



Chinook Credit Union

Proposed By-Laws

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Section: 1.00 Interpretation

1.10 Definitions and Interpretation

In these by-laws and all other by-laws 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 by-laws 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) "By-law" means any by-law of the Credit Union, including any special by-law, from time to time in force and effect;
- (c) "Regulations" means the Credit Union Act Regulations as amended from time to time in force and effect;
- (d) "Trading area" means that geographic area in which the Credit Union could reasonably expect to derive its membership.
- (e) All terms contained in the by-laws and which are defined in the Act shall have the meanings given to such terms in the Act; and
- (f) 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 By Laws Subordinate to Act

These by-laws 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 by-laws are more restrictive than the requirements of the Act or regulations, the restrictions of these by-laws shall bind the Credit Union.

1.30 Notice to Members

Where notice to a member is required, under these by-laws, other than the notice calling a General or Special Membership Meeting, a Board of Directors Meeting, or a Committee Meeting, such notice shall be by regular or electronic mail or private courier. 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 a private courier.



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Section: 2.00 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, 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 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 – 5 Shares

No person shall be eligible for membership in the Credit Union until he has fully paid for five (5) common shares of the Credit Union.

2.50 Credit Union Membership

Credit unions seeking membership in the credit union shall not be required to purchase common shares and will be treated as customers of the credit union. They will not be eligible in the distribution of profits, including patronage payments.

2.60 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.

2.70 Appeal of Cancellation

A person whose membership has been terminated may appeal the decision to the Board of Directors within sixty days (60 days).

2.80 Access to Membership List

The credit union shall not make the membership list of the credit union available to any person for any purpose except as approved by the Board of Directors through policy.



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Section: 3.00 Shareholding

3.10 Redemption of Common Shares

Where a person holding common shares wishes to request the Credit Union redeem all, or a portion of his shares he shall make such a request in writing to the Credit Union. On approval by a resolution of the Board of Directors and subject to Section 111 of the Act and the Credit Union's by-laws the Credit Union shall after deduction of all amounts due from the person to the Credit Union, remit to him the balance due in respect of the shares redeemed.

3.20 Transfer of Common Shares to Another Member

Where a person holding common shares wishes to transfer his shares to another member he shall make his 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 subject to Section 110 of the Act, and the credit union's by-laws, the credit union shall, after payment of all amounts due from the person to credit union, transfer the balance of his shares.

The priority for considering requests for the redemption of common shares shall be by the date of application.

3.30 Transfer of Common Shares to Another Credit Union

Where a person holding common share wishes to transfer shares in the Credit Union, to another Credit Union, the Credit Union acquiring the shares must verify the member's membership at the originating Credit Union and forward the money payable from its acquisition of the shares, directly to the originating Credit Union.

3.40 Board Authority; Dividends and Patronage Refunds

The Board of Directors may declare a dividend on common shares and may pay dividends in the form of additional common shares, or by other means as approved by the Board of Directors.



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Section: 4.00 Membership Meetings

4.10 Notice of General Meeting

Notice of a general meeting of the credit union shall be made by any of the following means:

- a) publishing notification on member's statements
- b) publishing the notice in a newspaper(s) serving the credit union's trading areas
- c) posting a notice in the offices of the credit union, provided that all notices posted shall be left there for the duration of their currency and that any prematurely removed notice is promptly replaced
- d) Posting the notice on the credit union's website
- e) Sending the notice via electronic mail in compliance with the Act

4.20 Notice to Joint Members

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

4.30 Adjournment

Provided that the conditions under Section 58(3) of the Act for notice of an adjourned meeting are met, no further notice need be provided by the Credit Union of an adjourned meeting.

4.40 Chair

The Chair of any meeting of members shall be the Chair of the Board, the Vice Chair of the board, or some other person appointed by the Board of Directors.

4.50 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) Adoption of the minutes of the last meeting;
- b) Report of the Board of Directors;
- c) Presentation of the financial statements and the auditor's report thereon;
- d) Report of the Audit and Finance Committee;
- e) Report of the Credit Committee;
- f) New business, including elections and resolutions;

4.60 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 5 minutes for each time he is permitted to speak.

Maximum number of times a single speaker may address the same issue, is three times.



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4.70 Quorum Requirements

At all Annual or Special General Meetings of the members of the Credit Union 50 members or 10% of members entitled to vote, whichever is less but in no event less than 50, shall constitute a quorum. If a quorum is not present, the Chair of the meeting shall adjourn the meeting to a date not more than 40 days thereafter.

4.80 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.

4.90 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.

4.100 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.

4.110 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.

4.120 Voting Rights

The only persons entitled to be present at an annual meeting or special general meeting shall be members, other than the auditors of the credit union and others who are entitled or required under the provision of the Act to be present at the meeting or have been invited by the credit union. 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.



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Section: 5.00 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 60 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 by-laws 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 One Individual: One Vote

No member may represent more than one body corporate or association, but such member may not vote in his own right, if a member, as well as for the corporation or association he represents.



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Section: 6.00 Board of Directors

6.10 Director Qualification

A director, in addition to the qualifications under Section 65 of 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 by-laws.
- e. The Director is eligible for bonding by an indemnity bonding agency.
- f. The Director has a good credit history.
- g. The Director has attended a minimum of 75% 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.
- h. The Director has been a resident in the credit union trading area for at least one year prior to election.

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 by-law 6.20.



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6.40 Number of Board Members

The Board of Directors shall consist of ten (10) 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 meeting following their election. Each director shall serve no more than three (3) consecutive terms. Upon completion of the three (3) terms, shall only be eligible for re-election after a period of absence of one year.

6.60 Nominating Committee

At least one hundred and twenty days before each annual general meeting, the Board of Directors shall appoint a Nominating Committee of not less than three persons who shall be members of the Credit Union.

6.70 Notification of Election

At least sixty days prior to the date set for the annual meeting the Nominating Committee shall provide notice to the members in accordance with By Law 4.10 that an election is to take place, and inviting nominations from the membership of qualified persons willing to stand for election. The notice shall include the date for close of nominations, which shall not be less than ten days before the date of the proposed election.

6.80 Number of Nominations

The Nominating Committee may place in nomination the names of a number of qualified candidates equal to or greater than the number of vacancies to be filled.

6.90 Incumbent Directors

A Director whose term of office will expire is eligible for nomination and election by way of notifying the Nominating Committee as to his/her intent not less than thirty days prior to close of nominations.

6.100 Nomination Form

The Nominating Committee shall provide a standard nomination form approved by the Board of Directors. Every person nominated from the membership at large shall signify their intent to stand for election in writing along with the identified signatures of a minimum of five other active members of the credit union in good standing. Nominees must submit a completed nomination form.



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6.110 Examination of Nominees

Upon receipt of nominations, the Nominating Committee shall examine the nomination forms submitted and determine there from those candidates who are qualified. All nominees to the Board of Directors must meet the requirements for a Director to hold office as specified in Section 65 of the Act, and these bylaws. The Board of Directors may also establish a policy for nominating candidates for Director on the basis of affiliation with a branch or region served by the credit union.

6.120 Rejection of Nominees

The Nominating Committee shall have the authority to reject the nomination of any nominee who does not meet the necessary qualifications for a Director to hold office.

6.130 Director Election

Elections for Directors may be conducted by way of an election at the annual general meeting, or by way of voting conducted in the branches of the credit union, or by a combination of those methods. The Board shall determine for each election which method or methods of electing directors shall be employed.

6.140 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.

6.150 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.

6.160 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.



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6.170 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.

6.180 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.



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Section: 7.00 Designation and Powers of Officers

7.10 Officers of the Credit Union

Officers of the Credit Union shall include those described in Section 1 (1)(mm)(i), (ii) and (iii) of the Credit Union Act

7.20 Appointment of Officers

The Board shall by motion appoint employee 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;
- 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.



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Section: 8.00 Committees

8.10 Directors Appoint Committee

Pursuant to the requirements of section 80 of the Act, the Board of Directors shall appoint such committees as it considers necessary. All elections for committee executives/ officers shall be by show of hands and shall be decided by a majority vote.

8.20 Audit and Finance Committee

The audit and finance committee may, to fulfill its duties, utilize the services of an external auditor or other outside consultant as deemed appropriate, and any external auditor or consultant shall report directly to the audit and finance 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.



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Section: 9.00 Board of Directors and Committee Meetings

9.10 Frequency of Board Meetings

The Board of Directors shall meet no less frequently than six (6) 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 Credit Union 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, 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 and agenda shall be communicated by announcement at the preceding meeting, by telephone or by mail to each director or committee member not less than seven (7) days prior to the meeting. In the event a meeting by telephone conference call of the Board of Directors or committee is required, notice shall be given in person or by telephone to each participant, not less than 24 hours in advance of the conference call.

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 of the Board

A quorum of the Board of Directors shall be not less than fifty percent plus one.

9.70 Quorum of Committees

A quorum of a committee of the Board of Directors shall be:

- a. Audit and Finance Committee – at least two thirds of the committee, two of whom shall be Directors.
- b. Credit Committee – at least three of the members of the committee.
- c. Nominating Committee – two-thirds of the members of the committee
- d. Executive Committee- two thirds of the members of the committee

9.80 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.



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Section: 10.00 Subsidiaries

10.10 Board Authority

The Board of Directors may establish a subsidiary provided the functions of the subsidiary are consistent with the objects of the Credit Union.



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Section: 11.00 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 Credit Union Act Regulations,
- Enter into a transaction with a related party for the sale of goods or the provision of services at fair market rate.



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Section: 12.00 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 Part 9 and Section 230 (b) of the CU Act and Division 1.1 of the Principal Regulations.