



BY-LAW NO. 1

A by-law relating generally to the conduct of the affairs of

UKRAINIAN Credit Union

Українська Кредитова Спілка

Approved by UCU AGM on April 20, 2021

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BE IT ENACTED AND IT IS HEREBY ENACTED as a by-law of Ukrainian Credit Union Limited (hereinafter called the “Credit Union”) as follows:

ARTICLE ONE

INTERPRETATION

Definitions

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

- (1) “Act” means the *Credit Unions and Caisses Populaires Act, 1994* and the regulations made pursuant thereto, 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 (as hereinafter defined) 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;
- (2) “Articles” means the articles of incorporation or other instrument by which the Credit Union is incorporated;
- (3) “Appoint” includes “elect” and *vice versa*;
- (4) “Board” means the board of directors of the Credit Union;
- (5) “By-laws” means this by-law and all other by-laws of the Credit Union from time to time in force and effect;
- (6) “In Good Standing” means that, with respect to the financial services received by the member connection from the Credit Union:
 - (i) Cheques are not habitually issued without sufficient funds on deposit or an approved line of credit facility in place to cover the face amount of such cheques;
 - (ii) All required mortgage or loan payments are not more than sixty (60) days in arrears, unless an extension has been granted by the Board, and the Board, notwithstanding the arrears, has not declared the borrower in default;
 - (iii) Any conditions for financing prescribed by the Credit Union have been satisfied; and
 - (iv) The member connection, or any part thereof, is not asserting an unresolved claim against the Credit Union;
- (7) “Nomination Period” means that period of time designated by the Board during which nominations will be received by the Nominating Committee;

- (8) “Non-Business Day” means Saturday, Sunday, January 7, any other day designated as a non-business day by the Board, and any other day that is a holiday as defined in the *Legislation Act, 2006* (Ontario);
- (9) “Recorded Address” means, in the case of a member or shareholder, his or her address as recorded in the members or securities register; and, in the case of joint members or shareholders, the address appearing in the members or securities register in respect of such joint holding, or the first address so appearing if there is more than one; and, in the case of a director, officer, auditor or member of a committee of the Board, his or her latest address as recorded in the records of the Credit Union;
- (10) “Shares” means membership shares and any other share issued by the Credit Union, unless a form of share is specifically excluded in the By-laws or the context otherwise requires;
- (11) “Signing Officer” means, in relation to any instrument, any person authorized to sign the same on behalf of the Credit Union by section 3.03 hereof or by a resolution passed pursuant thereto; and
- (12) 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.

Subordinate to the Act

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

Gender, Plural, etc.

1.03 In these By-laws, the singular shall include the plural and the plural shall include the singular; references to any gender shall be deemed to be references to all genders; and the word “person” shall include individuals, bodies corporate, corporations, cooperatives, companies, partnerships, syndicates, trusts, unincorporated organizations and any number or aggregate of persons.

ARTICLE TWO

MEMBERSHIP

Bond of Association

2.01 Membership in the Credit Union shall be limited to:

- (a) Members of the Ukrainian National Federation and its affiliated organizations; persons of Ukrainian descent who are members of church organizations; or adherents of the aims and objects of Ukrainian national organizations;
- (b) Employees of the Credit Union;
- (c) Related persons or entities of such members qualifying under paragraph (a) and (b) hereof, and under the Act;
- (d) Her Majesty the Queen in right of Ontario or in right of Canada; corporations, including municipalities as defined in the *Municipal Affairs Act*; unincorporated associations; or partnerships registered under the *Business Names Act* or a predecessor thereof, subject to any conditions that may be imposed by the Act;
- (e) Persons or entities not otherwise qualifying for membership under the Credit Union's bond of association, as long as the aggregate number of such members does not exceed 3% of the number of members of the Credit Union, the admission to membership of such persons or entities has been specifically approved by the Board, and the names of such persons or entities admitted to membership on this basis are identified as such in the records of the Credit Union; and
- (f) A person or entity who originally qualified for and became a member under paragraphs (a) or (b) above, and who no longer qualifies under paragraphs (a) or (b) above.

Membership Application

2.02 Application for membership shall be made in writing, and the Board may from time to time specify the form of such application. No person shall become a member of the Credit Union until that person's application for membership has been approved by the Board or by an employee authorized by resolution of the Board to approve such applications on its behalf.

Membership Shares

2.03

- (a) No entity, and no individual over the age of eighteen (18) years unless exempted from this requirement by paragraph (d) hereof, shall become a member of the Credit Union until such person has fully paid for five (5) five-dollar (\$5.00) membership shares of the Credit Union.

- (b) No individual of the age of eighteen (18) years or younger shall become a member of the Credit Union until such person has fully paid for one (1) five-dollar (\$5.00) membership share of the Credit Union.
- (c) Each member of the Credit Union who is an individual older than eighteen (18) years, unless exempted from this requirement by paragraph (d) hereof, shall acquire, before the fifth anniversary of the latter of his or her acceptance into membership or his or her attaining the age of eighteen (18) years, an additional twenty-five (25) five-dollar (\$5.00) membership shares of the Credit Union.
- (d) An individual who has not yet attained the age of twenty-five (25) years, is in full-time attendance at a post-secondary educational institution, and participates or wishes to participate in a youth account program operated by the Credit Union, is exempt from complying with paragraph (a) or (c) above, and is permitted instead to comply with paragraph (b) above, until he or she attains the age of twenty-five (25) years, and will accordingly have until the fifth (5th) anniversary date of his or her attaining the age of twenty-five (25) years to comply fully with paragraph (c) hereof.
- (e) Any member of the Credit Union may also hold, in his, her or its discretion, additional membership Shares, provided that the total number of such additional membership Shares held by that member does not exceed two hundred (200) such shares.

Minors

2.04 Individuals under the age of eighteen (18) years may become members of the Credit Union, but may not receive any loan from the Credit Union unless a person of the age of eighteen (18) years or more is jointly and severally liable for such loan, or unless the loan is guaranteed by the government of Canada, the government of a Canadian province or territory, or the government of a Canadian municipality.

Voting Rights

2.05 Each member of the Credit Union who complies fully, as of the record date (as hereinafter defined) for any membership meeting of the Credit Union, with all requirements of membership outlined herein, including, without limitation, the minimum membership share requirements contained in section 2.03 hereof, has one (1) vote at that meeting, except that only a member who has been a member of the Credit Union for at least six (6) consecutive months preceding an election of directors is eligible to vote in that election. Notwithstanding any of the above, no member of the Credit Union who is an individual under the age of eighteen (18) years shall be entitled to vote.

Expulsion

2.06

- (a) Where a member:
 - (i) commits an act of misconduct in the affairs of the Credit Union;

- (ii) fails to abide by the By-laws, including, without limitation, failing for any reason to hold the required minimum number of membership Shares of the Credit Union pursuant to section 2.03 hereof; or
- (iii) fails to repay indebtedness to the Credit Union in accordance with the conditions of repayment,

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

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

Withdrawal

2.07 Where a member wishes to withdraw from the Credit Union, the member shall give notice in writing of the member's intention to withdraw to the Board or to an officer authorized by resolution to accept such written notice on its behalf. Subject to section 62 of the Act and the Articles, the Credit Union shall, after deducting all amounts due from the member to the Credit Union, including, without limitation, the Credit Union's then customary closed account fee, remit the balance of his or her or its Shares and deposits to such member, within ninety (90) days after the member gives notice of intention to withdraw.

Language

2.08 The Credit Union shall carry on business primarily in the English and Ukrainian languages, but also from time to time at its convenience communicate to members in any other language. All minutes, contracts, By-laws, and other official documents will be maintained in the English language, and in any other language at the discretion of the Board.

Records

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

ARTICLE THREE

BUSINESS OF THE CREDIT UNION

Corporate Seal

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

Financial Year

3.02 The financial year of the Credit Union shall end on December 31 of each calendar year.

Execution of Instruments

3.03 Contracts, documents or instruments in writing requiring the signature of the Credit Union may be signed on behalf of the Credit Union by any two (2) officers or directors, and instruments in writing so signed shall be binding upon the Credit Union without any further authorization or formality. The Board shall have power from time to time by resolution to Appoint any officer or officers, or any person or persons, on behalf of the Credit Union, either to sign contracts, documents and instruments in writing generally, or to sign specific contracts, documents or instruments in writing.

The seal of the Credit Union may, when required, be affixed to contracts, documents and instruments in writing signed as aforesaid, or by any officer or officers, or person or persons, appointed as aforesaid by resolution of the Board.

The term "contracts, documents, or instruments in writing" as used in these By-laws shall include deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property, real or personal, movable or immovable, agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of shares, share warrants, stocks, bonds, debentures, notes or other securities and all paper writings.

The signature or signatures of the Chair of the Board, a Vice Chair, the Corporate Secretary, an Assistant Corporate Secretary, the Chief Executive Officer, or any director of the Credit Union, and/or any other officer or officers, or person or persons, appointed as aforesaid by resolution of the Board, may, if specifically authorized by resolution of the Board, be printed, engraved, lithographed or otherwise reproduced upon instruments in writing, or bonds, debentures, notes or other securities of the Credit Union executed or issued by or on behalf of the Credit Union, and all contracts, documents or instruments in writing or bonds, debentures, notes or other securities of the Credit Union upon which the signature or signatures of any of the foregoing officers or directors or persons authorized as aforesaid shall be so reproduced pursuant to special authorization by resolution of the Board, shall be deemed to have been manually signed by such officers or directors or persons whose signature or signatures is or are so reproduced, and shall be as valid to all intents and purposes as if they had been signed manually and notwithstanding that the officers or directors or persons whose signature or signatures is or are so reproduced may have ceased to hold office at the date of the delivery or issue of such contracts, documents or instruments in writing or bonds, debentures, notes or other securities of the Credit Union.

Banking Arrangements

3.04 Subject to section 3.05 and the Act, the banking business of the Credit Union, or any part thereof, including, without limitation, the borrowing of money and, subject to the Act, the giving of security therefore, shall be transacted with such banks, trust companies or other bodies corporate or organizations as may from time to time be designated by or under the authority of the Board. Such banking business or any part thereof shall be transacted under such agreements, instructions and delegations of power as the Board may from time to time by resolution prescribe or authorize.

Borrowing

3.05 The Credit Union shall be authorized to borrow money on the credit of the Credit Union at such rates of interest and on such conditions as the Board may determine, provided that the Credit Union shall not borrow in the aggregate an amount exceeding fifty percent (50%) of its regulatory capital and deposits.

ARTICLE FOUR

DIRECTORS

Number of Directors and Quorum

4.01

- (a) The Board shall consist of twelve (12) directors.
- (b) Until October 31, 2018, at all times not less than two (2) members, and thereafter at all times not less than one (1) member, of the Board shall be ordinarily resident in the City of Hamilton, the Regional Municipality of Halton, or the Towns of Caledonia or Grimsby.
- (c) The quorum for the transaction of business at any meeting of the Board shall be a majority of the Board.

Qualification

4.02 Only a natural person who, as of the end of the Nomination Period:

- (a) is a member of the Credit Union in full compliance with the minimum membership share requirements contained in section 2.03 hereof;
- (b) has been a member of the Credit Union, or of a credit union the assets of which have been purchased by the Credit Union, for at least two (2) continuous years;
- (c) is at least eighteen (18) years of age;
- (d) is a Canadian citizen or a person lawfully admitted to Canada for permanent residency and ordinarily resident in Canada;
- (e) along with his or her connected persons, as that phrase is defined in the Act, have been members In Good Standing of the Credit Union, or of a credit union the assets of which have been purchased by the Credit Union, continuously for the lesser of six (6) months and the period of actual membership;
- (f) is not a director or officer of another credit union, unless he or she is a director of a credit union which has entered into a binding asset purchase agreement with the Credit Union which has not either closed or been terminated prior to closing;
- (g) if an incumbent director, has not failed, without being excused, to attend regular meetings of the directors for three (3) consecutive months during the preceding twelve (12) months;
- (h) has served as a director of the Credit Union for not more than twelve (12) consecutive years or longer since his or her election to the Board at or after the annual general meeting of the Credit Union held in 2009;

- (i) is not disqualified under the Act, including, by virtue of being,
- (i) One whose membership in any credit union has been terminated, other than voluntarily.
 - (ii) One who has been found under the *Substitute Decisions Act, 1992* or under the *Mental Health Act* to be incapable of managing property or has been found to be incapable by a court in Canada or elsewhere.
 - (iii) One who is an undischarged bankrupt or who has been discharged as a bankrupt in the five (5) years preceding the date on which he or she may be elected as director.
 - (iv) One who is unable to obtain a bond of an insurer licensed under the *Insurance Act* to write surety and fidelity insurance.
 - (v) One who is more than 90 days in arrears in the payment of a debt owed to the credit union unless the credit union has agreed to extend the time for repayment.
 - (vi) One who is a listed person within the meaning of the United Nations Suppression of Terrorism Regulations under the *United Nations Act* (Canada).
 - (vii) One who has been convicted, in the five (5) years preceding the date on which he or she may be elected as a director, of an offence described in section 92(3) of the Act and who has not received a pardon for the offence.
 - (viii) One whose membership in a professional association has been terminated, in the five (5) years preceding the date on which he or she may be elected as director, for professional misconduct.
 - (ix) An employee of the credit union or a league in which the credit union is a member or his or her spouse, parent or child.
 - (x) A professional advisor who provides services to the credit union in his or her professional capacity or who has provided such services in the three (3) years preceding the date on which he or she may be elected as a director.
 - (xi) An employee of the Deposit Insurance Corporation of Ontario.
 - (xii) A public servant employed under Part III of the *Public Service of Ontario Act, 2006* whose employment duties include regulating credit unions.
 - (xiii) One who has not met the training requirements or qualifications for directors established by the credit union.
- (j) has disclosed to the Board, in a timely fashion before the election in which the natural person is a candidate is held, everything he or she is required by the Act to disclose as a candidate for director of a credit union; and

(k) has been nominated in accordance with section 7.16 hereof;

is eligible to be a director of the Credit Union.

Director Term of Office

4.03

- (a) Subject to the Act, a member elected as a director shall take office at the close of the membership meeting at which he or she is elected.
- (b) Except where an election is held to fill the unexpired portion of a director's term or as otherwise specifically provided in this section, directors shall be elected or acclaimed for terms of three (3) years, or until their successors in office are elected or Appointed.
- (c) Directors shall be elected and retire in rotation so that, to the extent possible, one-third of the directors shall be elected at each annual general meeting of the Credit Union. If this By-law is amended so as to increase or decrease the number of directors, the Board shall determine, in its sole and absolute direction, the term of office for which directors will be elected so that this principle is respected.
- (d) If any vacancy or vacancies to which 4.01 (b) above applies are being filled in an election, and there are only sufficient candidates to fill that vacancy or vacancies, that candidate or those candidates shall be acclaimed to that vacancy or those vacancies, regardless of whether there is an acclamation regarding any other vacancy or vacancies to be filled in that election. If there is an election to fill any such vacancy or vacancies, the candidates for that vacancy or vacancies shall be ranked independently of all other candidates in determining which candidate is declared to be elected and, if more than one position is to be filled and the terms of those positions vary, which candidate is declared to be elected to which term.
- (e) If, in an election, terms of office of varying lengths are to be filled, the nominees obtaining the greater number of votes shall be declared to be elected to the longer terms of office available.
- (f) If, in an election, an equality of votes results which must be resolved to determine which person or persons are elected to the Board and which person or persons are not so elected, there shall be a run-off election involving only those candidates involved in the equality of votes.
- (g) If, in the case of an acclamation of all nominees or an equality of votes between two (2) or more of the persons elected to the Board, terms of office of varying lengths are to be filled, the terms shall be assigned by voluntary agreement among the nominees or the persons involved in the equality of votes, as the case may be, or, failing that, by the drawing of lots by the nominees.

Manner of Election

4.04 At every annual general meeting of the Credit Union, an election shall be held to fill the places of members of the Board whose terms of office have expired.

Removal of Directors by Members; Board Declaring Director's Position Vacant

4.05 Subject to the provisions of the Act, the members may, by special resolution passed at a meeting specially called for such purpose, remove any director from office, and the vacancy created by such removal shall be filled at the same meeting. In the case of a director elected to fill a position to which paragraph 4.01 (b) applies, the meeting shall only fill the vacancy with a person qualified under the same paragraph of section 4.01 as the removed director.

If a director fails to attend three (3) consecutive Board meetings without, in the opinion of the Board, reasonable cause, or fails to perform any of the duties allotted to him or her as a director, the Board may, by resolution, declare the director's position vacant.

Vacation of Office

4.06 A director ceases to hold office when he or she dies, resigns, becomes disqualified pursuant to the Act or pursuant to section 4.02 hereof, or is removed from office by the members or the Superintendent of Financial Services in accordance with the Act, when his or her position is declared vacant by the Board pursuant to section 4.05 hereof, or when his or her term expires, except that a death, resignation or removal which occurs, or a disqualification which is first discovered after the Nomination Period has commenced but before the annual general meeting with respect to which nominations are being solicited, shall be deemed to result in a vacation of office on the day following that annual general meeting.

Vacancies

4.07 Subject to the Act, a quorum of the Board may fill a vacancy in the Board by appointing a qualified person to serve as a member of the Board until the next annual general meeting of the Credit Union, when the members will elect a qualified person to fill the unexpired term of the director who vacated his or her office. If the directors then in office fail to call such meeting or if there are no directors then in office, any member may call the meeting. In the absence of a quorum of the Board, the directors then in office shall forthwith call a special meeting of members to fill the vacancy. In the case of a director appointed or elected to fill a position to which paragraph 4.01 (b) applies, the Board or the membership, as applicable, shall only fill the vacancy with a person qualified under the same paragraph of section 4.01 as the director who created the vacancy.

Action by the Board

4.08 The Board shall manage or supervise the management of the business and affairs of the Credit Union, but shall not directly manage, or be involved in, the day-to-day activities of the Credit Union. Subject to section 4.09, the powers of the Board may be exercised at a meeting at which a quorum is present. Where there is a vacancy in the Board, the remaining directors may exercise all the powers of the Board so long as a quorum of the Board remains in office.

Meeting by Telephone

4.09 If all the directors of the Credit Union present or participating in the meeting consent, a director may participate in a meeting of the Board or of a committee of the Board by means of such telephone, electronic or other communications facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and a director participating in such a meeting by such means is deemed to be present at the meeting.

Place of Meeting

4.10 Meetings of the Board, other than meetings held entirely pursuant to section 4.09, may be held at any place within Ontario.

Calling of Meetings

4.11 Subject to the Act, meetings of the Board shall be held from time to time but in any event at least four (4) times in each fiscal year, on such day and at such time and at such place as the Board, the Chair of the Board, a Vice-Chair or any two (2) directors may determine, and the Corporate Secretary, when directed by the Board, the Chair of the Board, a Vice-Chair or any two directors, shall convene a meeting of the Board.

Notice of Meeting

4.12 Notice of the date, time and place of each meeting of the Board shall be given to each director not less than 48 hours (exclusive of any part of a Non-Business Day) before the time when the meeting is to be held. A notice of a meeting of directors need not specify the purpose of or the business to be transacted at the meeting, except where the Act requires such purpose or business to be specified.

A director may in any manner waive notice of or otherwise consent to a meeting of the Board.

First Meeting of New Board

4.13 Provided a quorum of directors is present, each newly elected Board may without notice hold its first meeting immediately following the meeting of members at which such Board is elected.

Adjourned Meeting

4.14 Notice of an adjourned meeting of the Board is not required if the time and place of the adjourned meeting is announced at the original meeting.

Regular Meetings

4.15 The Board may appoint a day or days in any month or months for regular meetings of the Board, at a place and hour to be named. A copy of any resolution of the Board fixing the place and time of such regular meeting shall be sent to each director forthwith after being passed, but no other notice shall be required for any such regular meeting except where the Act requires the purpose thereof or the business to be transacted thereat to be specified.

Votes to Govern

4.16 At all meetings of the Board every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes, the chair of the meeting shall be entitled to a second or casting vote.

Conflict of Interest

4.17 Subject to the Credit Union's conflict of interest policy, a director, officer, committee member or employee of the Credit Union who is a party to, or who is a director or officer of or has a material interest in any person who is a party to, or is a spouse, parent or child of an individual who is a party to, a material contract or transaction or proposed material contract or transaction with the Credit Union, shall disclose in writing to the Credit Union or request to have entered in the minutes of the meetings of the directors the nature and extent of his or her interest at the time and in the manner provided by the Act. Any such contract or transaction or proposed contract or transaction shall be referred to the Board for approval, even if such contract is one that in the ordinary course of the Credit Union's business would not require approval by the Board, and a director interested in a contract that ought to be referred to the Board shall not vote on or be present at the consideration of any resolution to approve the same except as permitted by the Act.

Remuneration and Expenses

4.18 The directors shall be paid such honoraria for their services as the Board may from time to time determine. The directors shall also be entitled to be reimbursed for traveling and other expenses specifically authorized and approved by the Board and incurred in attending meetings of the members or the Board or any committee thereof or otherwise in the performance of their duties.

ARTICLE FIVE

COMMITTEES

Committee of Directors

5.01 The Board may Appoint a committee of directors, however designated, and delegate to such committee any of the powers as set out by the Board, except those which pertain to items which, under the Act, a committee of directors has no authority to exercise.

Transaction of Business

5.02 The powers of a committee of directors may be exercised by a meeting at which a quorum is present.

Audit Committee

Appointment

5.03

- (a) The Board shall elect annually, from among its members, an audit committee, to be composed of at least three (3) directors. The audit committee shall have the powers and duties provided in the Act.

Chair and Meetings

- (b) The audit committee shall elect a Chair, and meetings of the audit committee shall be at the call of the Chair of the audit committee, the Credit Union's auditor or a director, provided that the audit committee shall meet at least quarterly.

Duties

- (c) The audit committee shall perform such duties as are set out in the Act, and shall monitor the Board's conflict of interest policy.

Nominating Committee

5.04 A nominating committee of not fewer than three (3) members shall be appointed by the Board. The members of the nominating committee shall be natural persons at least 18 years of age who may, but need not, be directors. No employee of the Credit Union, and no director who is eligible for re-election at the annual general meeting of the Credit Union for which nominations are being sought (whether or not that director stands for re-election), shall be eligible to serve on the nominating committee. The Nominating Committee shall make reasonable efforts to ensure that:

- (a) at least one (1) member is nominated for election to each vacancy in the Board;

- (b) all nominees are eligible for election to, and have the experience, expertise and qualifications to serve on, the Board, and
- (c) all nominees understand, and are committed to performing, the duties and obligations of a director member of the Credit Union.

So-Use Advisory Committee

Advisory Committee

5.05 The Board may from time to time appoint such other committees as it may deem advisable, but the functions of any such other committees shall be advisory only.

Procedure

5.06 Subject to these By-laws and unless otherwise determined by the Board, each committee shall have power to fix its quorum at not less than a majority of its members, to elect its chair and to regulate its procedure.

ARTICLE SIX

OFFICERS

Appointment

6.01 The Board shall Appoint a Chair of the Board, a Corporate Secretary, and a Chief Executive Officer, and may Appoint, from time to time, one or more Vice-Chairs (to which title may be added words indicating seniority or function), and such other officers as the Board may determine, and including one (1) or more assistants to any of the officers so appointed. The Board may specify the duties of and, in accordance with these By-laws and subject to the provisions of the Act, delegate to such officers powers to manage the business and affairs of the Credit Union. The Chair and the Vice Chair must be directors. The Chief Executive Officer must be an employee of the Credit Union, but any other officer may but need not be a director, and one (1) person may hold more than one (1) office. All officers shall sign such contracts, documents, or instruments in writing as require their respective signatures. In the case of the absence or inability or refusal to act of any officer or for any other reason that the Board may deem sufficient, the Board may delegate all or any of the powers of such officer to any other officer or to any director for the time being.

Chair of the Board

6.02 The Chair of the Board shall be a director who has not, at the time of election or appointment, served as Chair of the Credit Union for longer than five (5) consecutive terms since the Board reorganizational meeting following the Credit Union's annual general membership meeting held in 2009, and shall, when present, preside at all meetings of the Board and committees of the Board other than the audit committee and those committees of which the Board has appointed another director as chair. The Chair of the Board shall be vested with and may exercise such powers and shall perform such other duties as may from time to time be assigned to him or her by the Board. During the absence or disability or refusal to act of the Chair of the Board, his or her duties shall be performed and his or her powers exercised by the Vice-Chair.

Vice-Chair

6.03 Each Vice-Chair shall be a director, and shall have such powers and duties as the Board or the Chair may specify. The Vice-Chair or, if more than one (1), the Vice-Chair designated from time to time by the Board or by the Chair, shall be vested with all the powers and shall perform all the duties of the Chair in the absence or inability or refusal to act of the Chair.

Corporate Secretary

6.04 The Corporate Secretary shall give or cause to be given as and when instructed, all notices to members, directors, officers, auditors and members of committees of the Board; he or she shall be the custodian of all books, papers, records, documents and instruments belonging to the Credit Union, except when some other officer or agent has been appointed for that purpose; he or she shall ensure that the records of the By-laws of the Credit Union and the minutes of meetings of the Board and the members and shareholders are kept up to date; and he or she shall have such other powers and duties as the Board may specify.

Chief Executive Officer

6.05 The Chief Executive Officer of the Credit Union, under the immediate supervision of the Board, shall, subject to the Act and these By-laws, manage the affairs of the Credit Union.

Powers and Duties of Other Officers

6.06 The powers and duties of all other officers shall be such as the terms of their engagement call for or as the Board may specify. Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant, unless the Board otherwise directs.

Variation of Powers and Duties

6.07 The Board may from time to time and subject to the provisions of the Act, vary, add to or limit the powers and duties of any officer.

Term of Office

6.08 The Chair shall be elected or appointed to serve for terms of one (1) year or until his or her successor in office is elected or appointed. Each officer appointed by the Board, who is not an employee of the Credit Union, other than the Chair, shall hold office indefinitely until his or her successor is appointed or until the earlier of his or her resignation or death. Every employee appointed as officer shall hold office indefinitely, but the appointment shall automatically terminate upon the officer's termination of employment. Notwithstanding the foregoing, the Board, in its discretion, may remove any officer of the Credit Union from his or her office with or without cause, without prejudice to such officer's rights under any employment contract.

Terms of Appointment and Remuneration

6.09 The terms of appointment and the remuneration of an officer appointed by the Board shall be settled by it from time to time. The fact that any officer is a shareholder of the Credit Union shall not disqualify him or her from receiving such remuneration as may be so determined.

Conflict of Interest

6.10 An officer or employee of the Credit Union shall disclose his or her interest in any material contract or transaction or proposed material contract or transaction with the Credit Union in accordance with section 4.17.

Agents and Attorneys

6.11 The Board shall have power from time to time to Appoint agents or attorneys for the Credit Union in or outside Canada with such power of management or otherwise (including the powers to sub-delegate) as may be thought fit.

Fidelity Bonds

6.12 Subject to the Act, the Board shall require directors, officers, employees and agents of the Credit Union receiving or having charge of money to furnish bonds for the faithful discharge of their powers and duties, provided by an insurer licensed under the *Insurance Act* (Ontario) to write surety and fidelity insurance, and in an amount at least equal to any minimum amount required by the Act or calculated in accordance with the formula specified in the Act, but no director shall be liable for failure to require any such bond or for the insufficiency of any such bond or for any loss by reason of the failure of the Credit Union to receive any indemnity thereby provided.

ARTICLE SEVEN

MEETINGS OF MEMBERS

Annual Meeting

7.01 Unless otherwise authorized by the Superintendent, the annual meeting of the Credit Union shall be held within one hundred and twenty (120) days following the fiscal year-end. Subject to the above-noted restriction, meetings of the members of the Credit Union shall be held on such date, at such time, and at such place within a one hundred (100) kilometer radius of the Credit Union's head office as the Board may by resolution determine.

Electronic Meetings

7.02 A membership meeting may, if the Board determines by resolution to do so, and pursuant to such conditions, rules and procedures which may be approved by the Board, be held by telephonic or electronic means. A member who, by such means, votes at the meeting or establishes a communications link to the meeting shall be deemed for all purposes, including, without limiting the generality of the foregoing, the calculation of quorum pursuant to section 7.07 hereof, to have been present at the meeting.

Order of Business at Membership Meetings

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

- (a) the audited financial statements of the Credit Union;
- (b) the report of the auditor;
- (c) the report of the audit committee; and
- (d) such further information respecting the financial position of the Credit Union and the results of its operations as the Board determines should be presented to the members.

The order of business at any special meeting of the members of the Credit Union shall be as determined by the Board.

Notice of Meeting

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

- (a) sending the notice by prepaid mail to the Recorded Address of the member;
- (b) posting the notice on the Credit Union's website; or
- (c) publishing the notice in a newspaper that is circulated in the community in which the head office of the Credit Union is situated.

Instead of giving notice pursuant to paragraph (a) above, notice may be delivered electronically to members who have authorized the Credit Union to communicate with them in this fashion and have provided the Credit Union with an electronic mail address to which to send such electronic communications.

Notice of a meeting at which a special resolution is to be considered, including, without limitation, a special resolution to amend the Credit Union's by-laws, shall include a summary of the special resolution.

The notice shall specify that copies of the financial statements and the reports of the audit committee and the auditor will be available for inspection at the meeting and at the offices of the Credit Union ten (10) days before the date of the meeting, and shall set out any matters to be dealt with at the meeting, other than the audited financial statements and the reports of the auditor and of the audit committee, in sufficient detail to permit members to form a reasonable judgment on the matter.

Record Date

7.05 The Board may fix in advance a date preceding the date of any meeting of members by no more than fifty (50) days and not less than ten (10) days, as a record date for the determination of the members entitled to notice of the meeting, provided that notice of such record date shall be given not less than seven (7) days before such record date by newspaper advertisement. If no record date is fixed, the record date for determining the members entitled to notice of the meeting shall be at the close of business on the day immediately preceding the day on which the notice is given.

Accidental Omission

7.06 Where notice of a meeting is received generally by the members of the Credit Union entitled to receive such notice pursuant to section 7.04 hereof, the accidental omission to give notice to any member thereof, or the non-receipt of the notice by any member thereof, shall not invalidate any resolution passed or any proceedings taken at the meeting.

Quorum; Chair; Corporate Secretary

7.07 At all meetings of the members of the Credit Union twenty-five (25) members shall constitute a quorum, but, if no quorum is present, the presiding officer of the meeting shall adjourn the meeting to a date not less than seven (7) or more than fifteen (15) days thereafter, and the decision of the adjourned meeting shall be binding upon the Credit Union regardless of the number of members then present, provided that notice of the adjourned meeting shall be given by the Corporate Secretary in the manner herein provided, at least seven (7) days prior to the date of the adjourned meeting.

The chair of any meeting of members shall be the first mentioned of such of the following officers who is present at the meeting: the Chair, a Vice Chair, and a director other than a Vice Chair. If no such officer is present within fifteen (15) minutes from the time fixed for holding the meeting, the persons present and entitled to vote shall choose one of their number to chair the meeting. If the Corporate Secretary of the Credit Union is absent, the chair of the meeting may appoint any member of the Credit Union present at the meeting to act as secretary of the meeting.

New Business

7.08 At all meetings of the members of the Credit Union, only the business stated in the notice calling such meeting may be transacted.

Mail, Electronic and Branch Balloting

7.09 Members may, if the Board determines by resolution to do so, and pursuant to such conditions, rules and procedures which may be approved by the Board, vote at meetings of members by mail, or by in-branch, telephonic, or electronic means. A member who, by such means, casts a vote shall be deemed for all purposes, including without limiting the generality of the foregoing, the calculation of quorum pursuant to section 7.07 hereof, to have been present at the meeting.

Voting

7.10 Every member who is entitled to receive notice of the meeting of members pursuant to section 7.04 hereof shall be entitled to one (1) vote thereat in respect of any matter that may be properly brought before the meeting, except for an election. In the case of an election, such a member, if he or she votes, shall cast a number of votes equal to the number of directors to be elected, and he or she shall distribute the votes among the candidates in such manner as he or she sees fit, but shall not cast more than one (1) vote for any candidate.

Joint Members

7.11

- (a) Where two (2) or more persons hold the same Share or Shares jointly, any one of such persons present at a meeting of members has the right, in the absence of the other or others, to vote in respect of such Share or Shares, but, if more than one of such persons are present, they shall vote together as one on the Share or Shares jointly held by them.
- (b) Two (2) or more persons jointly holding enough membership Shares to entitle each of them to be a member in his or her own right are all considered as separate members.

Proxies

7.12 A member of the Credit Union which is Her Majesty the Queen, a corporation, a partnership or an unincorporated association shall only cast its vote as a member through a written proxy, signed by the president or other head officer or by the vice-president or secretary or treasurer of such entity, and appointing some one or more persons to vote on its behalf. Any person so appointed need not be a member of the Credit Union. Unless expressly stated otherwise in this By-law, any such proxy shall cease to be valid after the expiration of one year from its date or the end of any meeting for which it was expressly granted, whichever is earlier.

Show of Hands

7.13 Every question submitted to any meeting of members, except for an election and unless a poll is demanded or required, shall be decided in the first instance by a show of hands. The chair of the meeting shall not vote except in case of an equality of votes.

At any meeting, unless a poll is demanded, a declaration by the chair of the meeting that a resolution has been carried or carried unanimously or by a particular majority, or lost or not carried by a particular majority, shall be conclusive evidence of the fact.

Voting by Balloting

7.14 Elections shall be by ballot, and, if a poll is demanded on any question, it too shall be taken by ballot. A demand for a poll may be withdrawn. Balloting shall be conducted in accordance with the following procedures:

- (a) "Form of ballot" means a written or printed form that, upon completion by a member, becomes a ballot; and "Ballot" shall include a completed form of ballot by means of which a member has indicated his/her vote on matters properly brought before the meeting of the members.
- (b) "Chair of Elections" means:
 - (i) in the event of an election by ballot, the Chair of the nominating committee or, in his or her absence, the next ranking member of the nominating committee; and
 - (ii) in the event of a poll other than an election by ballot, the Chair of the audit committee or, in his or her absence, the next ranking member of the audit committee.
- (c) Every Form of ballot shall comply with the regulations. It shall contain:
 - (i) in the case of an election of directors, a list of the names in alphabetical order, of the persons nominated for election to the Board (and, if a vacancy to which section 4.01 (b) applies is to be filled in that election, separate lists of those nominated for election to each vacancy to which section 4.01 (b) which is to be filled at that meeting, and those nominated for election to all other vacancies to be filled at that meeting), instructions as to the number of persons for which the member may vote (which may include instructions to vote for a number of persons nominated for election to each vacancy to which section 4.01 (b) applies which is to be filled at that meeting, and a number of persons nominated for election to all other vacancies to be filled at that meeting), and the method by which his/her selection should be signified, and a means by which a member may make his/her selection from among those candidates; and
 - (ii) in any other case, a means by which a member may specify that his/her vote shall be registered for or against each matter identified in the notice of the meeting.

- (d) Ballots, to be valid must be on the pre-printed form designated by the Credit Union.
- (e) At the meeting to which the ballots are to be counted, the Chair of the meeting shall appoint scrutineers who will:
 - (i) have the skills required and may, but need not be, members of the Credit Union;
 - (ii) in the event of an election of directors, not be a member who is a candidate in that election;
 - (iii) under the supervision of the Chair of Elections and with access to a complete list of members and their addresses, verify that the person purporting to be a member of the Credit Union, is a member qualified to vote at the meeting;
 - (iv) under the supervision of the Chair of Elections, count all of the verified ballots; and
 - (v) render any decisions as to any questionable ballots and selections thereon, by majority vote.
- (f) The Chair of Elections shall advise the Chair of the meeting as to the results of the balloting, and the Chair of the meeting shall announce the results to the members in attendance.

Notice of Nomination Period

7.15

- (a) During January in each year and as required if a director election is or may be necessary at a special meeting of the Credit Union, the nominating committee shall cause to be given notice of the Nomination Period to all members of record of the Credit Union as at the close of business on the preceding December 31.
- (b) The notice of the Nomination Period shall include:
 - (i) an announcement that an election of directors is to take place, specifying the number of positions which are to be filled and the number of those positions to which section 4.01 (b) applies, and an invitation to submit, in writing, the names of potential candidates;
 - (ii) the beginning and end dates of the Nomination Period;
 - (iii) the eligibility requirements for directors specified in section 4.02;
 - (iv) the requirements for a valid nomination specified in sub-section 7.16; and
 - (v) instructions relating to the proper delivery of a nomination to the nominating committee.

- (c) The notice of the Nomination Period shall be given in at least one (1) of the following ways:
 - (i) by sending the notice by prepaid mail to the Recorded Address of the member;
 - (ii) by posting the notice in a conspicuous place in each business office of the Credit Union; or
 - (iii) by publishing the notice in a newspaper that is circulated in the locality in which the head office of the Credit Union is situated.
- (d) Where the notice of the Nomination Period is received generally by the members of the Credit Union, the accidental omission to give notice to any member thereof, or the non-receipt of the notice by any member thereof, shall not invalidate any subsequent election.

Validity of Nominations

7.16 Nominations, to be valid, must be:

- (i) in the form prescribed by the Nominating Committee, which form may be obtained from any office of the Credit Union during the Nomination Period, and, in particular, without limiting the generality of the foregoing, will require the nominee to specify if he or she is seeking a position to which section 4.01 (b) applies, and, if so, which position;
- (ii) in the case of nominations from the general membership, received by the nominating committee or its appointed agent during the Nomination Period. A nomination may be delivered personally to the nominating committee's appointed agent at the head office of the Credit Union, or mailed by prepaid ordinary mail or registered mail addressed to the Chair of the nominating committee at the head office of the Credit Union;
- (iii) signed by two (2) members of the Credit Union who themselves would qualify for election to the Board under section 4.02 hereof, and by the nominee, and, for the purposes of this paragraph, the two (2) members signing may be members of the nominating committee; and
- (iv) accompanied by the undertaking referred to in section 7.18 hereof.

Prohibition on Nominating Multiple Candidates

7.17 No member, other than a member of the Nominating Committee, may nominate more than one (1) candidate in respect of an election of a director or directors.

Undertaking from Candidates

7.18 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 written and signed undertaking to:

- (a) stand for election, and, if elected, to serve as a director;
- (b) comply with the Act;
- (c) comply with the directors' conflict of interest guidelines adopted by the Board from time to time;
- (d) observe the By-laws, and all rules relating to elections and the conduct thereof;
- (e) participate in such skill tests, evaluations and training programs as may be prescribed from time to time by the Act, the Deposit Insurance Corporation of Ontario, the Financial Services Commission of Ontario, or the Board, and to resign in the event that he or she fails to meet the minimum standards established for same;
- (f) provide such personal and financial information as may be required to comply with the risk management policies of the Credit Union as established from time to time; and
- (g) vacate his or her office in the event the Board has determined that he or she has ceased to meet the eligibility requirements listed in section 4.02 during his or her term of office or has breached any of these undertakings.

That person shall further acknowledge in writing that he or she has,

- (i) familiarized himself or herself with the Act and understood the director liability and disclosure provisions thereof;
- (ii) read and understood the By-laws; and
- (iii) read and understood any pertinent literature reasonably prescribed from time to time by the Board for members seeking a nomination for election to the Board.

Nominating Committee May Waive Length of Membership & Name Additional Candidates

7.19 Notwithstanding any other provision of these By-laws, the nominating committee may:

- a) nominate a member who does not meet the two year membership requirement under s.4.03(b) where such nomination is made for the purpose of filing a gap in one or more competencies required among directors of the Board
- b) at any time prior to the election of directors, place in nomination one or more candidates who otherwise qualify for nomination under these by-laws, in addition to those candidates validly nominated in accordance with section 7.16 hereof, or where no candidates have been validly nominated in accordance with section 7.16 hereof.

Information to be Provided by the Nominating Committee

7.20 The nominating committee shall make available, in all branches and the head office of the Credit Union, to all members of the Credit Union entitled to vote in an election of directors:

- (a) the names of qualified candidates duly nominated for office; and,
- (b) the resume and statement (referred to in section 7.22(c) hereof) of each qualified candidate duly nominated for office who has submitted same to the Credit Union;

on an ongoing basis and as soon as it is practicable for the nominating committee to do so prior to the meeting at which the election is to take place.

Nominating Committee May Engage Assistants

7.21 The Nominating Committee may engage such other assistants as the Board and the nominating committee agree are required to conduct the election in a proper manner.

Additional Election Procedures

7.22

- (a) The Board may, from time to time,
 - (i) determine the method and manner in which candidates shall be permitted to campaign for election, and candidates shall campaign in accordance with the method and manner as determined by the Board
 - (ii) provide to the Nominating Committee a report identifying the competency gaps on the Board, and direct the Nominating Committee to adopt a transparent process to recruit, assess and recommend candidates for election to the Board to ensure that the competencies so identified are present on the Board to meet the current needs of the credit union.
- (b) No candidate or director shall interfere with the election process or seek assistance in connection with the election from any employee of the Credit Union.
- (c) A candidate may submit a resume and statement not exceeding, in the aggregate, four hundred (400) words, setting forth the candidate's biographical information, occupation, Credit Union affiliation, experience and qualifications, which statement shall be reviewed by the nominating committee and may be rejected by the committee if the committee considers it to be lacking in good taste, misleading, defamatory, injurious to the reputation of the Credit Union, or if it exceeds four hundred (400) words.

Adjournment

7.23 The chair of a meeting of members may, with the consent of the meeting and subject to such conditions as the meeting may decide, or where otherwise permitted under the provisions of the Act, adjourn the meeting from time to time and from place to place. If a meeting of members is adjourned for less than thirty (30) days, it shall not be necessary to give notice of the adjourned meeting, other than by announcement at the earliest meeting which is adjourned. If a meeting of members is adjourned by one (1) or more adjournments for an aggregate of thirty (30) days or more, notice of the adjourned meeting shall be given as for an original meeting.

Proposals

7.24 Upon receipt of a proposal from a member to raise an issue at the annual meeting and a request that a statement in relation to that issue be attached to the notice of meeting, the Board shall, within ten (10) days of its receipt, meet to consider whether or not the proposal is to be included in the notice of meeting and, where the Board refuses to include the proposal in the notice of meeting, the Chair of the Board shall notify the member submitting it of the refusal, and give reasons therefore.

Requisitions

7.25 Upon the written request of at least 5% of the members of the Credit Union, signed by each such member, stating the general nature of the business to be presented at the meeting, and deposited at the head office of the Credit Union, the Board shall call, as nearly as possible in the same manner as a membership meeting is called pursuant to these By-laws, a general meeting of the Credit Union for the transaction of that business, not later than twenty-one (21) days from the date the written request was deposited at the head office, and such meeting shall be held within sixty (60) days from the date of the deposit of the requisition. Requisitions may be made in counterpart.

ARTICLE EIGHT

PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

Submission of Contracts or Transactions to Shareholders for Approval

8.01 The Board in its discretion may submit any contract, act or transaction for approval, ratification or confirmation at any meeting of the members called for the purpose of considering the same, and any contract, act or transaction that shall be approved, ratified or confirmed by a resolution passed by a majority of the votes cast at any such meeting (unless any different or additional requirement is imposed by the Act or by the Credit Union's Articles or any other By-law) shall be as valid and as binding upon the Credit Union and upon all the members as though it had been approved, ratified or confirmed by every member of the Credit Union.

Indemnity

8.02 Subject to the limitations contained in the Act, the Credit Union shall indemnify a director, officer, or committee member, a former director or officer or committee member, or a person who acts or acted at the Credit Union's request as a director or officer of a body corporate of which the Credit Union is or was a member, shareholder or creditor, and his or her heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him or her in respect of any civil, criminal or administrative action or proceeding to which he or she is made a party by reason of being or having been a director or officer of the Credit Union or such body corporate, if

- (a) he or she acted honestly and in good faith with a view to the best interest of the Credit Union; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he or she had reasonable grounds for believing that his or her conduct was lawful.

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

Insurance

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

ARTICLE NINE

SHARES

Allotment

9.01 The Board may from time to time allot or grant options to purchase the whole or any part of the authorized and unissued Shares of the Credit Union, at such times and to such persons and for such consideration as the Board shall determine, provided that no Share shall be issued until it is fully paid as provided by the Act.

Commissions

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

Registration of Transfers

9.03 Subject to the provisions of the Act, no transfer of Shares shall be registered in a securities register except upon presentation of the certificate representing such Shares with an endorsement which complies with the Act made thereon or delivered therewith, duly executed by an appropriate person as provided by the Act, together with such reasonable assurance that the endorsement is genuine and effective as the Board may from time to time prescribe, upon payment of all applicable taxes and any fees prescribed by the Board, upon compliance with such restrictions on transfer as are authorized by the Articles and upon satisfaction of any lien referred to in section 9.05.

Transfer Agents and Registrars

9.04 The Board may from time to time Appoint one (1) or more agents to maintain, in respect of each class of securities of the Credit Union issued by it in registered form, a securities register and one (1) or more branch securities registers. Such a person may be designated as transfer agent and registrar according to his or her functions, and one (1) person may be designated both registrar and transfer agent. The Board may at any time terminate such appointment.

Lien for Indebtedness

9.05 The Credit Union shall have a lien on any membership Share registered in the name of a member or his or her legal representatives for any liability of that member to the Credit Union. The Credit Union may enforce any lien that it has on membership Shares registered in the name of a member who has a liability to the Credit Union by any action, suit, remedy or proceeding authorized or permitted by law and, pending such enforcement, the Credit Union may refuse to redeem the whole or any part of such Shares. Notwithstanding the above, the Credit Union may not apply any service charges or other deductions against a member's membership Share account except upon the termination of the member's membership.

Non-recognition of Trusts

9.06 Subject to the provisions of the Act, the Credit Union may treat the person in whose name the Share is registered in the securities register as if that person had full legal capacity and authority to exercise all rights of ownership, irrespective of any indication to the contrary through knowledge or notice or description in the Credit Union's records or on the Share certificate.

Share Certificates

9.07

- (a) The Credit Union shall not issue certificates for membership Shares, provided that a member shall be entitled to a statement of the number of membership Shares held by the member upon request.
- (b) Subject to paragraph (a) hereof, every holder of one (1) or more Shares of the Credit Union shall be entitled, at his or her option, to a Share certificate, or to a non-transferable written acknowledgment of his or her right to obtain a Share certificate, stating the number and class or series of Shares held by him or her as shown on the securities register. Share certificates and acknowledgments of a shareholder's right to a Share certificate, respectively, shall be in such form as the Board shall from time to time approve. Any Share certificate shall be signed in accordance with section 3.03 and need not be under the corporate seal; provided that, unless the Board otherwise determines, certificates representing Shares in respect of which a transfer agent and/or registrar has been Appointed shall not be valid unless countersigned by or on behalf of such transfer agent and/or registrar. The signature of one (1) of the Signing Officers or, in the case of Share certificates which are not valid unless countersigned by or on behalf of a transfer agent and/or registrar, the signatures of both Signing Officers, may be printed or mechanically reproduced in facsimile upon Share certificates, and every such facsimile signature shall for all purposes be deemed to be the signature of the officer whose signature it reproduces and shall be binding upon the Credit Union. A Share certificate executed as aforesaid shall be valid notwithstanding that one (1) or both of the officers whose facsimile signature appears thereon no longer holds office at the date of issue of the certificate.

Replacement of Share Certificates

9.08 The Board or any officer or agent designated by the Board may in its or his or her discretion direct the issue of a new Share certificate in lieu of and upon cancellation of a Share certificate that has been mutilated, or in substitution for a Share certificate claimed to have been lost, destroyed or wrongfully taken, on payment of such fee, and on such terms as to indemnity, reimbursement of expenses and evidence of loss and of title as the Board may from time to time prescribe, whether generally or in any particular case.

Joint Shareholders

9.09 If two (2) or more persons are registered as joint holders of any Share, the Credit Union shall not be bound to issue more than one (1) certificate or written acknowledgement in respect thereof, and delivery of such certificate or written acknowledgement to one (1) of such persons shall be sufficient delivery to all of them. Any one (1) of such persons may give effectual receipts for the certificate or written acknowledgement issued in respect thereof or for any dividend, bonus, return of capital or other money payable or warrant issuable in respect of such Shares.

Deceased Shareholders

9.10 In the event of the death of a holder, or of one (1) of the joint holders, of any Share, the Credit Union shall not be required to make any entry in the securities register in respect thereof or to make payment of any dividends thereon, except upon production of all such documents as may be required by law and upon compliance with the reasonable requirements of the Credit Union and its transfer agents.

ARTICLE TEN

DIVIDENDS, PATRONAGE RETURNS, AND RIGHTS

Dividends and Patronage Rebates

10.01 Subject to the provisions of the Act, the Board may, from time to time, declare dividends payable to members and shareholders according to their respective rights and interest in the Credit Union, and may on such terms as it deems fit from time to time declare a patronage return to its members in proportion to the business done by each member with or through the Credit Union. Dividends and patronage returns may be paid in accordance with the Act.

Dividend and Patronage Return Cheques

10.02 A dividend or patronage return payable in cash may be paid by cheque drawn on the Credit Union's bankers or one of them, to the order of each member or registered holder of shares of the class or series in respect of which it has been declared, and mailed by prepaid ordinary mail to such member or registered holder at his or her Recorded Address, or credited to the member's or shareholder's account with the Credit Union, unless such member or holder otherwise directs. In the case of joint members or holders, the cheque shall, unless such joint members or holders otherwise direct, be made payable to the order of all of such joint members or holders and mailed to them at their Recorded Address. The mailing of such cheque as aforesaid, unless the same is not paid on due presentation, shall satisfy and discharge the liability for the dividend or patronage return to the extent of the sum represented thereby, plus the amount of any tax which the Credit Union is required to and does withhold.

Non-receipt of Cheques

10.03 In the event of non-receipt of any dividend or patronage return cheque by the person to whom it is sent as aforesaid, the Credit Union shall issue to such person a replacement cheque for a like amount, on such terms as to indemnity, reimbursement of expenses and evidence of non-receipt and of title as the Board may from time to time prescribe, whether generally or in any particular case.

Record Date for Dividends and Rights

10.04 The Board may fix in advance a date, preceding by not more than fifty (50) days the date for the payment of any dividend or the date for the issue of any warrant or other evidence of the right to subscribe for securities of the Credit Union, as a record date for the determination of the persons entitled to receive payment of such dividend or to exercise the right to subscribe for such securities, and notice of any such record date shall be given not less than seven (7) days before such record date in the manner provided by the Act. If no record date is so fixed, the record date for the determination of the persons entitled to receive payment of any dividend, or to exercise the right to subscribe for securities of the Credit Union, shall be at the close of business on the day on which the resolution relating to such dividend or right to subscribe is passed by the Board.

Unclaimed Dividends and Patronage Returns

10.05 Any dividend or patronage return unclaimed after a period of six (6) years from the date on which the same has been declared to be payable shall be forfeited, and shall revert to the Credit Union.

ARTICLE ELEVEN MEETINGS

OF SHAREHOLDERS

Not to Govern Certain Meetings

11.01 This Article Eleven is not to govern members' meetings, which are governed by Article Seven hereof.

Meetings

11.02 Subject to the Act, meetings of shareholders shall be held at such time as the Board or the Chair of the Board may from time to time determine, for the purpose of transacting any business required by the Act to be placed before the shareholders and for the transaction of such other business as may properly be brought before the meeting.

Special Meetings

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

Place of Meetings

11.04 Meetings of shareholders shall be held at the registered office of the Credit Union or at such place within Ontario as the Board may by resolution determine.

Notice of Meetings

11.05 Notice of the time and place of each meeting of shareholders shall be given in the manner provided in section 14.01 not less than ten (10) days nor more than fifty (50) days before the date of the meeting to each director, to the auditor and to each shareholder who at the close of business on the record date for notice is entered in the securities register as the holder of one (1) or more Shares carrying the right to vote at the meeting. Notice of a meeting of shareholders shall state or be accompanied by a statement of the nature of such business in sufficient detail to permit the shareholder to form a reasoned judgment thereon and the text of any special resolution to be submitted to the meeting. A shareholder and any other person entitled to attend a meeting of shareholders may in any manner waive notice of or otherwise consent to a meeting of shareholders.

List of Shareholders Entitled to Notice

11.06 For every meeting of shareholders, the Credit Union shall prepare a list of shareholders entitled to receive notice of the meeting, arranged in alphabetical order and showing the number of Shares held by each shareholder entitled to vote at the meeting. If a record date for the meeting is fixed pursuant to section 11.07, the shareholders listed shall be those registered at the close of business on such record date. If no record date is fixed, the shareholders listed shall be those registered at the close of business on the day immediately preceding the day on which notice of the meeting is given, or, where no such notice is given, the day on which the meeting is held. The list shall be available for examination by any shareholder during usual business hours at the head office of the Credit Union or at the place where the central securities register is maintained, and at the meeting for which the list was prepared.

Record Date for Notice

11.07 The Board may fix in advance a date, preceding the date of any meeting of shareholders by not more than fifty (50) days and not less than twenty-one (21) days, as a record date for the determination of the shareholders entitled to notice of the meeting, provided that notice of any such record date shall be given not less than seven (7) days before such record date by newspaper advertisement in the manner provided in the Act and, if any Shares of the Credit Union are listed for trading on a stock exchange in Canada, by written notice to each such stock exchange. If no record date is so fixed, the record date for the determination of the shareholders entitled to notice of the meeting shall be at the close of business on the day immediately preceding the day on which the notice is given or, if no notice is given, the day on which the meeting is held.

Chair, Secretary and Scrutineers

11.08 The chair of any meeting of shareholders shall be the first mentioned of such of the following officers as have been appointed and who is present at the meeting: the Chair, or a Vice-Chair, or another director. If no such officer is present within 15 minutes from the time fixed for holding the meeting, the persons present and entitled to vote shall choose one of their number to be chair. If the Corporate Secretary of the Credit Union is absent, the chair shall Appoint some person, who need not be a shareholder, to act as secretary of the meeting. If desired, one (1) or more scrutineers, who need not be shareholders, may be appointed by a resolution or by the chair with the consent of the meeting.

Persons Entitled to be Present

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

Quorum 11.10

- (a) Subject to sections 11.11 and 11.12, regarding Class A (Investment) Shares issued by the Credit Union, two (2) persons present in person, each being a Shareholder entitled to vote at the meeting, or a duly appointed proxy-holder for an absent Shareholder entitled to vote at the meeting, shall be a quorum at any meeting of the Shareholders for the choice of a chair of the meeting and the adjournment of the meeting; for all other purposes a quorum at any meeting of Shareholders, unless a greater number is required to be present or a greater number of shares are required to be represented at the meeting by the Act or by the Articles or any other By-law, shall be persons present in person, each being a shareholder entitled to vote at the meeting or a duly appointed proxy-holder for an absent Shareholder entitled to vote at the meeting, not being less than two (2) in number and holding or representing by proxy not less than fifty-one percent (51%) of the total number of the issued Shares of the Credit Union for the time being enjoying voting rights at such meeting.
- (b) Subject to sections 11.11 and 11.12, regarding any class of shares, other than Class A (Investment) Shares, issued by the Credit Union, twenty-five (25) persons present in person, each being a shareholder entitled to vote at the meeting or a duly-appointed proxy-holder for an absent shareholder entitled to vote at the meeting, shall be a quorum at any meeting of those shareholders.
- (c) If there is no quorum at any meeting of shareholders of the Credit Union, then the meeting shall be adjourned to such date not being less than 10 days later, and to such time and place as may be announced by the chair at the meeting, and, subject to section 11.18 hereof, it shall not be necessary to give notice of the adjourned meeting.

At such adjourned meeting, the persons present at such meeting, provided that there are at least two (2) such persons present in person, each being a shareholder entitled to vote at the meeting or a duly appointed proxy-holder for an absent shareholder entitled to vote at the meeting, shall be a quorum for the transaction of the business for which the meeting was originally called.

Right to Vote

11.11 Subject to the provisions of the Act as to authorized representatives of any other body corporate or association, at any meeting of shareholders for which the Credit Union has prepared the list referred to in section 11.06, every person who is named in such list shall be entitled to vote the Shares shown opposite his or her name except to the extent that such person has transferred any of his or her Shares after the record date determined in accordance with section 11.07 and the transferee, having produced properly endorsed certificates evidencing such Shares or having otherwise established that he or she owns such Shares, has demanded not later than ten (10) days before the meeting that his or her name be included in such list. In any such case the transferee shall be entitled to vote the transferred Shares at the meeting. At any meeting of shareholders for which the Credit Union has not prepared the list referred to in section 11.06, every person shall be entitled to vote at the meeting who at the time is entered in the securities register as the holder of one (1) or more Shares carrying the right to vote at such meeting.

Proxies

11.12 Every shareholder entitled to vote at a meeting of shareholders may Appoint a proxy holder, or one (1) or more alternate proxy holders, who need not be shareholders, to attend and act at the meeting in the manner and to the extent authorized and with the authority conferred by the proxy. A proxy shall be in writing, executed by the shareholder or his or her attorney authorized in writing, and shall conform to the requirements of the Act.

Time for Deposit of Proxies

11.13 The Board may by resolution specify in a notice calling a meeting of shareholders a time, preceding the time of such meeting or an adjournment thereof by not more than 48 hours, exclusive of any part of a Non-Business Day, before which time proxies to be used at such meeting must be deposited. A proxy shall be acted upon only if, prior to the time so specified, it shall have been deposited with the Credit Union or an agent thereof specified in such notice or, if no such time is specified in such notice, only if it has been received by the Corporate Secretary of the Credit Union or by the chair of the meeting or any adjournment thereof prior to the time of voting.

Joint Shareholders

11.14 If two (2) or more persons hold Shares jointly, any one of them present in person or represented by proxy at a meeting of Shareholders may, in the absence of the other or others, vote the Shares; but if two (2) or more of those persons are present in person or represented by proxy and vote, they shall vote as one (1) the Shares jointly held by them.

Votes to Govern

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

Show of Hands

11.16 Subject to the provisions of the Act, any question at a meeting of shareholders shall be decided by a show of hands unless a ballot thereon is required or demanded as hereinafter provided. Upon a show of hands every person who is present and entitled to vote shall have one (1) vote. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon is so required or demanded, a declaration by the chair of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried, and an entry to that effect in the minutes of the meeting, shall be *prima facie* evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of the shareholders upon the said question.

Ballots

11.17 On any question proposed for consideration at a meeting of shareholders, and whether or not a vote by show of hands has been taken thereon, any shareholder or proxy holder entitled to vote at the meeting may require or demand a ballot. A ballot so required or demanded shall be taken in such manner as the chair shall direct. A requirement or demand for a ballot may be withdrawn at any time prior to the taking of the ballot. If a ballot is taken each person present shall be entitled, in respect of the Shares which he or she is entitled to vote at the meeting upon the question, to that number of votes provided by the Act or the Articles, and the result of the ballot so taken shall be the decision of the shareholders upon the said question.

Adjournment

11.18 The chair at the meeting of shareholders may, with the consent of the meeting and subject to such conditions as the meeting may decide, or where otherwise permitted under the provisions of the Act, adjourn the meeting from time to time and from place to place. If a meeting of shareholders is adjourned for less than thirty (30) days, it shall not be necessary to give notice of the adjourned meeting, other than by announcement at the earliest meeting that is adjourned. If a meeting of shareholders is adjourned by one (1) or more adjournments for an aggregate of thirty (30) days or more, notice of the adjourned meeting shall be given as for an original meeting.

ARTICLE TWELVE

LENDING

Lending

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

ARTICLE THIRTEEN

INFORMATION AVAILABLE TO MEMBERS AND SHAREHOLDERS

Annual Statements

13.01 Every member or shareholder applying in writing therefore shall be entitled to receive a copy of the Credit Union's annual statement. Copies of the annual statements of any subsidiaries of the Credit Union shall be open to inspection by the members and shareholders, and to the making of extracts thereof, during normal business hours free of charge.

Members and Shareholders Registers

13.02 A member or shareholder shall be entitled to have access to or to review an extract from the members or shareholders register, containing only the names of the members or shareholders, at the head office of the Credit Union during normal business hours on not less than three (3) full business days' written notice to the Credit Union by such member or shareholder.

Information Available to Shareholders

13.03 Except as provided by the Act, no shareholder shall be entitled to discovery of any information respecting any details or conduct of the Credit Union's business which in the opinion of the directors it would be inexpedient in the interests of the Credit Union to communicate to the public.

Board's Determination

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

Fee

13.05 A member of the Credit Union shall be entitled to a copy of the By-laws upon payment of a fee of twenty-five dollars (\$25.00), or such lesser amount as the Board may from time to time establish.

ARTICLE FOURTEEN

NOTICES

Method of Giving Notices

14.01 Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served) pursuant to the Act, the Articles, the By-laws or otherwise to a member, shareholder (except for a holder of a class of Shares of the Credit Union, other than its membership shares or its Class A (Investment) Shares, where the Credit Union has obtained an order of the Superintendent exempting it from the requirement that it send a management information circular and proxy form to each such shareholder, where notice may be given to such shareholders in accordance with section 7.04 hereof), director, officer, auditor or member of a committee of the Board, shall be sufficiently given if delivered personally to the person to whom it is to be given, or if delivered to his or her Recorded Address, or if mailed to him or her at his or her Recorded Address by prepaid mail, or if sent to him or her at his or her Recorded Address by any means of prepaid transmitted or recorded communication. A notice so delivered shall be deemed to have been given when it is delivered personally or to the Recorded Address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box, and shall be deemed to have been received on the fifth (5th) day after so depositing; and a notice so sent by any means of transmitted or recorded communication shall be deemed to have been given when dispatched or delivered to the appropriate communication company or agency or its representative for dispatch. The Corporate Secretary may change or cause to be changed the Recorded Address of any shareholder, director, officer, auditor or member of a committee of the Board in accordance with any information believed by him or her to be reliable.

Signature to Notices

14.02 The signature of any director or officer of the Credit Union to any notice or document to be given by the Credit Union may be written, stamped, typewritten or printed, or partly written, stamped, typewritten or printed.

Proof of Service

14.03 A certificate of the Chair, a Vice-Chair, the Corporate Secretary or the Chief Executive Officer or of any other officer of the Credit Union in office at the time of the making of the certificate, or of a transfer officer of any transfer agent or branch transfer agent or Shares of any class of the Credit Union, as to the facts in relation to the mailing or delivery of any notice or other document to any Shareholder, director, officer or auditor, or publication of any notice or other document, shall be conclusive evidence thereof and shall be binding on every Shareholder, director, officer or auditor of the Credit Union as the case may be.

Computation of Time

14.04 In computing the date when notice must be given under any provision requiring a specified number of days notice of any meeting or other event, both the date of giving the notice and the date of the meeting or other event shall be excluded.

Undelivered Notices

14.05 If any notice given to a member or shareholder pursuant to section 14.01 is returned on three (3) consecutive occasions because he or she cannot be found, the Credit Union shall not be required to give any further notices to such member or shareholder until he or she informs the Credit Union in writing of his or her new address.

Omissions and Errors

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

Deceased Members or Shareholders

14.07 Any notice or other document delivered or sent by post or left at the Recorded Address of any member or shareholder shall, notwithstanding that such member or shareholder be then deceased, and whether or not the Credit Union has notice of his or her decease, be deemed to have been duly served in respect of the Shares held by such member or shareholder (whether held solely or with any person or persons) until some other person be entered in his or her stead in the records of the Credit Union as the holder or one (1) of the holders thereof, and such service shall for all purposes be deemed a sufficient service of such notice or document on his or her heirs, executors or administrators and on all persons, if any, interested with him or her in such Shares.

Persons Entitled by Death or Operation of Law

14.08 Every person who, by operation of law, transfer, death of a member or shareholder or any other means whatsoever, shall become entitled to any Share, shall be bound by every notice in respect of such Share which shall have been duly given to the shareholder from whom he or she derives his or her title to such Share prior to his or her name and address being entered on the securities register (whether such notice was given before or after the happening of the event upon which he or she became so entitled) and prior to his or her furnishing to the Credit Union the proof of authority or evidence of his or her entitlement as prescribed by the Act.

Waiver of Notice

14.09 Any member or shareholder (or his or her duly appointed proxy holder), director, officer, auditor or member of a committee of the Board or advisory committee may at any time waive any notice, or waive or abridge the time for any notice, required to be given to him or her under any provision of the Act, the regulations thereunder, the Articles, the By-laws or otherwise, and such waiver or abridgement, whether given before or after the meeting or other event of which notice is required to be given, shall cure any default in the giving or in the time of such notice, as the case may be. Any such waiver or abridgement shall be in writing, except for a waiver of notice of a meeting of members or Shareholders or of the Board or of a committee of the Board, which may be given in any manner.

**BY-LAW TO AMEND THE BY-LAWS OF UKRAINIAN CREDIT UNION LIMITED
(the “Credit Union”)**

NOW THEREFORE BE IT ENACTED, and it is so enacted as a by-law of the Credit Union as follows:

1. The Credit Union’s By-law No. 1, as most recently amended earlier in this meeting (the “General By-law”) be hereby further amended by deleting section 7.19 which currently reads,

Nominating Committee May Name Additional Candidates

7.19 *Notwithstanding any other provision of these By-laws, the nominating committee may, at any time prior to the election of directors, place in nomination a candidate or candidates, in addition to those candidates validly nominated in accordance with section 7.16 hereof, or where no candidates have been validly nominated in accordance with section 7.16 hereof and replacing it with the following:*

1. *Nominating Committee May Waive Length of Membership & Name Additional Candidates*

7.19 *Notwithstanding any other provision of these By-laws, the nominating committee may:*

- a) *nominate a member who does not meet the two year membership requirement under s.4.03(b) where such nomination is made for the purpose of filling a gap in one or more competencies required among directors of the Board*
- b) *at any time prior to the election of directors, place in nomination one or more candidates who otherwise qualify for nomination under these by-laws, in addition to those candidates validly nominated in accordance with section 7.16 hereof, or where no candidates have been validly nominated in accordance with section 7.16 hereof.*


PASSED by the Board of Directors of Ukrainian Credit Union Limited at a meeting duly constituted this 11^h day of March, 2021.

CONFIRMED by the affirmative votes of at least two thirds of the votes cast at a meeting of members of Ukrainian Credit Union Limited duly constituted this 20th day of April, 2021.

WITNESS the corporate seal of Ukrainian Credit Union Limited.



**Chair
Secretary**



Corporate Secretary