



INTEGRIS CREDIT UNION RULES

Revised: April 2022 ~~January 9, 2020~~

SCHEDULE "A"
INTEGRIS CREDIT UNION

Definitions

In these Rules, unless the subject or context is inconsistent therewith:

- a) "credit union" means Integris Credit Union;
- b) "Credit Union Incorporation Act" means the Credit Union Incorporation Act of British Columbia from time to time in force and all amendments thereto and regulations made pursuant thereto;
- c) "Business Corporations Act" means the Business Corporations Act of British Columbia from time to time in force and all amendments thereto and regulations made pursuant thereto;
- d) "Financial Institutions Act" means the Financial Institutions Act of British Columbia from time to time in force and all amendments thereto and regulations made pursuant thereto;
- e) "director" means a director of the credit union for the time being;
- f) "directors", unless the context otherwise requires, means the board of directors of the credit union;
- g) "chair" means the chair of the directors;
- h) "Electronic Transactions Act" means the Electronic Transactions Act of British Columbia from time to time in force and all amendments thereto and regulations made pursuant thereto;
- i) "electronic" means created, recorded, transmitted or stored in digital or other intangible form by electronic, magnetic or optical means or by any other similar means;

The meaning of any words or phrases defined in the Credit Union Incorporation Act, the Financial Institutions Act, and, to the extent that it relates to the credit union, the Business Corporations Act shall, if not inconsistent with the subject or context, have the same meaning in these Rules.

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RULE 1 – MEMBERSHIP

- 1.1 Application for Membership - 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.
- 1.2 Withdrawal or Termination of Membership - A member may withdraw from membership, and the membership of any person may be terminated, in accordance with the *Credit Union Incorporation Act*.
- 1.3 Member in Good Standing - A member in good standing is a member, including a junior member, who at the date on which good standing is determined:
 - a) has purchased, paid for and holds the number of Class “A” Membership Equity Shares required by these Rules; and
 - b) is not more than 90 days delinquent in any obligation to the credit union.
- 1.4 Policies for Purchase, Payment, Redemption, and Ownership of Shares - Subject to the provisions of the *Credit Union Incorporation Act* that specify the minimum number of membership shares for which a member must subscribe and pay, the directors may establish policies to waive or delay purchase, payment, redemption, and ownership in whole or in part of equity shares as required by these Rules.

RULE 2 – SHARES AND DEPOSITS

- 2.1 Withdrawal and Redemption Forms - The directors may determine the forms by which a person may withdraw monies on deposit or request redemption of shares.
- 2.2 Interest on Deposits - Interest on deposits, in the absence of an express contract or agreement, shall be paid or credited at times, intervals, and in a manner determined by the directors and the directors may delegate the power to make such determinations.
- 2.3 Classes of Shares - 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” Transaction Equity Shares; Class “C” Voluntary Equity Shares; and Class “D” Non-Equity Shares.
- 2.4 Par Value - All shares shall have a par value of \$1.00 each.

- 2.5 Existing Shares Deemed Class “D” Shares – All shares issued and outstanding on the date this Rule comes into effect shall be deemed to be Class “D” Non-Equity Shares.
- 2.6 Resolution of Directors to Redeem or Purchase Shares – Subject to the *Credit Union Incorporation Act* and these Rules, the credit union may, by resolution of the directors, redeem or purchase any of its shares.
- 2.7 Manner of Redemption or Purchase – If the credit union proposes, at its option, to redeem some but not all of the shares of any class, the 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.
- 2.8 No Guarantee – Monies invested in equity shares and dividends thereon shall not be guaranteed by the fund administered by the *Credit Union Deposit Insurance Corporation of British Columbia*.
- 2.9 Class “A” Shares – Class “A” Membership Equity Shares have attached thereto the following rights and restrictions:
- a) ownership, assignment, transfer and issue of Class “A” Membership Equity Shares is limited as set out in the *Credit Union Incorporation Act*;
 - b) subject to the *Credit Union Incorporation Act*, the credit union shall redeem the Class “A” Membership Equity Shares held by a member if:
 - i. the member is a natural person and dies, subject to Rule 2.21 and subject to any contrary instruction of the personal representative of the deceased member to transfer the shares to a person entitled to hold the same pursuant to the *Credit Union Incorporation Act* and these Rules;
 - ii. the member is an incorporated company and is dissolved or wound up;
 - iii. the ~~credit union terminates the membership of the~~ member;
 - iv. the member withdraws from membership in the credit union, subject to rule 2.9 (d);
 - v. the member is a partnership which dissolves; or

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.

c) Subject to the *Credit Union Incorporation Act*, the credit union may redeem the Class “A” Membership Equity Shares held by a member on such terms and conditions and at such times as the directors, in their discretion, resolve;

d) Notwithstanding the foregoing but subject to the *Credit Union Incorporation Act*, the amount of Class “A” Membership Equity Shares that the credit union may be required to redeem in any financial year is limited to 10% of the amount of such shares issued and outstanding on the last day of the immediately preceding financial year;

e) Any redemption or purchase of Class “A” Membership Equity Shares shall be at par value plus any dividends declared but unpaid thereon.

2.10 Class- “B” -Shares --- Class -“B” -Transaction- Equity -Shares- have attached there to the following rights and restrictions:

a) Class “B” Transaction Equity Shares may only be issued to a member of the credit union;

b) Subject to the *Credit Union Incorporation Act*, the credit union may, but shall not be required to redeem the Class “B” Transaction Equity Shares held by a member if all indebtedness of the member to the credit union has been fully paid and discharged and:

- i. the member is an individual and dies, subject to Rule 2.21;
- ii. the member is an incorporated company and is dissolved or wound up;
- iii. the member is a partnership which dissolves;
- iv. the member, in any other case ceases to be a legal entity according to the statute by or pursuant to which it was created; or
- v. the member requests, in writing, that the Class “B” Transaction Equity Shares be redeemed.

c) The credit union may redeem any Class “B” Transaction Equity Shares held by a member on such terms and conditions and at such times as the directors, in their discretion, resolve;

- d) Notwithstanding the foregoing, but subject to the *Credit Union Incorporation Act*, the amount of Class “B” Transaction Equity Shares that the credit union may be required to redeem in any financial year is limited to 10% of the total amount of such shares issued and outstanding on the last day of the immediately preceding financial year;
 - e) Any redemption or purchase of Class “B” Transaction Equity Shares shall be at par value plus any dividends declared but unpaid thereon.
- 2.11 Class “C” Shares – Class “C” Voluntary Equity Shares have attached thereto the following rights and restrictions:
- a) Without the consent of the directors, Class “C” Voluntary Equity Shares may be held or beneficially owned only by members;
 - b) The credit union may redeem any Class “C” Voluntary Equity Shares on such terms and conditions and at such times as the directors, in their discretion, resolve;
 - c) Notwithstanding the foregoing, but subject to the *Credit Union Incorporation Act*, the amount of Class “C” Voluntary Equity Shares that the credit union may be required to redeem in any financial year is limited to 10% of the total amount of such shares issues and outstanding on the last day of the immediately preceding financial year;
 - d) Any redemption or purchase of Class “C” Voluntary Equity Shares shall be at par value plus any dividends declared but unpaid thereon.
- 2.12 Evidence Required for Redemption – The credit union may require evidence as to the events described in Rule 2.9, or Rule –2.10, before redeeming equity shares.
- 2.13 Membership Share Requirements – 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:
- a) except as provided below, each member 5 shares;
 - b) each junior member 5 shares;
 - c) each member which is an incorporated company 25 shares;

- d) each member which is a legal entity, other than an Incorporated company, created by or pursuant to statute 25 shares.
- 2.14 Date Rule 2.13 In Force - Subject to Rule 2.20, Rule 2.13 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 90 days following the date on which the notice is deemed to have been received by the members.
- 2.15 Increase in Membership Share Requirements - The directors may, by resolution, determine that the number of Class "A" Membership Equity Shares required to be owned by a member shall be increased, PROVIDED THAT:
- a) the directors may not determine that the total number of Class "A" Membership Equity Shares required to be owned by a member shall exceed 100 Class "A" Membership Equity Shares;
 - b) on any one occasion, the directors may not determine to increase the number of Class "A" Membership Equity Shares required to be owned by more than 25 Class "A" Membership Equity Shares;
 - c) a determination by the directors pursuant to this Rule may be made no more frequently than once per financial year;
 - d) a subsequent determination by the directors shall not be made to have effect within 6 months of the last such determination; and
 - e) subject to Rule 2.20, a determination by the directors pursuant to this Rule shall not be effective until the expiration of not less than 90 days after notice of a determination is deemed to have been received by the members.
- 2.16 Credit Union May Transfer Deposits or Shares to Purchase Membership Shares - If, on the expiration of not less than 30 days after the deemed receipt of the notice described in Rule 2.14 or Rule 2.15, 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 "C" Voluntary Equity Shares or Class "D" 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 2.13 or Rule 2.15.

- 2.17 Termination of Membership for Insufficient Share Holdings - If, on the expiration of the period of notice described in Rule 2.14 or Rule 2.15, 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 "C" Voluntary Equity and Class "D" Non-Equity Shares to permit the purchase of sufficient Class "A" Membership Equity Shares pursuant to Rule 2.16, the directors may terminate that member's membership unless that membership shall terminate in accordance with the *Credit Union Incorporation Act*.
- 2.18 Method of Notice - Without precluding any other method of giving notice, a notice under Rule 2.14 or Rule 2.15 sent by post, addressed to the member at the member's address shown on the register of members shall be deemed to have been received on the ~~5th 4th day~~, Saturdays and holidays excepted, following the date of mailing.
- 2.19 Junior Members -
- 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;
 - 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 2.19 (a), then Rules 2.16 and 2.17 shall apply, except that no notice shall be required.
- 2.20 Membership Share Requirements After Notice is Given - A person who becomes a member of the credit union at any time after notice is given under Rule 2.14 or Rule 2.15 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.
- 2.21 Share Certificates - 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 "Not Guaranteed By The Credit Union Deposit Insurance Corporation".
- 2.22 Form of Share Certificate - Every share certificate issued by the credit union shall be in such form as the directors approve and shall comply with the *Credit Union Incorporation Act* and the *Business Corporations Act*.
- 2.23 Replacement of Share Certificates - If any share certificate is worn out or defaced, then, on production of that certificate to the credit union, ~~the certificate may be cancelled and a new certificate~~

issued in place of that certificate; and if any share certificate is lost or destroyed, then, on proof of the loss or destruction to the satisfaction of the directors, on paying to the credit union a fee not exceeding that prescribed under the *Business Corporations Act* and on giving such indemnity as the directors deem adequate, a new certificate in place of the lost or destroyed certificate shall be issued to the party entitled to it.

- 2.24 Delivery of Certificate - 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.
- 2.25 Transfer Subject to Resolution of Directors - No equity shares shall be transferred without the previous consent of the directors expressed by a resolution of the directors, and the directors shall not be required to give any reason for refusing to consent to any such proposed transfer.
- 2.26 Effective Date of Transfer - No transfer or assignment of equity shares is effective until the register of members of the credit union is completed, indicating the transfer or assignment.
- 2.27 Instrument of Transfer Required - No transfer of equity shares shall be registered unless a proper instrument of transfer has been delivered to the credit union, but an instrument of transfer is not required for the credit union to register a transmission of shares in compliance with the *Credit Union Incorporation Act* and the *Business Corporations Act*.
- 2.28 Transfer Registration - Subject to the *Credit Union Incorporation Act*, the *Business Corporations Act* its constitution, and these Rules, the credit union shall, on application of the transferor or transferee of an equity share, enter the name of the transferee on its register of members.
- 2.29 Form of Instrument of Transfer - The instrument of transfer of any equity share shall be in writing in the form, if any, on the back of the credit union's share certificates or any other form that the directors may approve.
- 2.30 One Class per Transfer Instrument - If the directors so require, each instrument of transfer shall be in respect of only one class of shares.
- 2.31 Presentation of Instrument of Transfer and Share Certificate - Every instrument of transfer shall be executed by the transferor and left at the registered office of the credit union for registration, together with the share certificate, if any, for the shares to be transferred and such other evidence, if any, as the directors may require to prove the title of the transferor or ~~his or her~~their 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.

- 2.32 Authorization to Transfer - The signature of the registered owner of any equity shares or of ~~his or her~~ their duly authorized attorney on the form of transfer constitutes an authority to the credit union to register the shares specified in the form of transfer in the name of the person named in that form as transferee.
- 2.33 Credit Union Not Required to Inquire into Title - Neither the credit union nor any director, officer or agent is bound to inquire into the title of the transferee of those equity shares to be transferred or is liable to the registered or any intermediate owner of those shares, for registering the transfer.
- 2.34 Transfer on Death or Bankruptcy - Subject to these Rules and the *Credit Union Incorporation Act*, a person who becomes entitled to an equity share as a result of the death or bankruptcy of any member or auxiliary member, on producing the evidence required by the *Business Corporations Act* or who becomes entitled to a share as a result of an order of a court of competent jurisdiction or a statute, on producing such evidence as the directors think sufficient that ~~he or she is~~ they are so entitled, may be registered as holder of the share or may transfer the share to a person entitled by these Rules and the *Credit Union Incorporation Act* to hold such share.
- 2.35 Maximum Share Ownership -
- a) A member may subscribe for a maximum of 1000 Class "A" Membership Equity Shares;
 - b) A person may subscribe for a maximum of 5000 Class "B" Transaction Equity Shares;
 - c) A person may subscribe for a maximum of 250,000 Class "C" Voluntary Equity Shares (with a prospectus required to be provided for subscriptions ~~totalling~~ totaling greater than 5000 Class "C" Voluntary Equity Shares).
- 2.36 Dividends -
- 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, Class "B" Transaction Equity Shares, or Class "C" Voluntary Equity Shares;

- b) Dividends declared, if any, may, at the discretion of the directors, be at a different rate for different classes of shares;
 - c) Subject to the provisions of the *Business Corporations Act* the *Financial Institutions Act*, and the *Credit Union Incorporation Act*, 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 *Business Corporations Act*.
- 2.37 Participation Programs - Subject to the *Credit Union Incorporation Act*, *Financial Institutions Act*, and the *Business Corporations Act* the directors may develop and offer such participation programs as they deem in the best interest of the credit union.
- 2.38 Redemption of Class "D" Shares - Subject to the rights of the credit union, Class "D" non- equity shares shall be redeemed by the credit union upon the written request of the member.

RULE 3 – BORROWING AND LENDING

- 3.1 Directors May Borrow - Subject to the *Credit Union Incorporation Act*, *Financial Institutions Act*, and the *Business Corporations Act* the directors of the credit union may raise and borrow money for the purposes of the credit union upon such terms and conditions as to interest, terms of repayment, and security as they determine by resolution.
- 3.2 Directors Shall Determine Terms of Loans - Subject to the *Credit Union Incorporation Act*, *Financial Institutions Act*, and the *Business Corporations Act* 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.

RULE 4 – DIRECTORS AND MANAGEMENT

- 4.1 Director Elections to be Held - Each year, directors shall be elected to replace those whose terms expire and a director whose term expires is eligible for re-election.
- 4.2 Term of Office - Directors shall be elected to hold office for three years, except where an election is held to fill the unexpired portion of a term for a retiring, removed, deceased or otherwise incapacitated director, in which case the term for that director shall be the unexpired portion of that term or when the Directors see fit to balance the terms of office.
- 4.3 Terms to Rotate - Directors shall be elected so that their term of office shall expire in rotation.
- 4.4 Terms Determined by Number of Votes - Where any offices of directors being filled at any election are for different lengths of terms, the term of each person shall be determined in proportion to the number of votes ~~he or she receives~~they receive, the person receiving the greatest number of votes to hold office for the longest term, provided that if there are 2 or more persons having an equal number of votes their terms of office shall be determined by lot; but, if there is an election by acclamation, the chair of the Nominating Committee shall either determine the respective terms of the persons so elected or direct that the terms be determined by lot.
- 4.5 Ties - If two or more persons receive the same number of votes in an election of directors and if that number of votes is the lowest number that would elect a director in that election, then a recount of votes shall be conducted in accordance with these Rules.
- 4.6 Eligibility for Election as Director - A member in good standing on the date nominations close, other than a person disqualified by Rule 4.7, shall be eligible for elections as a director.
- 4.7 Disqualification of Candidates -
- a) A person shall be disqualified from becoming or acting as a director who:
 - i. is a person who falls within any of the following categories:
 - a. A person who is or was at any time during the three-year period prior to the date for close of nominations determined in accordance with Rule 4.7 an employee of Integris Credit Union or any of its subsidiaries or affiliates;

b. A person who is a member of the immediate family who occupies the same house of an employee of Integris Credit Union or any of its subsidiaries or affiliates;

- Immediate family refers to grandparents, parents, spouse, siblings and children (whether by whole or half).

c. A person who is a direct relative who occupies the same house of an employee of Integris Credit Union or any of its subsidiaries or affiliates;

- Direct relative refers to nieces, nephews, cousins (whether by whole or half) and mother-in-law, father-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law.

~~b.d.~~ was an employee of any credit union or an affiliate of a credit union during the three year period prior to the date that nominations for the office of director under these Rules closed;

~~e.e.~~ 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; or where the Board of Directors determines, by resolution that this Rule 4.7 (a) (ii) shall not apply to such a person;

~~d.f.~~ has not been a member in good standing of the credit union for 12 consecutive months prior to the date of nominations closing;

~~e.g.~~ ceases to be a member in good standing with Integris Credit Union.

b) A person who ceases to be qualified under Rule 4.7 shall vacate the office of director unless the Board of Directors determines by a resolution of 2/3 of the remaining Directors that Rule 4.7 does not apply to such a person.

4.8 Personal Information Return - Before commencing duties, a

director shall complete and submit to the superintendent the personal information return in the form prescribed by the *Financial Institutions Act*, disclosing the prescribed information.

4.9 Nominations - At least 90 days before an annual general meeting, the Nominating Committee shall:

a) notify all members of the credit union that an election of directors is to take place, specifying the number of positions which are to be filled;

b) advise all members that, for purposes of being eligible to vote in the election, a person must be a member, other than a junior member, in good standing 90 days prior to the date on which balloting is to commence; and

c) invite the submission to it, in writing, for consideration, the names of proposed candidates, prior to the date on which nominations shall close which shall be specified in the notice, and which date shall be not less than 30 days from the date of the notice.

4.10 Number of Nominations per Member - No member, unless ~~he or she is~~ they are a member of the Nominating Committee, may nominate more than 1 candidate in respect of an election of a director or directors.

4.11 Eligibility to Vote - Only a member in good standing who is not a junior member is eligible to cast a ballot in an election of a director or directors.

4.12 Voting by Businesses and Organizations - A member of a credit union who is not an individual may vote in an election of directors by an individual who:

a) is not a member; and

b) by written authorization deposited with the credit union, is authorized to vote on behalf of that member.

4.13 Declaration of Candidate Required - 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 declaration, in writing, stating that the member is willing:

a) to stand for election, and if elected, to serve as a director;

b) to observe the provisions of the *Credit Union Incorporation Act*, the *Financial Institutions Act* and the *Business Corporations Act*, as applicable;

- c) to comply with the directors' conflict of interest guidelines adopted by the directors, from time to time;
- d) to provide a statement of all known or potential conflicts of interest between the nominee and the Credit Union; and
- e) to observe the Rules of the Credit Union and procedures relating to the election and the conduct thereof;

The declaration and statement shall not excuse the nominee, if elected or appointed from compliance with the *Business Corporations Act*, the *Credit Union Incorporation Act*, the *Financial Institutions Act*, Credit Union policies and these Rules.

4.14 Acceptance of Nominations - 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 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:

- a) place in nomination the names of qualified candidates at least equal to the number of vacancies to be filled in the election;
- b) place in nomination the names of other candidates nominated in writing by at least 3 members in good standing of the age of majority;
- 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 elections and the conduct thereof;
- d) may request that each candidate meet with the Nominating Committee for the purpose of an interview, within 10 days of the close of nominations; and
- e) request that each candidate complete the personal information return required to be submitted to the superintendent pursuant to the *Financial Institutions Act*.

4.15 Acclamation - If the number of qualified persons nominated for the offices for which the election is to be held is less than or equal to the number of offices to be filled, the persons so nominated shall be declared by the Nominating Committee to be elected by acclamation.

4.16 Notice of Election to Members - Where an election is to be held, the Nominating Committee shall notify forward, at least 30 days before the annual general meeting start of the voting period, to all members of the credit union entitled to vote:

- a) a photograph, resume and Candidate statement if submitted by a candidate and accepted by the Nominating Committee for election pursuant to Rule 4.33;
- b) clear and precise instructions for voting;
- c) advice of the date (or dates) and time(s) during which voting in the election shall take place;
- d) advice of the place or places at which polling in the election shall take place;
- e) a list of conditions under which members will be eligible to vote in the election;
- f) advice of the right of each member to request in writing, not less than 10 days prior to commencement of voting, a ballot which may be cast by mail instead of being cast at a branch office of the Credit Union or at a polling place.

And where the member requests a mail ballot:

- g) a ballot listing, alphabetically, the names of all nominees;
- h) a ballot envelope which will ensure confidentiality.

The Committee may provide these items by mail, by electronic means in accordance with the *Electronic Transactions Act*, or by other means under the *Credit Union Incorporation Act*.

4.17 Method of Voting - Subject to the *Credit Union Incorporation Act*, *Financial Institutions Act*, *Business Corporations Act*, and the *Electronic Transactions Act*, voting in an election of directors shall be, at the discretion of the Board, by voting in person at any branch office of the credit union, by casting a ballot at a polling place, by online electronic voting on not less than 5 days ending not less than 10 days before the annual general meeting, by mail ballot upon receipt of a member's written request in the manner and within the time provided in Rule 4.16(f), or by a combination of any of the above voting methods.

4.18 Appointment of Returning Officer - The directors will appoint a returning officer.

- 4.19 Qualifications of Returning Officer - A returning officer appointed under Rule 4.18 may, but need not, be a member of the credit union but the returning officer shall not be an employee of the credit union.
- 4.20 Appointment 60 Days in Advance - Where a returning officer is appointed, ~~they he or she~~ shall be appointed at least 60 days prior to the date on which voting in an election is to commence.
- 4.21 Engagement of Resource Persons - The Nominating Committee and, where applicable, the returning officer may engage such other resource persons as the directors and the Nominating Committee or returning officer agree are required to conduct the election in a proper manner.
- 4.22 Validity of Ballots - A ballot may contain votes for up to the number of seats to be elected and any ballot indicating another intention is void.
- 4.23 Replacement of Ballots - If a member who is entitled to receive a ballot does not receive a ballot or loses or destroys ~~their-his or her~~ 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.
- 4.24 Voting, Counting, and Announcement of Results - The Nominating Committee in conjunctions with the returning officer shall supervise the election of directors and:
- a) may require a member to provide proof and particulars of membership and may require a member to provide a declaration that the member has not previously cast a ballot in the election then in progress;
 - b) shall obtain all ballots and, after the close of balloting, shall cause a tally to be made of all ballots, such tally to be made in a manner that ensures the secrecy of the balloting;
 - c) shall determine whether a ballot is to be accepted or rejected and except in the case of a recount of votes conducted according to these Rules, such determination is final and not open to review; and
 - d) shall announce, at each office of the credit union and on Integris Credit Union website as determined by the Nominating Committee but no later than the annual general meeting following the completion of voting the results of the election,

including the total number of ballots cast, the number of spoiled ballots and the number of votes obtained by each candidate.

- 4.25 Posting of Election Results - An alphabetic listing of the candidates and the number of votes received by each shall be posted in each office of the credit union and the Integris Credit Union website immediately after the results of the ballot have been announced and shall remain posted for a minimum of three clear business days.
- 4.26 When Directors Take Office - Subject to the *Financial Institutions Act*, a person elected as a director shall take office at the close of the annual general meeting next following ~~their-his-or-her~~ election or, if the election results with respect to the election of that person are not determined by the close of the annual general meeting, then as soon thereafter as the results are determined provided that, for the purpose of determining that person's length of term, ~~they he or she~~ shall be deemed to have taken office at the close of the annual general meeting.
- 4.27 Recount Policy - If, in an election of directors, the number of votes received by an elected candidate or candidates who received the least votes in the election is less than 5 votes in excess of those received by the un-elected candidate or candidates who received the most votes in that election, an official recount of votes cast at such election shall be held, provided that:
- a) such recount shall have been requested by any candidate or candidates in the election, by notice in writing delivered to the head office of the credit union (for the attention of the chair) or by the directors by ordinary resolution, within 5 clear business days from the date of the annual general meeting following immediately after such election;
 - b) no official recount will be initiated for any purpose other than determining the successful candidate for election, and only the votes (including any spoiled or rejected ballots) affecting those candidates whose election may be in doubt, shall be considered (that is to say, the votes of any candidate or candidates who have been elected, or have failed to be elected by a margin of less than 10 votes); and
 - c) if the length of term of office of any person elected as a director shall incidentally be affected by any such recount, such length of term of office shall be determined by such recount.

- 4.28 Appointment of Recount Committee - If an official recount is to be held, the chair shall, within 7 clear business days after receipt of such written notice requesting an official recount, appoint a Recount Committee to be composed of 3 persons to include not more than 1 member of the Nominating Committee and 2 other members in good standing of the credit union (excluding any employee of the credit union or any member elected as a director in the election concerned).
- 4.29 Duties of Recount Committee - The Recount Committee shall conduct and determine the required recount within 15 clear business days of the annual general meeting concerned, and the result of its official recount shall be final, conclusive and binding on all persons involved in that election or affected thereby. In conducting such recount, the Recount Committee shall:
- a) elect a chair;
 - b) notify every candidate concerned of the time, date and place of the recount;
 - c) permit every candidate concerned to attend the recount, either in person or by scrutineer appointed in writing by the candidate to attend on ~~his or her~~their behalf;
 - d) in considering the validity of any ballot, be bound by the voting instructions provided for the election concerned by the Nominating Committee;
 - e) in the event of a tie resulting from any such recount, determine the successful candidate, or length of term as the case may be, by lot; and
 - f) submit its final report to the chair forthwith after making its final determination.
- 4.30 Posting of Recount Results - If, as a result of any such official recount, there is a change in the election results, or any change in the length of term of office of any elected candidate, the fact of such result shall be published by posting the results in each office of the credit union, and such notice shall remain posted until the close of business on the third clear day following the date on which the notice was posted.
- 4.31 Campaigning Rules - Candidates shall adhere to the Campaign Guidelines as determined by the Nominating Committee.
- 4.32 Conduct of Candidates - If, in the opinion of the Nominating Committee, a candidate or a person representing the candidate, campaigns in any method or manner in contravention of the

Campaign Guidelines as established by the Committee each year; the Committee will contact the candidate requesting that they comply with the Campaign Guidelines. If the candidate fails to comply immediately with the request made by the Committee, the matter will be referred to the Board to consider disqualification of the candidate.

4.33 Candidate's Submission - Candidates submission should follow the Candidate Guidelines as determined by the Nominating Committee.

4.34 Conduct of Directors - Removal of Directors -

a) Statement of Disclosure - Every director shall, forthwith after ~~their his or her~~ 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 potential conflicts of interest, which ~~they he or she~~ may have;

b) At any time, the Conduct Review Committee may review any Director's action in order to make a determination (a "Determination") that the Director:

- i. breached or violated these Rules, the Conflict of Interest Policy, the Code of Conduct ~~and Ethics~~ for Directors, or any such other codes and policies as that Director may become subject to as a Director of the Credit Union from time to time;
- ii. breached the confidentiality of any proceedings, deliberations, or information of the Board of Directors;
- iii. failed to meet the standards for Directors; ~~set out in the Performance Standards Policy for Directors;~~
- iv. when a candidate for election as a Director, the Director violated the Campaign Regulations or these Rules; or
- v. became disqualified to act as a Director pursuant to Rule 4.7.

The Director will be provided the opportunity to address the Conduct Review Committee prior to a Determination under this Rule. In the event that the Conduct Review Committee has made a Determination regarding a particular Director, that Director may be removed as a Director by a resolution passed by not less than 2/3 of the remaining Directors. The Director will be provided the opportunity to address the Board of Directors prior to a vote under this Rule.

- 4.35 Number of Directors - The number of directors of the Credit Union shall be from time to time fixed by the directors, but shall be no fewer than nine (9) and no more than thirteen (13) provided that if the members have been notified that an election is to take place, the directors may not change the number of directors of the Credit Union until the results of that election have been determined and the newly elected directors have taken office. If the number fixed by the directors is reduced by death, resignation, disqualification or removal from office, or by failure to elect or appoint a director pursuant to these Rules, the remaining directors, save as provided by any other provision in these Rules, shall have all of the powers of the directors until a vacancy or vacancies caused thereby have been filled by appointment or election.
- 4.36 Appointment to Fill Vacancy - 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.
- 4.37 Number of Directors Less than Quorum - Where the number of directors of a credit union is reduced below the number fixed by, or pursuant to, Rule 4.46 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.
- 4.38 Number of Directors After Amalgamation - Notwithstanding Rule 4.8 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 *Credit Union Incorporation Act*, 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 terms of office but the total number of directors of the credit union following such appointment shall not exceed 18.
- 4.39 Vacancies After Amalgamation - Where the term of office of a director appointed pursuant to Rule 4.38 has expired or where the position becomes vacant prior to the expiration of the term of office, no vacancy shall be deemed to exist.
- 4.40 Election of Officers - The directors shall meet within 30 days after each annual general meeting and shall elect from their own numbers a chair and vice-chair and, subject to Rule 4.47, may appoint such additional officers as they consider necessary.
- 4.41 Frequency of Meetings - The directors shall meet at least 6 times in each year and not less frequently than once in each quarter.

4.42 Calling Meetings - The chair may call a meeting of the directors at any time and shall, within 14 days of receipt of a written request of three directors, call a meeting of the directors.

4.43 Notice of Meetings - 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 or her~~their address as it appears on the books of the credit union or by leaving it at ~~his or her~~their usual business or residential address or by telephone, email, facsimile or other electronic transmission, or any method of transmitting legibly recorded messages. It shall not be necessary to give notice of a meeting of directors to any director:

- a) who is at the time not in the Province of British Columbia;
- 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; or
- c) If, while holding office, a director fails without being excused, to attend regular meetings of the directors for three consecutive months in which meetings are held, that person shall vacate office forthwith.

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.

4.44 Waiver of Notice - A director may waive, in writing, notice of any past or present meeting of the directors.

4.45 Quorum - A majority of the directors shall constitute a quorum but a lesser number may adjourn from time to time until a quorum is obtained.

4.46 Director with Conflict Counted in Quorum - A director who is interested, directly or indirectly, in a proposed contract or transaction with the credit union may be counted for the purposes of the quorum required by Rule 4.45.

4.47 Appointment of Other Officers - The directors shall appoint the president, the secretary, the chief executive officer, and may appoint or authorize the appointment of such additional employees as may be required for the proper operation of the credit union.

4.48 Duties of Vice-chair - In the absence of the chair or ~~his or her~~their 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.

4.49 Rules of Order – Subject to the *Credit Union Incorporation Act* and the *Financial Institutions Act*, the directors may adopt rules of order governing their conduct but, where no rules are adopted, the current edition of “Robert’s Rules of Order Newly Revised” shall be used.

~~4.50 In Person or Virtual Meetings by Telecommunications – A director or a committee member may participate in a Directors meetings of the directors and or any committee meetings may be held by in person attendance or by of the directors by means of conference virtual (telephone or electronic) attendance or by both in person attendance and virtual attendance, provided that:~~

~~a) appropriate notice procedures are satisfied (which must include instructions on how to participate and vote at the meeting);~~

~~b) all persons present at the meeting are able to communicate and vote at the meeting; and~~

~~a)c) the credit union facilitates the use of the virtual communications medium at the meetings, online virtual options 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.~~

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.

~~4.50~~4.51 Consent Resolution – A resolution, whether or not in counterpart, consented to in writing by all directors or all the members of a committee and filed with the minutes of the directors or the committee shall be as valid and effectual as if it had been passed at a meeting of the directors or of the committee, duly called and constituted.

~~4.51~~4.52 Audit Committee – The directors shall annually elect ~~or appoint~~ a minimum of three of their number as the Audit Committee.

~~4.52~~4.53 Investment and Loan Committee – The directors shall annually elect or appoint an Investment and Loan Committee.

~~4.53~~4.54 Conduct Review Committee – The directors shall annually elect a minimum of 3 of their number as the Conduct Review Committee.

~~4.54~~4.55 Nominating Committee – At least 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.

4.554.56 Delegation of Powers - Subject to the *Credit Union Incorporation Act*, the *Financial Institutions Act*, and the *Business Corporations Act* the directors may delegate any of their powers to committees consisting of such persons as the directors think fit, and to such officer or officers as the directors think fit, and may from time to time revoke such delegation.

4.564.57 Terms of Reference - Any committee formed under Rule 4.56 shall, in the exercise of the powers so delegated, conform to any terms and conditions that may from time to time be imposed upon it by the directors.

4.574.58 Committee Proceedings - The meetings and proceedings of any committee consisting of 2 or more persons shall be governed by the provisions herein contained for regulating the meetings and proceedings of the directors so far as the same are applicable thereto and are not superseded by any regulations made by the directors under Rule 4.57.

4.584.59 Committee Reports - Every committee shall report, written or verbal to the next succeeding meeting of the directors all business dealt with by the committee since the last preceding meeting of the directors.

4.594.60 Indemnification of Directors - Subject to the limitations contained in the *Financial Institutions Act*, the credit union shall indemnify:

- a) each director and officer of the credit union;
- b) each former director and officer of the credit union; and
- c) each 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;

against all costs, charges and expenses, including an amount paid to settle any action or proceeding or satisfy any judgment, reasonably incurred by the director or officer or person for any 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 or her~~their 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.

~~4.60~~4.61 Director Remuneration - In accordance with the *Financial Institution Act* the Directors may, by resolution, determine the limits and method of payment of any remuneration for Directors.

~~4.61~~4.62 Standing or ad hoc committee Remuneration - In accordance with the *Financial Institution Act* the Directors may, by resolution, determine the limits and methods of payment of any remuneration for Directors and other members of standing and ad hoc committees.

RULE 5 – GENERAL MEETINGS

5.1 Date of Annual General Meeting - 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 the provisions of the *Credit Union Incorporation Act*.

5.2 Other General Meetings - Other general meetings may be convened and held in accordance with the provisions of the *Credit Union Incorporation Act*.

5.3 In Person or Virtual Meetings - The annual general meeting or other general meeting may be held by in person attendance or by virtual (telephone or electronic) attendance or by both in person attendance and virtual attendance, provided that:

a) appropriate notice procedures are satisfied (which must include instructions on how to participate and vote at the meeting);

b) all persons present at the meeting are able to communicate and vote at the meeting; and

c) the credit union facilitates the use of the virtual communications medium at the meeting.

A 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.

~~5.35~~4 Rules of Order - Subject to the *Credit Union Incorporation Act*, a general meeting may adopt rules of order for its conduct, but if no rules are adopted, the current edition of "Robert's Rules of Order

Newly Revised” shall be used.

5.45.5 Quorum - At a general meeting of the credit union 40 members shall constitute a quorum, but a lesser number may adjourn from time to time until a quorum is obtained.

5.55.6 Order of Business - So far as is practical, the order of business at an annual general meeting shall be as follows:

- a) call to order;
- b) ascertainment of quorum;
- c) appointment of recording secretary and of parliamentarian;
- d) adoption of agenda;
- e) approval of minutes;
- f) business arising out of minutes;
- g) report of the directors;
- h) report of management;
- i) presentation of financial statements;
- j) report of the auditor;
- k) approval of auditor’s report;
- l) report of other committees;
- m) elections;
- n) appointment of auditor;
- o) unfinished business;
- p) new business;
- q) good and welfare;
- r) adjournment.

5.65.7 Member Declaration - Each person desiring to cast a vote on any issue or a ballot in person in an election shall, on request, present evidence of age, identity and membership, and a declaration that the member has not previously voted or cast a ballot on the issue or in the election then in progress.

5.75.8 Who May Vote -

- a) Only a person who is a member in good standing at least 90 days prior to the commencement of voting and who is not a junior member may vote on a resolution, including a special resolution. Each member shall be entitled to one vote.;
- 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:
 - i. is not a member; and
 - ii. by written authorization deposited with the credit union, is authorized to vote at the meeting on behalf of the member.

5.9 Declaration - After a vote at a meeting is taken, a declaration of the chairperson that a motion or resolution has been carried by

the requisite majority shall be conclusive.

~~5.85.10~~ Chair - The chair, the vice-chair, or a director designated by the chair shall chair general meetings of the credit union.

~~5.95.11~~ Manner of Voting - Subject to the *Credit Union Incorporation Act*, the chair shall determine the manner by which voting shall be undertaken at a meeting of the credit union.

~~5.105.12~~ No Proxy Voting - Neither a member nor an auxiliary member shall vote by proxy.

~~5.115.13~~ Method of Voting - Subject to the *Credit Union Incorporation Act*, *Financial Institution Act*, *Business Corporations Act*, and the *Electronic Transaction Act*, voting on a special resolution shall be:

a) by voting in person at any branch office of the credit union, by casting a ballot at a polling place, by online electronic voting on 5 business days ending not less than 10 days before the annual or special general meeting, by mail ballot upon receipt of a member's written request in the manner and within the time provided in Rule 4.16(f), or by a combination of any of the above voting methods. ~~;~~ ~~or~~

~~b) mail ballot.~~

The Chair shall determine the method and procedure of voting.

~~5.125.14~~ Notice of Special Resolution to Members - Where a ~~voting vote~~ on Special Resolution is to be held, the Board shall forward, at least 30 days before the annual or special general meeting, to all members of the credit union entitled to vote:

- a) the wording of the proposed special resolution;
- b) clear and precise instructions for voting;
- c) advice of the date (or dates) and time(s) during which voting shall take place;
- d) advice of the place or places at which polling shall take place;
- e) a list of conditions under which members will be eligible to vote;
- f) advice of the right of each member to request in writing, not less than 10 days prior to commencement of voting, a ballot which may be cast by mail instead of being cast at a branch office of the Credit Union or at a polling place.

And where the member requests a mail ballot:

- g) a ballot which allows the member to vote for or against the special resolution;
- h) a ballot envelope which will ensure confidentiality;
- i) a ballot authentication envelope with space for the name, address, branch, membership number, and signature of the member;
- j) an addressed envelope bearing the address of the registered office of the credit union; and
- k) 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.

5.135.15

Voting, Counting, and Announcement of Results - The Board shall supervise the voting and:

- a) may require a member to provide proof and particulars of membership and may require a member to provide a declaration that the member has not previously cast a ballot in the voting then in progress;
- b) shall obtain all ballots and, after the close of balloting, shall cause a tally to be made of all ballots, such tally to be made in a manner that ensures the secrecy of the balloting;
- c) shall determine whether a ballot is to be accepted or rejected and ~~except in the case of a recount of votes~~ conducted according to these Rules, such determination is final and not open to review; and
- d) shall announce, at the annual or special general meeting next following the completion of voting the results of the vote, including the total number of ballots cast, the number of spoiled ballots and the number of votes for and against the Special Resolution.

5.16 No person may photograph, record or film the proceedings of the meeting by use of any camera or other electronic device, without the permission of the chairperson or the consent of the meeting.

RULE 6 – CORPORATE SEAL

6.1 Seal Optional - The credit union may have a corporate seal.

- 6.2 Custody - If the credit union has a corporate seal, the directors shall provide for its safe custody at the registered office of the credit union or such other place as the directors determine it shall be kept for safekeeping and shall provide for its use.

RULE 7 – ALTERATION

- 7.1 Special Resolution Required - Subject to the *Credit Union Incorporation Act*, the *Financial Institutions Act* and the *Business Corporations Act* the credit union may alter its constitution or these Rules from time to time, by special resolution.

RULE 8 – FINANCIAL YEAR END

- 8.1 Year-end - The financial year-end of the credit union is December 31.