

BVCU

Bylaws

As of February 13, 2024



Interpretation

1.10 Definitions and Interpretation

In these bylaws and all other bylaws of the Credit Union, unless the context otherwise specifies or requires:

- (a) "Act" means The Credit Union Act, as from time to time amended, and every statute that may be substituted therefore and, in the case of such substitution, any reference in the bylaws of the Credit Union to provisions of the Act shall be read as references to the substituted provisions therefore in the new statute or statutes;
- (b) "Bylaw" means any bylaw of the Credit Union, including any special bylaw, from time to time in force and effect;
- (c) "Credit Union" means Bow Valley Credit Union Ltd.;
- (d) "In writing" means either hard copy or soft copy through digital technology authorized by the Credit Union;
- (e) "Regulations" means the Credit Union Act Regulations as amended from time to time in force and effect;
- (f) "Trading area" means that geographic area in which the Credit Union could reasonably expect to derive its membership;
- (g) All terms contained in the bylaws and which are defined in the Act shall have the meanings given to such terms in the Act; and
- (h) The singular shall include the plural and the plural shall include the singular, the masculine shall include the feminine and the feminine shall include the masculine, and the neuter gender includes bodies corporate and politic.

1.20 Bylaws Subordinate to the Act

These bylaws are in all respects subordinate to the Act and Regulations, and shall not be interpreted as permitting any action that is prohibited by the Act or the Regulations thereto. Whenever these bylaws are more restrictive than the requirements of the Act or Regulations, the restrictions of these bylaws shall bind the Credit Union.

1.30 Notice to Members

Where notice to a member is given by mail, electronic mail, or private courier to the last known address of the member according to the records of the Credit Union, notice is deemed to have been given after the expiry of 10 days from the date the notice was delivered to the post office, remitted electronically, or on delivery by private courier.

1.31 Means of Notice

Notice may be provided for any matter, including membership, special meetings, and annual general meetings as set out in the Act and, as determined by the Board of Directors, notice may be provided by:

- a) Regular mail, electronic mail, or private courier; and/or
- b) Advertised in newspapers circulated in the Credit Union's trading area in accordance with the Act; and/or
- c) Posted in places that are prominent and accessible to members including Credit Union branches, Credit Union website, technology applications, and/or social media in accordance with the Act.

1.32 Notice to Joint Membership

If two or more persons are registered as holders of joint membership in the Credit Union, notice to one of such persons shall be sufficient notice to each of them.

Membership

2.10 Membership

Membership in the Credit Union shall be open.

2.20 Joint Membership

Two or more persons may apply for joint membership in the Credit Union. Each person who is party to a joint membership shall have one vote, provided the number or amount of shares held by the joint members equals or exceeds the number or amount of shares that would be required in total if each person were a member in his own right.

2.30 Application in Writing

Application for membership shall be made in writing, and the Board of Directors may from time to time specify the form of such applications.

2.40 Common Share Requirement

Common shares have the par value of \$1 each, requiring the purchase of twenty-five (25) common shares to be eligible for membership in the Credit Union.

2.50 Authorization of Membership

The Board of Directors may, at its discretion, authorize the Chief Executive Officer of the Credit Union or any other officer of the Credit Union to approve or terminate membership into the Credit Union.

2.60 Appeal of Cancellation

A person whose membership has been terminated may appeal the decision in writing to the Board of Directors or designate within thirty days (30 days).

2.70 Access to Membership List

Members and their agents shall not have the right to examine the membership list of the Credit Union. The Credit Union shall not make the membership list of the Credit Union available to any person or entity for any purpose unless approved by the Board of Directors.

Shareholders

3.10 Common Share Holdings

Common shares a member may hold are limited to a maximum value of \$200,000, based on a combined total of purchases plus accumulated dividends.

3.20 Common Share Purchases

Common shares purchased by a member are limited to a maximum value of \$175,000; this maximum value is derived through any combination of common share purchases.

3.30 Redemption of Common Shares

Where a member holding common shares wishes to request the Credit Union redeem all, or a portion of their shares, they shall make such a request in writing to the Credit Union. Upon approval by a resolution of the Board of Directors or an officer delegated in accordance with the Act and Regulations, and subject to the Act, Regulations, and the Credit Union's bylaws, the Credit Union shall, after deduction of all amounts due from the member to the Credit Union, redeem such amount in common shares, at the Credit Union Board of Directors' direction and timing.

3.40 Transfer of Common Shares to another Member

Where a member holding common shares wishes to transfer shares to another member, they shall make the request to transfer in writing to the Credit Union. Subject to the approval of the Board of Directors or an officer delegated in accordance with the Act and Regulations, and subject to the Act, Regulations, and the Credit Union's bylaws, the Credit Union shall, after payment of all amounts due from the member to the Credit Union, transfer the balance of the shares.

3.50 Transfer & Redemption of Common Shares Protocol

If capital allows, a transfer or redemption of common shares will be permitted only where the application is in compliance with this bylaw and Section 3.30 above:

- redemption of common shares once a member attains in excess of 5,000 Common shares; or
- redemption of any Credit Union contribution amount over 15,000 Common shares per person.

3.60 Board Authority: Dividends, Profit Share, and Patronage Rebates

The Board of Directors shall determine:

- the method for calculating dividends on common shares;
- the manner or method for determining a profit share;
- the manner or method for determining a patronage rebate;
- the record date for payment of a dividend on common shares, profit share, or a patronage rebate; and
- the method of payment of a dividend on common shares, profit share, or patronage rebate, if any.

Membership Meetings

4.10 Adjournment

Provided that the conditions in the Act for notice of an adjourned meeting are met, no further notice need be provided by the Credit Union of an adjourned meeting.

4.20 Chair

The Chair of any meeting of members shall be the Chair of the Board, the Vice Chair of the Board, or designate appointed by the Board of Directors.

4.30 Order of Business

The items of business at an annual general meeting of the Credit Union shall include, but not be restricted to the following:

- a) Confirmation of Quorum;
- b) Adoption of the Agenda;
- c) Adoption of the minutes of the last meeting;
- d) Report of the Board of Directors;
- e) Report of the President and CEO (including financial presentation);
- f) Committee Reports;
- g) New business;
- h) Adjournment.

and notice of any new business to be conducted at the annual general meeting must be given in accordance with the terms in the Act.

4.40 Roberts Rules and Special Rules

The rules of order for membership meetings shall be governed by Roberts Rules of Order, and the following additional rules:

- Maximum time an individual speaker may address or speak to any one issue is five minutes for each time he is permitted to speak.
- Maximum number of times a single speaker may address the same issue is three times.

4.50 Quorum Requirements

Subject to the Act, quorum at general meetings of the members of the Credit Union with assets of or exceeding \$500 Million is 100 members, or 50 members if assets are less than \$500 Million.

If a quorum is not present, the Chair of the meeting shall adjourn the meeting in accordance with the Act.

Voting

5.10 Date of Membership

The directors may set by resolution a record date for the purpose of determining which members are to receive notice of a meeting and who are to be entitled to vote at a meeting. The record date shall not be later than 10 days before the date of the meeting or earlier than 40 days before the date of the meeting.

5.20 One Member One Vote

Any member of the Credit Union may vote on any question before the members but, subject to the bylaws and the Act, has only one vote on any question.

5.30 Joint Membership and Votes

Each person who is party to a joint membership shall have one vote, providing the number or amount of shares held by the joint members equals, or exceeds, the number or amount of shares that would be required in total of each person who's a member in his own right.

5.40 Minor Voting

A minor may not vote on any matter.

5.50 Membership Other Than Individual Voting Rights

Where a member of the Credit Union is other than an individual or a trustee, the Credit Union shall recognize an individual authorized by resolution of the directors or governing body of that member to represent it at meetings of members of the Credit Union.

5.60 Authority Granted under 5.50

An individual authorized to represent a member under By Law 5.50 may exercise, on behalf of that member, all the powers that the member could exercise if it were an individual member.

5.70 Corporate Voting

No member may represent more than one body corporate or association, but such member may vote in his own right, if a member, as well as for the corporation or association he represents.

5.80 Voting

Voting at a meeting of members shall be by show of hands, except where the Chair or a member calls for a vote by ballot.

5.90 Chair's Count Prevails

At any meeting, unless a poll is called for, a declaration by the Chair of the meeting that a resolution has been carried or defeated by the required majority shall be conclusive evidence of the fact.

5.100 Spoiled Ballot

A vote by ballot will be considered spoiled wherein:

- a) More than the permitted number of candidates for an election has been selected on the ballot;
- b) The ballot is irregular by way of being a forgery of an official ballot;
- c) A name(s) other than a duly nominated candidate has been written onto the ballot;
- d) The choice marked is unclear or illegible or subject to reasonable doubt, by reason of erasures, misplaced marks, etc.

5.110 Voting Rights

The only persons entitled to be present at an annual meeting or special general meeting and eligible to vote shall be members. The auditors of the Credit Union and others who are entitled or required under the provision of the Act to be present at membership meetings or have been invited by the Credit Union are entitled to be present at membership meetings but are not entitled to vote. The Minister or his delegate and the designated representative of the Credit Union Deposit Guarantee Corporation shall be entitled to attend all membership meetings, but are not entitled to vote. At the invitation of the Chair a person who is not a member entitled to vote may be permitted to address the meeting.

5.120 Scrutineer Appointment

Scrutineers may be appointed by the Chair for a meeting of the members. Scrutineers appointed at a meeting of the members, for the purposes of ascertaining the results of a ballot shall be entitled to any information and may examine any records of the Credit Union necessary to determine the validity of any ballots.

Board of Directors

6.10 Director Qualification

A director, in addition to the qualifications in the Act, must meet the following qualifications:

- a) The director may not be an employee or director of a business selling competitive products or services;
- b) The director is not an immediate relative of an employee or director of the Credit Union. An immediate relative for this section means a spouse (including common law spouse), child (including adopted child), parent, sibling, grandparent, or the spouse of any of the foregoing;
- c) The director may not be in breach of his oath of office as a director, including but not limited to the obligation to protect the confidentiality of Credit Union or member information;
- d) The director is not in violation of the Credit Union's policies or bylaws;
- e) The director is fully bondable by an indemnity bonding agency;
- f) The director has a good credit history; and
- g) The director has attended a minimum of 60% of Board meetings per year, unless the director has provided advance notice of the reason for his absence with good cause, and the director's absences have been approved by the Board of Directors, and the director has not failed to attend three consecutive meetings without the approval of the Board of Directors.

6.20 Director Disqualification

Where a director no longer meets the qualifications of a director under 6.10, he shall submit his resignation to the Board of Directors and if he fails to do so, the Board of Directors shall remove the director if it becomes aware of a lack in his qualifications. In the event the facts surrounding the lack in his qualifications are unclear or the circumstances giving rise to the lack can be corrected, a director may be suspended by a special resolution of the Board until the matter of his qualification is resolved or for a specified period of time not to exceed 90 days.

6.30 Director Ceases to Hold Office

A director ceases to hold office when the director:

- a) Dies or resigns;
- b) Is removed from office by ordinary resolution of the members at a General Meeting; or
- c) Becomes disqualified unless a resolution to suspend is passed pursuant to Bylaw 6.20.

6.40 Number of Board Members

The Board of Directors shall consist of five (5) to eleven (11) members duly elected by the membership.

6.50 Terms of Office

The term of office for directors shall be three years ending on the third Annual General Meeting following their election.

6.60 Director Elections

The Board of Directors shall determine the procedures to be followed in the election of qualified nominees to the Board of Directors. The members shall elect directors at, or before, each Annual General Meeting of the members.

6.70 Determination of Nominees

The Nominating Committee shall have the authority to determine the recommended nomination of any nominee who meets the necessary qualifications for a director to hold office.

6.80 Acclamation

If the number of qualified persons nominated for the office for which the election is to be held is equal to the number of offices to be filled, the persons so nominated will be declared elected.

6.90 Mid-Term Vacancies

Where a vacancy occurs on the Board of Directors, the Board of Directors may appoint a replacement, or the Board of Directors may leave the position vacant until the earlier of the Credit Union's next Annual General Meeting, or until an election to fill the vacancy is conducted. A person appointed by the Board to fill a vacancy shall only sit on the Board of Directors until the earlier of the next Annual General Meeting, or until an election to fill the vacancy is conducted. A director elected by the members to fill a vacancy shall serve for the balance of the term of the vacated directorship.

6.100 Election of Board Officers

At the first meeting following the Annual General Meeting of the Credit Union, the Board of Directors shall choose from their own members a Chair and a Vice-Chair, and such other officers as they consider necessary. Elections for officers shall be by secret ballot. All officer elections shall be decided by a majority vote with the candidate receiving the least votes dropped from each succeeding ballot until a majority is established.

6.110 Director Remuneration

Directors and non-employee committee members of the Credit Union shall receive remuneration in recognition of their time in attendance at meetings in relation to their duties with the Credit Union. Remuneration may be paid based on a rate for remuneration per meeting, rate per day, or rate per portion of a day, and the rate of remuneration may differ for directors and committee members and by the type of meeting attended. The Board of Directors shall establish the rates on the basis provided herein, but in no event shall the aggregate amount of remuneration paid to directors and committee members exceed 2.0% of total Credit Union operating expenses.

6.120 Director Expenses

Directors and non-employee committee members of the Credit Union shall receive reimbursement for expenses incurred while performing the business of the Credit Union.

6.130 Voting for Director Elections

The Board of Directors may determine that elections be conducted by any one or any combination of the following methods:

- a) Ballot voting at the Annual General Meeting;
- b) In-branch ballot voting;

- c) Mail ballot voting; or
- d) Any secure electronic means.

All voting for nominees to the position of director shall be by secret ballot.

Designation and Powers of Officers

7.10 Officers of the Credit Union

Officers of the Credit Union shall include those described in the Act.

7.20 Appointment of Officers

The Board shall by motion appoint its employee officer, the Chief Executive Officer, and the Board's officers.

7.30 Powers of Chair

The Chair shall have the following powers and duties:

- a) shall be an ex officio member of all committees;
- b) shall preside at all meetings of the Board of Directors unless he is unable to do so;
- c) shall be one of the signing officers of the Credit Union; and
- d) shall perform such other duties and functions as the Board of Directors may prescribe.

7.40 Vice Chair's Role

The Vice Chair shall substitute for the Chair and perform all of his duties and exercise all of his powers when the Chair is unable to do so.

7.50 Role of Secretary to Board

The Credit Union shall appoint an employee to act as recording secretary who shall attend all meetings of the members and the Board of Directors and shall cause correct minutes to be kept of the said meetings. The secretary shall cause proper notice of all meetings of the Board of Directors and the membership to be given. If the secretary of the Credit Union is absent, the Chair shall appoint some person to act as secretary of the meeting.

Committees

8.10 Directors Appoint Committee

Pursuant to the requirements of the Act, the Board of Directors shall appoint such committees as it considers necessary. All elections for committee executives/officers shall be decided by a majority vote.

8.20 Audit, Finance, & Risk Committee

The Audit, Finance, & Risk Committee may, to fulfill its duties, utilize the services of an internal auditor and/or external auditor or other outside consultant as deemed appropriate, and any internal auditor and/or external auditor or consultant shall report directly to the Audit, Finance, & Risk Committee all his findings, and to the Board in accordance with the Act.

8.30 Credit Committee

The Credit Committee shall perform the functions required under the Act and may be comprised of officers or employees of the Credit Union appointed by the Board.

Board of Directors and Committee Meetings

9.10 Frequency of Board Meetings

The Board of Directors shall meet no less frequently than six times annually and more often if the business of the Credit Union warrants.

9.20 Frequency of Committee Meetings

Committees of the Board of Directors shall meet as required by the Act.

9.30 Telephone/Electronic Meetings

A Board of Directors meeting or committee meeting may be held by means of telephone or other communication facilities which permit all persons participating in the meeting to hear each other, and the directors participating by those means are deemed, subject to the requirements of the Act as to the Board meetings, to be present at the meeting.

9.40 Notice of Director Meetings

Notice of Board of Directors or committee meetings, including the date, time, place/mode, and agenda shall be communicated by announcement at the preceding meeting, by electronic means, or by telephone to each director or committee member not less than five -days prior to the meeting. In the event a meeting of the Board of Directors or committee is required, notice shall be given by electronic means, in person, or by telephone to each participant not less than 24 hours in advance.

9.50 Waiver of Notice

Notice may be waived by the Board of Directors or committee upon a poll of the members with simple majority agreement for the purpose of holding an emergency meeting of the Board of Directors or committee.

9.60 Quorum

A majority of directors or members of a committee, as the case may be, shall constitute a quorum.

9.70 Voting

Voting by the Board of Directors or committees shall be by a show of hands, unless otherwise requested by the Board of Directors or committee.

Subsidiaries

10.10 Board Authority

The Board of Directors may establish a subsidiary provided the functions of the subsidiary are consistent with the objectives of the Credit Union and meet the requirements of the Act.

Related Party Transactions

11.10 Board Authority

The Credit Union may, with the approval of the Board of Directors:

- Enter into a contract of employment with a related party who is not a director, officer, or prospective officer of the credit union,
- Enter into a transaction with a related party which involves minor general expenditures by that corporation which do not exceed the amounts prescribed by the Act or Regulations,
- Enter into a transaction with a related party for the sale of goods or the provision of services at fair market rate.

Investment Shares

12.10 Investment Shares

The directors of the Credit Union shall be authorized to issue a class of special shares to be called Investment Shares in an unlimited number of series and with the rights and restrictions designated by the directors in accordance with the Act and the Regulations.