nominee accordingly and, forthwith after the date on which nominations close:</p> <p>(a) place in nomination the names of qualified candidates at least equal to the number of vacancies to be filled in the election by members in those representative regions having vacancies on the Board;</p> <p>(b) place in nomination the names of other candidates nominated in writing by at least three (3) members in good standing of the age of majority from such candidates' representative region;</p> <p>(c) inform each candidate of the provisions of these Rules with respect to the conduct of the election and provide to each candidate a copy of the Rules of the credit union and any determinations of the directors relating to</p>	<p>to be a candidate whose nomination is in order and reject each nomination which is not in order or that does not comply and notify each nominee accordingly and, forthwith after the date on which nominations close:</p> <p>(a) place in nomination the names of qualified candidates at least equal to the number of vacancies to be filled in the election by members in those representative regions having vacancies on the board of directors;</p> <p>(b) place in nomination the names of other candidates nominated in writing by at least three members in good standing of the age of majority from such candidates' representative region;</p> <p>(c) inform each candidate of the provisions of these Rules with respect to the conduct of the election and provide to each candidate a copy of the Rules of the credit union and any determinations of the directors relating to</p>	
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	<p>elections and the conduct thereof;</p> <p>(d) request that each candidate complete the personal information return required to be submitted to the superintendent pursuant to the Financial Institutions Act.</p>	<p>elections and the conduct thereof;</p> <p>(d) request that each candidate complete the personal information return required to be submitted to the superintendent pursuant to the <u>Financial Institutions Act</u>.</p>	
31.	<p>4.15 Where an election is to be held in one of more representative regions of the credit union, the nominating committee shall forward at least thirty (30) days before the annual general meeting, to all members of the credit union in such representative region entitled to vote:</p> <p>(e) a photograph, resume and policy statement if submitted by a candidate for election pursuant to Rule 4.28;</p> <p>(f) clear and precise instructions for voting in person, by electronic means, by mail ballot, or a combination of the three;</p> <p>(g) advice of the date (or dates) and time(s) during which</p>	<p>4.15 Where an election is to be held in one of more representative regions of the credit union, the nominating committee shall forward at least 30 days before the annual general meeting, to all members of the credit union in such representative region entitled to vote:</p> <p>(a) a photograph, resume and policy statement if submitted by a candidate for election pursuant to Rule 4.28;</p> <p>(b) if the nominating committee chooses to endorse or recommend a candidate or candidates, an indication of which candidate or candidates the nominating committee endorses or recommends;</p>	<p>A new subsection (b) has been added to be consistent with Rule 4.8(b), in recognition of the obligations of the board of directors to be deliberate in its recruitment, development and succession planning.</p>

	<p>voting in the election shall take place;</p> <p>(h) advice of the place or places at which polling in the election shall take place, if applicable;</p> <p>(i) a list of conditions under which members will be eligible to vote in the election;</p> <p>(j) advice of the right of each member to request in writing, not less than ten (10) days prior to the commencement of voting, a ballot which may be cast by mail instead of being cast by electronic means or at a polling place;</p> <p>and where the member requests a mail ballot:</p> <p>(k) a ballot listing, alphabetically, the name of all nominees for the representative region;</p> <p>(l) a ballot envelope which will ensure confidentiality;</p>	<p>(c) clear and precise instructions for voting in person, by electronic means, by mail ballot, or a combination of the three;</p> <p>(d) advice of the date (or dates) and time(s) during which voting in the election shall take place;</p> <p>(e) advice of the place or places at which polling in the election shall take place, if applicable;</p> <p>(f) a list of conditions under which members will be eligible to vote in the election;</p> <p>(g) advice of the right of each member to request in writing, not less than 10 days prior to the commencement of voting, a ballot which may be cast by mail instead of being cast by electronic means or at a branch;</p> <p>and where the member requests a mail ballot:</p>	
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	<p>(m) a ballot authentication envelope with space for the name, address, branch, membership number, and signature of the member;</p> <p>(n) an addressed envelope bearing the address of the registered office of the credit union;</p> <p>(o) clear instructions for casting the ballot and return thereof by Canada Post or personal delivery, specifying the day on which the ballot must be received by the credit union in order to be counted.</p>	<p>(h) a ballot listing, alphabetically, the name of all nominees for the representative region;</p> <p>(i) a ballot envelope which will ensure confidentiality;</p> <p>(j) a ballot authentication envelope with space for the name, address, branch, membership number, and signature of the member;</p> <p>(k) an addressed envelope bearing the address of the registered office of the credit union;</p>	
32.	4.18 A returning officer appointed under Rule 4.17 may, but need not, be a member of the credit union but the returning officer shall not be an employee of the credit union.	4.18 A returning officer appointed under Rule 4.17 may, but need not, be a member of the credit union.	The wording has been revised to permit an employee of the credit union to be appointed as returning officer.
33.	4.19 Where a returning officer is appointed, he shall be appointed at least 60 days prior to the date on which voting in an election is to commence.	4.19 Where a returning officer is appointed, the returning officer shall be appointed at least 60 days prior to the date on which voting in an election is to commence.	The wording has been revised to make the provisions gender-neutral.
34.	4.22 If a member who is entitled to receive a ballot does not receive a	4.22 If a member who is entitled to receive a ballot does not receive a ballot	The wording has been revised to make the provisions gender-neutral.

	ballot or loses or destroys his ballot before it is cast, then, prior to the close of balloting, on declaration by the member that the ballot was not received or has been lost or destroyed and that the member has not cast a ballot in the election, a new ballot shall be made available to that member, together with such information as was provided to other members entitled to vote in that election.	or loses or destroys the member's ballot before it is cast, then, prior to the close of balloting, on declaration by the member that the ballot was not received or has been lost or destroyed and that the member has not cast a ballot in the election, a new ballot shall be made available to that member, together with such information as was provided to other members entitled to vote in that election.	
35.	4.24 An alphabetic listing of the candidates and the number of votes received by each shall be posted in each office of the credit union as soon as the results of the ballot have been announced and shall remain posted for three clear business days.	4.24 An alphabetic listing of the candidates and the number of votes received by each shall be posted in each office of the credit union or be published electronically, including posting the results on the website of the credit union, as the directors shall determine, in their sole discretion, as soon as the results of the ballot have been announced and shall remain posted for three clear business days.	The new wording allows for publishing of the result of an election of the directors electronically.
36.	4.25 Subject to the <u>Financial Institutions Act</u> , a person elected as a director shall take office at close of the annual general meeting at which he/she was elected or, if the election results with respect to the election of that person are not determined by the close of the annual general meeting, then as soon thereafter as the results are determined provided that, for the	4.25 Subject to the <u>Financial Institutions Act</u> , a person elected as a director shall take office at close of the annual general meeting at which the person was elected or, if the election results with respect to the election of that person are not determined by the close of the annual general meeting, then as soon thereafter as the results are determined provided that, for the	The wording has been revised to make the provisions gender-neutral.

	purpose of determining that person's length of term, he/she shall be deemed to have taken office at the close of the annual general meeting.	purpose of determining that person's length of term, the person shall be deemed to have taken office at the close of the annual general meeting.	
37.	4.29 Every director shall, forthwith after his election as a director of the credit union, file with the conduct review committee a statement of disclosure in the form established by the conduct review committee disclosing any conflicts of interest which he may have.	4.29 Every director shall, forthwith after the director's election as a director of the credit union, file with the conduct review committee a statement of disclosure in the form established by the conduct review committee disclosing any conflicts of interest which the director may have.	The wording has been revised to make the provisions gender-neutral.
38.	4.31 Where a casual vacancy occurs among the directors or, for any reason, the office of director is not filled in an election; the remaining directors may appoint a qualified person to fill the vacancy. Any person so appointed shall hold office until the close of the next annual general meeting.	4.31 Subject to Rule 4.33, where a casual vacancy occurs among the directors or, for any reason, the office of director is not filled in an election, the remaining directors may appoint a qualified person to fill the vacancy. Any person so appointed shall hold office until the close of the next annual general meeting.	Wording has been added to clarify that the ability of the directors to fill a casual vacancy does not apply where the vacancy is the result of a director who was appointed pursuant to Rule 4.32 ceasing to hold office.
39.	4.31A Notwithstanding Rule 4.5(d) or (e), whenever the Credit Union enters into an agreement to purchase all or substantially all of the assets of another credit union, in accordance with the <u>Credit Union Incorporation Act</u> , the directors may appoint as additional directors persons who were directors of the transferring credit union at the date of the transfer and designate their	4.32 Notwithstanding Rules 4.1, 4.4, and 4.5(d) and (e), whenever the credit union enters into an agreement to purchase all or substantially all of the assets of another credit union, in accordance with the <u>Credit Union Incorporation Act</u> , the directors may appoint as additional directors persons who were directors of the transferring credit union at the date of the transfer	The capitalized term "Credit Union" has been made lower case in order to conform to the defined terms in the Rules.  Wording has been added to clarify that the limitations regarding persons who may act as directors provided in Rules 4.1 and 4.4 do not apply in respect of directors appointed under this Rule.

	terms of office, but the total number of directors of the Credit Union following such appointment shall not exceed 13.	and designate their terms of office, but the total number of directors of the credit union following such appointment shall not exceed 13.	
40.	4.31B Where the term of office of a director appointed pursuant to Rule 4.31A has expired or where the position becomes vacant prior to the expiration of the term of office, no vacancy shall be deemed to exist.	4.33 Where the term of office of a director appointed pursuant to Rule 4.32 has expired or where the position becomes vacant prior to the expiration of the term of office, no vacancy shall be deemed to exist and the number of directors shall be deemed to have been reduced accordingly.	Wording has been added to clarify that the number of directors will be automatically reduced upon a director who was appointed pursuant to Rule 4.32 ceasing to hold office.
41.	4.32 Where the number of directors of a credit union is reduced below the number fixed by, or pursuant to, Rule 4.38 as the quorum for directors, the continuing directors may act for the purpose of filling the vacancies up to that number, or of summoning a general meeting of the credit union, but for no other purpose.	4.34 Where the number of directors of a credit union is reduced below the number pursuant to Rule 4.40 as the quorum for directors, the continuing directors may act for the purpose of filling the vacancies up to that number, or of summoning a general meeting of the credit union, but for no other purpose.	The wording has been revised to be consistent with the wording of Rule 4.40.
42.	4.34 The directors shall meet at least 10 times in each year and not less frequently than once in each quarter.	4.36 The directors shall meet as often as they deem appropriate in each year and not less frequently than once in each quarter.	The new wording provides more flexibility to the directors in determining their meeting schedule while still requiring meetings at regular intervals.
43.	4.36 Reasonable notice of a meeting of directors specifying the place, day and hour of such meeting shall be given by mail, postage prepaid, addressed to each of the directors at his/her address as it appears on the books of the credit	4.38 Reasonable notice of a meeting of directors specifying the day, hour and, if applicable, place of such meeting shall be given by mail, postage prepaid, addressed to each of the directors at the director's address as it appears on	The wording has been revised to reflect that directors' meetings may be held by telephone or electronic means, in which case, the notice of any such meeting would not require a location of the meeting to be specified.

	<p>union or by leaving it at his/her usual business or residential address or by telephone, fax, e-mail or any other method of transmitting legibly recorded messages. It shall not be necessary to give notice of a meeting of directors to any director:</p> <p>(a) who is at the time not in the Province of British Columbia; or</p> <p>(b) if such meeting is to be held immediately following a general meeting at which such director shall have been elected or is the meeting of directors at which such director is appointed.</p> <p>Accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any director shall not invalidate the proceedings at that meeting.</p>	<p>the books of the credit union or by leaving it at the director's usual business or residential address or by telephone, email or any other method of transmitting legibly recorded messages. It shall not be necessary to give notice of a meeting of directors to any director:</p> <p>(a) who is at the time not in the Province of British Columbia; or</p> <p>(b) if such meeting is to be held immediately following a general meeting at which such director shall have been elected or is the meeting of directors at which such director is appointed.</p> <p>Accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any director shall not invalidate the proceedings at that meeting.</p>	<p>The wording has been revised to make the provisions gender-neutral.</p> <p>The Rule has been modernized by deleting the reference to fax and revising the spelling of email.</p>
44.	<p>4.41 In the absence of the chair or his/her inability for any cause to act or in case the office of the chair becomes vacant, the vice-chair shall discharge the duties of the chair.</p>	<p>4.43 In the absence of the chair or the chair's inability for any cause to act or in case the office of the chair becomes vacant, the vice-chair shall discharge the duties of the chair.</p>	<p>The wording has been revised to make the provisions gender-neutral.</p>

45.	<p>4.43 A director or a committee member may participate in a meeting of the directors or any committee of the directors by means of conference telephones or other communications facilities by means of which all directors or committee members participating in the meeting can hear each other, provided that all such directors or committee members agree to such participation and provided that a majority of the directors or committee members participating in the meeting are in British Columbia at the time of the meeting. A director or committee member participating in accordance with this Rule shall be deemed to be present at the meeting and to have so agreed and shall be counted in a quorum therefore and be entitled to speak and vote thereat.</p>	<p>4.45 A director or a committee member may participate in a meeting of the directors or any committee of the directors by means of telephone or other communications medium if all directors or committee members participating in the meeting are able to participate in it, whether by telephone, other communications medium or in person, provided that in the case of an in person meeting or a partially electronic meeting of the directors, a majority of the directors or committee members participating in the meeting are in British Columbia at the time of the meeting. A director or committee member participating in accordance with this Rule shall be deemed to be present at the meeting and to have so agreed and shall be counted in a quorum therefore and be entitled to speak and vote thereat.</p>	<p>The wording has been revised to align with section 84.22 of the <i>Credit Union Incorporation Act</i>.</p>
46.	<p>4.45 The directors shall annually elect <u>3</u> of their number as the Audit Committee.</p>	<p>4.47 At the first meeting of the directors following each annual general meeting, the directors will appoint or elect such committees as may be required by <u>Credit Union Incorporation Act</u> and the <u>Financial Institutions Act</u>, provided that the composition of such committees shall be consistent with the requirements of <u>Credit Union</u></p>	<p>The new wording allows for some flexibility regarding the structure of committees to accommodate the potential legislative changes set out in Bill 37-2019: <i>Financial Institutions Amendment Act, 2019</i>, which if implemented, will change the way committees are required to be structured.</p>

		<u>Incorporation Act and the Financial Institutions Act</u> , as applicable.	
47.	4.46 The directors shall annually appoint an Investment and Loan Committee.	Intentionally deleted.	Legislatively required committees are now addressed by new proposed Rule 4.47.
48.	4.47 The directors shall annually elect <u>3</u> of their number as the Conduct Review Committee.	Intentionally deleted.	Legislatively required committees are now addressed by new proposed Rule 4.47.
49.	<p>4.52 Subject to the limitations contained in the <i>Financial Institutions Act</i>, the credit union shall indemnify:</p> <ul style="list-style-type: none"> <li>(a) each director and officer of the credit union;</li> <li>(b) each former director and officer of the credit union; and</li> <li>(c) each person who acts or who has acted at the request of the credit union as a director or officer of a corporation of which the credit union is or was a member or creditor;</li> </ul> <p>against all costs, charges and expenses, including an amount paid to settle any action or proceeding or satisfy any judgement, reasonably incurred by the director or officer or person for any</p>	<p>4.52 Subject to the limitations contained in the <u>Financial Institutions Act</u>, the credit union shall indemnify:</p> <ul style="list-style-type: none"> <li>(a) each director and officer of the credit union;</li> <li>(b) each former director and officer of the credit union; and</li> <li>(c) each person who acts or who has acted at the request of the credit union as a director or officer of a corporation of which the credit union is or was a member or creditor,</li> </ul> <p>against all costs, charges and expenses, including an amount paid to settle any action or proceeding or satisfy any judgement, reasonably incurred by the director or officer or person for any</p>	The wording has been revised to make the provisions gender-neutral, and to make a grammatical correction by changing the word “included” to “include”.

	<p>civil, criminal or administrative action or proceeding to which the director or officer or person is made a party by reason of being or having been a director or officer of the credit union or corporation, if the director or officer of the credit union or corporation acted honestly and in good faith with a view to the best interests of the credit union and, in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the director or officer of the credit union or corporation had reasonable grounds for believing that his conduct was lawful, and, if the director or officer is required to included in income or in the income of that individual's estate, any payment made under this indemnification for the purpose of determining income tax payable by the director or officer, the credit union shall pay an amount by way of indemnity that will fully indemnify for the amount of all liabilities herein described and all income taxes payable as a result of the receipt of the indemnity payment.</p>	<p>civil, criminal or administrative action or proceeding to which the director or officer or person is made a party by reason of being or having been a director or officer of the credit union or corporation, if the director or officer of the credit union or corporation acted honestly and in good faith with a view to the best interests of the credit union and, in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the director or officer of the credit union or corporation had reasonable grounds for believing that the director's or officer's conduct was lawful, and, if the director or officer is required to include in income or in the income of that individual's estate, any payment made under this indemnification for the purpose of determining income tax payable by the director or officer, the credit union shall pay an amount by way of indemnity that will fully indemnify for the amount of all liabilities herein described and all income taxes payable as a result of the receipt of the indemnity payment.</p>	
50.	<p>5.1 The annual general meeting of the credit union shall be held on a date to be fixed by the directors and shall be convened and held in accordance with</p>	<p>5.1 The annual general meeting of the credit union shall be held on the date, hour and, if applicable, place to be fixed by the directors and shall be convened and held in accordance with</p>	<p>Wording has been added to clarify the details of annual general meetings to be fixed by the directors.</p>

	the provisions of the <u>Credit Union Incorporation Act</u> .	the provisions of the <u>Credit Union Incorporation Act</u> .	
51.	N/A	5.2 Other general meetings may be convened and held in accordance with the provisions of the <u>Credit Union Incorporation Act</u> .	New Rule 5.2 has been added to specifically address convening of meetings of the members that are not annual general meetings, which is consistent with the Rules of other British Columbia credit unions.
52.	5.2 Subject to the provisions of the <i>Credit Union Incorporation Act</i> , a general meeting or special general meeting of the members of the credit union may be held at more than one location and at different times, which meetings shall constitute a single general meeting or special general meeting for the purposes of these Rules, and the directors of the credit union may fix the times and locations of the general meeting or special general meeting of the credit union.	5.3 Subject to the provisions of the <u>Credit Union Incorporation Act</u> , the credit union may hold a general meeting, including its annual general meeting or any special general meeting of the members of the credit union, by holding two or more meetings at different times and, if applicable, different places, which meetings together shall constitute a single meeting, and the directors of the credit union may fix the times and, if applicable, places of the general meeting.	The wording has been revised to align with the wording in section 75(1) of the <i>Credit Union Incorporation Act</i> .
53.	N/A	5.4 The credit union may hold a general meeting in person, by a partially electronic meeting or by a fully electronic meeting, as determined by the directors, if convened and held in accordance with the provisions of the <u>Credit Union Incorporation Act</u> . If a general meeting is an electronic meeting, the notice must contain instructions for attending and	New Rule 5.4 has been added to align with the provisions of the <i>Credit Union Incorporation Act</i> with respect to electronic meetings, and to reinforce the ability of the credit union to hold electronic meetings in compliance with the <i>Credit Union Incorporation Act</i> .

		participating in the meeting by telephone or other communications medium, including, if applicable, instructions for voting at the meeting.	
54.	N/A	5.8 In order for an ordinary resolution or other matter which is proposed by a member of the credit union to be eligible for consideration at an annual general meeting, it must be submitted to the credit union in advance in accordance with the <u>Credit Union Incorporation Act</u> ; provided, however, this Rule 5.8 does not apply to ordinary resolutions or other matters invited by the chair at an annual general meeting.	New Rule 5.8 has been added to provide a process for members to bring resolutions forward at an annual general meeting in accordance with the parameters of the <i>Credit Union Incorporation Act</i> .
55.	<p>5.7</p> <p>(a) Only a member in good standing who is not a junior member may vote on a resolution.</p> <p>(b) A member of a credit union who is not an individual may be represented and vote at meetings of the credit union by an individual who:</p> <p>(i) is not a member, and</p>	<p>5.10</p> <p>(a) Only a member in good standing who is not a junior member may vote on a resolution.</p> <p>(b) A member of a credit union who is not an individual or a member who is an unincorporated association may be represented and vote at meetings of the credit union by an individual who meets the requirements of the <u>Credit</u></p>	The wording of subsection (b) has been simplified by referring to the requirements of the <i>Credit Union Incorporation Act</i> in respect of authorized representative voting.

	(ii) by written authorization deposited with the credit union, is authorized to vote at the meeting on behalf of the member.	<u>Union Incorporation Act</u> for such purposes.	
56.	5.9 Subject to the <u>Credit Union Incorporation Act</u> , the chair shall determine the manner by which voting shall be undertaken at a meeting of the credit union.	5.12 Voting at a general meeting of the credit union will be by show of hands, unless the chair determines to permit voting by a written vote or electronic means and such means are made available.	The wording has been revised to bring clarity to the voting process at annual general meetings, and expressly allows for written votes or voting by electronic means at a meeting.
57.	5.11 Voting on a special resolution shall be by voting in person at a general meeting or voting by mail ballot, whichever method the member chooses, and may occur by electronic means if the directors determine to permit voting by electronic means and such means are made available.	Intentionally deleted.	Provisions with respect to voting on special resolutions have been moved to the new Rule 6 included in the proposed revisions.
58.	N/A	5.14 The record date for the purpose of:  (a) determining members entitled to notice of a general meeting; and  (b) determining members entitled to vote at a general meeting,	New Rule 5.14 has been added to address the requirements of section 78.1 of the <i>Credit Union Incorporation Act</i> with respect to setting record dates.

		in each case, shall be two months preceding the date on which the general meeting is to be held and the membership list of the credit union, for such purposes, shall be closed at 5 p.m. on such date.	
59.	N/A	6.1 Voting on a special resolution will occur by voting by mail ballot and voting by ballot at a branch office, whichever method the member chooses, and may occur by electronic means if the directors determine to permit voting by electronic means and such means are made available.	This provision will allow members to vote on special resolutions other than merely at a general meeting. As per section 72 of the <i>Credit Union Incorporation Act</i> , the rules of a credit union may provide for voting on a special resolution by written vote or by electronic means. The proposed amendment will give a greater number of members the opportunity to vote on important matters relating to the credit union.
60.	N/A	6.2 On any special resolution to be voted on, the directors shall, at least 18 days prior to the date set for commencement of voting on the special resolution, provide to all members entitled to vote a notice setting forth:  (a) such required or permitted information as the directors deem necessary or advisable in connection with the special resolution;  (b) notice of when voting will take place;	New Rule 6.2 sets out some procedures for how a vote on a special resolution will be handled and reflects the notice period required in Section 78 of the <i>Credit Union Incorporation Act</i> .

		<p>(c) clear and precise instructions for voting; and</p> <p>(d) notice of how a member may access or obtain a ballot.</p>	
61.	N/A	<p>6.3 Every member desiring to vote on a special resolution shall:</p> <p>(a) provide such proof and particulars of membership as the directors or the returning officer, if any, may prescribe; and</p> <p>(b) provide a declaration, in the form prescribed by the directors, that the member is a member in good standing and has not previously voted on the special resolution.</p>	New Rule 6.3 ensures that only the members entitled to vote are those who vote and that members will not vote more than once in the voting.
62.	<p>9.1 Subject to the <u>Credit Union Incorporation Act</u>, the <u>Financial Institutions Act</u> and the <u>Electronic Transactions Act</u>, unless these Rules expressly provide otherwise:</p> <p>(a) where these Rules require the use of documents that are “written”, “in writing” and other similar words, the</p>	<p>10.1 Subject to the <u>Credit Union Incorporation Act</u>, the <u>Financial Institutions Act</u> and the <u>Electronic Transactions Act</u>, unless these Rules expressly provide otherwise:</p> <p>(a) where these Rules require the use of documents that are “written”, “in writing” and other similar words, the</p>	The revised wording clarifies that (a) where the <i>Credit Union Incorporation Act</i> or the <i>Financial Institution Act</i> requires provision or delivery of documents, the directors may permit the use of electronic documents, and (b) this Rule permits electronic delivery of financial statements.

	<p>directors may in their discretion permit the use of documents in such electronic forms as the directors consider desirable in the circumstances, provided that such electronic documents are accessible in a manner useable for subsequent reference;</p> <p>(b) where these Rules require the provision or delivery of documents, the directors may in their discretion permit the provision or delivery of such documents in such electronic form and by such electronic means (including, without limitation, making such electronic documents accessible to the intended recipient by an electronic means notified to the intended recipient) as the directors consider desirable in the circumstances, provided that such electronic documents are accessible by the recipient in a manner useable for subsequent reference and</p>	<p>directors may in their discretion permit the use of documents in such electronic forms as the directors consider desirable in the circumstances, provided that such electronic documents are accessible in a manner useable for subsequent reference;</p> <p>(b) where these Rules, the <u>Credit Union Incorporation Act</u> or the <u>Financial Institutions Act</u>, require the provision or delivery of documents, the directors may in their discretion permit the provision or delivery of such documents in such electronic form and by such electronic means (including, without limitation, making such electronic documents accessible to the intended recipient by an electronic means notified to the intended recipient) as the directors consider desirable in the circumstances, provided that such electronic documents are</p>	
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	<p>capable of being retained by the recipient in a manner useable for subsequent reference; and</p> <p>(c) for the purposes of this Rule 9.1, “document” includes, without limitation, notices, instruments, resolutions and ballots.</p>	<p>accessible by the recipient in a manner useable for subsequent reference and capable of being retained by the recipient in a manner useable for subsequent reference; and</p> <p>(c) for the purposes of this Rule 10.1, “document” includes, without limitation, notices, instruments, financial statements, resolutions and ballots.</p>	
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