

ROCKY CREDIT UNION LTD. BYLAWS

BYLAW NO.	1.10 – 1.30	PASSED:	FEBRUARY 10, 2020
REVISED:	NOVEMBER 2019	PAGE 1 OF 1	
SUBJECT:	INTERPRETATION		

1.10

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

- a) “Act” means the Credit Union Act, as from time to time amended, and every statute that may be substituted therefore and, in the case of such substitution, any reference in the bylaws of the Credit Union to provisions of the Act shall be read as references to the substituted provisions therefore in the new statute or statutes;
- b) “Bylaw” means any bylaw of the Credit Union from time to time in force and effect;
- c) “Regulations” means the Credit Union Act Regulations as amended from time to time in force and effect;
- d) “Trading area,” means that geographic area in which the Credit Union could reasonably expect to derive its membership;
- e) All terms contained in the bylaws and which are defined in the Act shall have the meanings given to such terms in the Act; and
- f) The singular shall include the plural and the plural shall include the singular; the masculine shall include the feminine and the feminine shall include the masculine and the neuter gender includes bodies corporate and politic.

1.20

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

1.30

Where notice to a member is required, under these bylaws, other than the notice calling a general meeting, a Board of Directors meeting, or a committee meeting, such notice shall be by registered mail or by private courier. Notice is deemed to have been given after the expiry of ten (10) days from the date the notice was delivered to the post office or on delivery by a private courier.

ROCKY CREDIT UNION LTD. BYLAWS

BYLAW NO.	2.10 – 2.90	PASSED:	FEBRUARY 10, 2020
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SUBJECT:	MEMBERSHIP		

2.10

Two or more persons may apply for joint membership in the Credit Union.

2.20

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

2.30

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

2.65

Common Share Cap:

Members with Common Shares in excess of 25,000 prior to February 1, 2000 will be grandfathered, but no further Common Share purchases by grandfathered members will be permitted.

2.66

RRSP Common Share Cap:

Members with RRSP Common Shares are restricted to a maximum of 25,000 as of February 1, 2010. Members with RRSP Common Shares in excess of 25,000 prior to February 1, 2010 will be grandfathered, but no further RRSP Common Share purchases by grandfathered members will be permitted.

2.67

The Board of Directors, or its designate, shall determine the maximum amount of shares that a member may purchase or hold, regardless of whether such shares are common shares or other authorized and issued shares.

2.70

Membership shall be terminated by special resolution of the Board of Directors. The Board of Directors may annually, at its discretion, authorize the CEO of the Credit Union, or any other officer of the Credit Union to terminate the membership of a member for good and sufficient cause. For the purpose of this section, good and sufficient cause is defined as including but not limited to the following:

- Abusive behaviour to staff or other members;
- Financial mismanagement of business with the credit union;
- Fraudulent or illegal actions;
- Breach of privacy.

2.80

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

2.90

The Credit Union shall not make the membership list of the Credit Union available to any person for any purpose unless prior approval is obtained from the Board of Directors.

ROCKY CREDIT UNION LTD. BYLAWS

BYLAW NO.	3.10 – 3.76	PASSED:	FEBRUARY 10, 2020
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SUBJECT:	SHAREHOLDING & INVESTMENT SHARES		

3.10

Where a person holding common shares wishes to request the Credit Union redeem all, but not less than all, of his shares he shall make such a request in writing to the Credit Union. On approval by a resolution of the Board of Directors and subject to Section 111 of the Act and the Credit Union's bylaws the Credit Union shall after deduction of all amounts due from the person to the Credit Union, remit to him the balance due in respect of the shares redeemed.

3.20

Where a person holding common shares wishes to transfer shares in the Credit Union he shall make his request to transfer in writing to Credit Union. On approval by a resolution of the Board of Directors and subject to Section 110 of the Act and the Credit Union's bylaws, the Credit Union shall after payment of all amounts due from the person to the Credit Union, transfer the balance of his shares to another Credit Union.

3.40

The Board of Directors or their designate may, subject to Section 111 of the Credit Union Act, approve the redemption of common shares in whole as follows:

- a) The death of a shareholder.
- b) The winding up of a business proprietorship, partnership or limited corporation.
- c) When the shareholder has moved from the trading area of Rocky Credit Union Ltd. and has ceased to do business with the Credit Union.
- d) Shareholders, who have ceased to actively participate in the Rocky Credit Union Ltd., but continue to reside in the trading area (subject to a one-year waiting period).
- e) Shareholders who are under the age of eighteen years.
- f) Shareholdings where the shares have accumulated in reference to a trust account for a minor where the trust account is being liquidated.
- g) Shareholdings where the shares have accumulated to a balance over and above the cap set by the Board of Directors.
- h) Shareholder has reached the age of 60.

3.50

Subject to the Credit Union Act and Regulations after attaining the Age of 60, members may withdraw funds to the minimum requirement of \$5.00.

3.60

The Board of Directors shall determine how any dividends will be calculated and paid.

3.70

The Board of Directors is authorized to issue a class of special shares to be called Investment Shares. There shall be no limit on the number of shares that may be issued.

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SUBJECT:	SHAREHOLDING & INVESTMENT SHARES		

3.71

Investment Shares may be issued only in one or more designated series and a sequential letter of the alphabet must identify each of the designated series.

3.72

Before the Credit Union issues Investments Shares, the Board of Directors by resolution must:

- a) authorize the issue of shares in the series;
- b) specify the issue price of the shares;
- c) specify the method of calculation of the dividends paid on the shares;
- d) specify whether the dividends are cumulative or non-cumulative;
- e) specify the terms and conditions of any redemption or conversion rights of both the holder and the credit union.

3.73

The Credit Union may not exchange or convert Investment Shares in a series for common shares or any other series, except at the instance of the holder, that have been issued by the Credit Union.

3.74

The Investment Shares have no par value and carry no voting rights.

3.75

The Board of Directors does not have the discretion to pay common share dividends or patronage rebates ahead of Investment Share dividends, but it does have the discretion to retain earnings for operational purposes ahead of Investment Share dividends.

3.76

The Investment Shares shall have the rights, privileges, restrictions and conditions that are granted by the Credit Union Act, the Regulations and the Bylaws, and the authorizing resolution of the Board of Directors of the Credit Union.

ROCKY CREDIT UNION LTD. BYLAWS

BYLAW NO.	4.10 – 4.70	PASSED:	FEBRUARY 10, 2020
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SUBJECT:	MEMBERSHIP MEETINGS		

4.10

Notice of a general meeting of the Credit Union shall be made by:

- 1) Prominently publishing the notice in the newspaper that is circulated in the locality in which the office of the Credit Union is situated.

OR

- 2) Posting a notice in the general office area of the Credit Union.

OR

- 3) General mail-out to all members.

4.11

Provided that the conditions under Section 59(3) of the Act for the notice of an adjourned meeting are met, no further notice need be provided by the Credit Union of an adjourned meeting. This will also apply to joint memberships.

4.20

The chairperson of any meeting of members shall be the chair, or in his absence, the vice chair, or in the absence of both of them, some other person appointed by the Board of Directors. If the secretary of the Credit Union is absent, the chairperson shall appoint some person to act as secretary of the meeting.

4.30

The order of business at an annual general meeting of the Credit Union shall be as follows:

- a) Roll call or registration of members to determine whether the quorum requirements of the Act have been met;
- b) Introduction and approval of guests;
- c) Appointment/ election of scrutineers;
- d) Adoption of the minutes of the last meeting;
- e) Report of the Board of Directors;
- f) Financial statement presentation;
- g) Auditors report;
- h) Committee reports;
- i) Report of the Board Credit Committee;
- j) New business, including any election results and amendments to bylaws;
- k) Motion to destroy the ballots;
- l) Adjournment.

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BYLAW NO.	4.10 – 4.70	PASSED:	FEBRUARY 10, 2020
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SUBJECT:	MEMBERSHIP MEETINGS		

4.31

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

- 1) Maximum time an individual speaker may address or speak to any one issue is five (5) minutes for each time he is permitted to speak;
- 2) Maximum number of times a single speaker may address the same issue, is three.

4.40

At all general meetings of the members of the Rocky Credit Union, fifty (50) in attendance is required to constitute a quorum. If no quorum is present, the presiding officer of the meeting shall adjourn the meeting to a date not more than forty (40) days thereafter. For meetings that require a vote(s) on Special Resolution(s), the quorum requirement is 75 members.

4.50

Voting at a meeting of members shall be by show of hands, except where a ballot is demanded by a member entitled to vote at the meeting.

4.51

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

4.52

Scrutineers may be appointed by the chairperson rather than elected by the members with the consent of the meeting. Scrutineers appointed or elected at a meeting of the members for the purposes of ascertaining the results of a ballot shall be entitled to any information and may examine any records of the Credit Union necessary to determine the validity of any ballots.

4.53

A vote by ballot will be considered spoiled wherein:

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

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SUBJECT:	MEMBERSHIP MEETINGS		

4.60

The only persons entitled to be present at a meeting of members shall be those entitled to vote thereat, the auditors of the Credit Union and others who, although not entitled to vote, are entitled or required under any provision of the Act to be present at the meeting. The Director of Credit Unions and the designated representative of the Credit Union Deposit Guarantee Corporation shall be entitled to attend all such membership meetings, but are not entitled to vote. At the invitation of the chairperson, they may be permitted to address the meeting. Any other person may be admitted only on invitation of the chairperson of the meeting and with the consent of the meeting, evidenced by ordinary resolution of the members.

4.70

The Directors of the Credit Union may from time to time propose bylaws not contrary to the Act, Regulations or to the Articles of Incorporation, and from time to time propose amendments. Such bylaws, or amendments shall take effect when approved by a vote of a majority of the members present at a members' meeting duly called for the purpose of considering the same and has been registered by the Minister pursuant to Section 45 of the Act.

ROCKY CREDIT UNION LTD. BYLAWS

BYLAW NO.	5.10 – 5.29	PASSED:	FEBRUARY 10, 2020
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SUBJECT:	VOTING RIGHTS		

5.10

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

5.20

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

5.21

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

5.22

A minor may not vote on any matter being dealt with by the special or general meeting.

5.23

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

5.24

An individual authorized to represent a member under Paragraph 5.23 may exercise, on behalf of that member, all the powers that the member could exercise if it were an individual member.

5.25

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

5.26

When and if necessary a biography of all nominees will be published in both local and rural media prior to the voting period and Annual General Meeting.

5.27

When and if necessary in-branch voting will total 5 days including 2 days for advanced voting supervised by the appointed returning officer, and will commence prior to the Annual General Meeting. Any election results will be announced at the Annual General Meeting.

5.28

Returning Officer will tabulate the voting if an election has been held and the new Directors will be announced at the Annual General Meeting.

ROCKY CREDIT UNION LTD. BYLAWS

BYLAW NO.	6.10 – 6.70	PASSED:	FEBRUARY 10, 2020
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SUBJECT:	BOARD OF DIRECTORS		

6.10

Board members of Rocky Credit Union Ltd. must, at all time during their tenure on the board, meet the eligibility requirements of the Credit Union Act, Standards of Sound Business and Financial Practices, and bylaws of the Credit Union. Failure to do so will result in immediate disqualification from the board.

Persons nominated to serve on the board will be made aware of the eligibility requirements of the Credit Union Act and this policy prior to accepting the nomination and if, in their opinion, they do not meet all of the criteria, they will be expected to decline the nomination.

A Director, in addition to the qualifications under Section 65 of the Act, must:

- Have been a member in good standing for a minimum of one year;
- Must be, and remain, eligible for fidelity bonding;
- Have a credit history that is acceptable to the Credit Union;
- Unless the prior approval of the Board is obtained, a member cannot become a Director or a Committee member of the Credit Union while any relative is an employee or a current Director of Rocky Credit Union Ltd. A relative is to mean father, mother, daughter, son, brother, sister, wife, husband, father-in-law, mother-in-law, stepfather, stepmother, stepsister, stepbrother, stepson, and stepdaughter;
- Have resided in the trading area of Rocky Mountain House for a minimum of one year;
- Reside in the trading area of Rocky Mountain House;
- Not be in breach of his oath of office as a Director, including but not limited to confidentiality of Credit Union or member information;
- Not be in violation of the Credit Union's policies or bylaws;
- Must not be involved, as an individual and/or in an ownership capacity with any group or company, in any legal action or dispute with the Credit Union or with any other financial institution;
- Must not be a board member or sales representative of any other financial institution, except as a representative of the Credit Union;
- Must be able to attend regular meetings of the Board of Directors;
- Must conduct a significant portion of his/her financial business with the Credit Union, in order to demonstrate confidence in the Credit Union.

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BYLAW NO.	6.10 – 6.70	PASSED:	FEBRUARY 10, 2020
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SUBJECT:	BOARD OF DIRECTORS		

6.11

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

6.12

A director ceases to hold office when the director:

- a) dies or resigns;
- b) is removed from office by ordinary resolution of the members at a general meeting; or
- c) becomes disqualified unless a resolution to suspend is passed pursuant to these Bylaws.

6.20

The Board of Directors shall consist of a minimum of seven and a maximum of 9 persons duly elected by the members.

6.25

Directors may only serve three (3) consecutive, three-year terms of office. At the completion of three terms, the director must resign his seat on the Board for at least one year, before accepting a nomination for Director.

6.30

A Governance Committee will be appointed by the Board of Directors or by the members to place nominations for the office of director before the membership.

The Governance Committee shall:

- Three (3) months prior to the Annual General Meeting advertise vacant director position(s) outlining criteria and qualifications for nomination pursuant to Bylaw 6.10;
- The signatures of three (3) Rocky Credit Union members in good standing must accompany nomination;
- Following elections, the Governance Committee will conduct an orientation seminar for all newly elected directors;
- Elections will be conducted pursuant to Bylaws 5.10 - 5.28.

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BYLAW NO.	6.10 – 6.70	PASSED:	FEBRUARY 10, 2020
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SUBJECT:	BOARD OF DIRECTORS		

6.40

Following election of the Board of Directors pursuant to Bylaws 5.10 - 5.28, election results will be announced at the Annual General Meeting unless elected by acclamation, in which case will be advised in advance of the Annual General Meeting. A member so elected shall hold office for the remainder of the term of the vacant seat not to extend beyond the third annual meeting following his election.

6.42

Where a vacancy occurs on the Board of Directors, the Board of Directors shall appoint a replacement within 90 days, except that where the period of time until the next annual meeting is less than 90 days, the Board of Directors may leave the position vacant until the Credit Union's next annual general meeting. In the event the Board of Directors will not be able to meet its quorum requirements, the remaining directors may appoint a director or directors, as the case may be, to serve until the next annual general meeting.

6.50

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

6.60

A Director is required to attend a minimum of 75% of Board meetings per year, unless the director has provided advance notice with good cause, and the Board of Directors has approved the Director's absences. If a Director fails to attend the required number in a year or misses three consecutive meetings without the approval of the Board of Directors, his office shall be declared vacant by the Board of Directors and the vacancy shall be filled as provided for in these bylaws.

6.70

Directors and non-employee officers of the credit union shall receive remuneration for participating in Credit Union related business.

- a) Such remuneration may be in the form of honoraria, per diem fees, insurance coverage and reimbursement for travel time;
- b) The board shall establish policy defining the methods and amounts of remuneration to be paid; policy shall be available to any member of the credit union upon request;
- c) The board shall report in its annual financial statement the aggregate amount of remuneration paid to all directors and whether the remuneration policy has been changed in the fiscal year;
- d) The maximum aggregate remuneration that may be paid to all directors and non-employee officers shall not exceed 1.5% of total operating expenses of the credit union.

ROCKY CREDIT UNION LTD. BYLAWS

BYLAW NO.	7.10 – 7.23	PASSED:	FEBRUARY 10, 2020
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SUBJECT:	DESIGNATION AND POWERS OF OFFICERS		

7.10

Officers of the Credit Union shall include, in addition to those identified in Section 1(1)(mm) of the Credit Union Act and in the regulations, any and all Executive Managers as designated.

7.20

All officers shall perform such other duties not inconsistent with the Credit Union Act; regulations and Credit Union bylaws as may be authorized by the Board of Directors.

7.21

The chair shall have the following powers and duties:

- a) shall be an ex officio member of all committees;
- b) shall preside at all meetings of the Board of Directors unless he is unable to do so;
- c) shall be one of the signing officers of the Credit Union;
- d) shall ensure that a delegate attends Central's annual general meeting and ensure representatives of the Credit Union participate in CU System activities;
- e) shall perform such other duties and functions as the Board of Directors may prescribe.

7.22

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

7.23

The CEO shall attend all meetings of the Board of Directors and shall cause correct minutes to be kept of the said meetings. He shall cause proper notice of all meetings of the Board of Directors and the membership to be given. If the CEO is unable to attend a meeting a substitute will be appointed by the Board for that particular meeting.

ROCKY CREDIT UNION LTD. BYLAWS

BYLAW NO.	8.10 – 8.21	PASSED:	FEBRUARY 10, 2020
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SUBJECT:	COMMITTEES		

8.10

Pursuant to the requirements of Section 79 of the Act, the Board of Directors shall appoint such committees, as it considers necessary. All elections for committee executives/ officers shall be by secret ballot and shall be decided by a majority vote with the candidate receiving the least votes dropped from each succeeding ballot until the majority is established.

8.20

The Audit, Finance & Risk Committee may, to fulfil its duties, utilize the services of an external auditor and internal auditor, and the external auditor and internal auditor shall report directly to the Audit, Finance & Risk Committee all their findings.

8.21

The Board Credit Committee may delegate any of its powers; duties and functions to approved officers or employees of the Credit Union who shall report directly to the credit committee on a regular basis. Any such delegation does not relieve the credit committee of its responsibility under the Act.

ROCKY CREDIT UNION LTD. BYLAWS

BYLAW NO.	9.10 – 9.60	PASSED:	FEBRUARY 10, 2020
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SUBJECT:	BOARD OF DIRECTORS AND COMMITTEE MEETINGS		

9.10

The Board of Directors shall meet no less frequently than six (6) times annually and more often if the business of the Credit Union warrants.

9.20

Committees of the Board of Directors shall meet according to the following minimum schedules:

- Executive Committee – as required
- Audit, Finance & Risk Committee – quarterly
- Board Credit Committee – as required
- Governance Committee – as required

9.30

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

9.40

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

9.41

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

9.50

A quorum of the Board of Directors shall be not less than 4.

A quorum of a committee of the Board of Directors shall be not less than:

- a) Executive Committee – 2;
- b) Audit, Finance & Risk Committee – 2 two-thirds of members, at least one of whom shall be a Director;
- c) Board Credit Committee – minimum of 3 members;
- d) Governance Committee – two-thirds of members.

9.60

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

ROCKY CREDIT UNION LTD. BYLAWS

BYLAW NO.	10.10	PASSED:	FEBRUARY 10, 2020
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SUBJECT:	SUBSIDIARIES		

10.10

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

Any subsidiary of the Credit Union must be approved by the general membership of the Credit Union at an annual general meeting, or a special general meeting called for the purpose of discussing the proposal.

ROCKY CREDIT UNION LTD. BYLAWS

BYLAW NO.	11.10	PASSED:	FEBRUARY 10, 2020
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SUBJECT:	INTERPRETATION – RELATED PARTIES		

11.10

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

- a) enter into a contract of employment with a related party who is not a Director, officer or prospective officer of the Credit Union;
- b) enter into a transaction with a related party which involves minor general expenditures by that corporation which do not exceed the amounts prescribed by the Credit Union Act Regulations;
- c) enter into a transaction with a related party for the sale of goods or the provision of services at fair market rate.