

MERIDIAN CREDIT UNION LIMITED

BY-LAW NO. 1

BY-LAWS

TABLE OF CONTENTS

ARTICLE ONE INTERPRETATION 1

1.01 Definitions 1

1.02 Gender, Plural, etc. 3

ARTICLE TWO MEMBERSHIP 3

2.01 Membership 3

2.02 Membership Application 4

2.03 Membership Shares 4

2.04 Voting Rights..... 4

2.05 Expulsion 5

2.06 Withdrawal 5

ARTICLE THREE BUSINESS OF THE CREDIT UNION 6

3.01 Corporate Seal 6

3.02 Financial Year..... 6

3.03 Execution of Instruments 6

3.04 Borrowing 6

3.05 Language of Business 6

ARTICLE FOUR DIRECTORS 6

4.01 Number of Directors and Quorum..... 6

4.02 Director Eligibility Requirements 7

4.03 Director Term of Office..... 7

4.04 Manner of Election 8

4.05 Returning Officer..... 9

4.06 Supervision of Election Process 10

4.07 Announcement of Election Results 10

4.08 Removal of Directors by Members 10

4.09 Removal of Directors by the Board..... 10

4.10 Vacation of Office 10

4.11 Vacancies..... 10

4.12 Telephone and Electronic Meetings 11

4.13 Calling of Meetings 11

4.14	Notice of Meeting.....	11
4.15	First Meeting of New Board.....	11
4.16	Adjourned Meeting.....	11
4.17	Regular Meetings.....	11
4.18	Votes to Govern.....	12
4.19	Remuneration and Expenses.....	12
ARTICLE FIVE COMMITTEES.....		12
5.01	Committee of Directors	12
5.02	Transaction of Business.....	12
5.03	Audit Committee	12
5.04	Procedure	13
5.05	Remuneration.....	13
ARTICLE SIX OFFICERS		13
6.01	Appointment.....	13
6.02	Chair of the Board	13
6.03	Term of the Chair of the Board	13
6.04	Vice-Chair	14
6.05	Powers and Duties of Officers.....	14
6.06	Variation of Powers and Duties.....	14
6.07	Term of Office	14
6.08	Terms of Employment and Remuneration.....	14
6.09	Fidelity Bonds.....	15
ARTICLE SEVEN MEETINGS OF MEMBERS		15
7.01	Meetings	15
7.02	Business at an Annual Meeting	15
7.03	Notice of Meeting.....	16
7.04	Record Date	16
7.05	Accidental Omission.....	16
7.06	Members Meetings	16
7.07	Quorum.....	17
7.08	Voting in Person at the Meeting.....	17
7.09	Show of Hands.....	17
7.10	Joint Members	17
7.11	Proxies	17
7.12	Proposals and Requisitions.....	18

7.13	In-Branch and Electronic Voting on Special Resolutions	18
ARTICLE EIGHT PROTECTION OF DIRECTORS, OFFICERS AND OTHERS		20
8.01	Indemnity.....	20
8.02	Insurance.....	21
ARTICLE NINE SHARES		21
9.01	Allotment	21
9.02	Registration of Transfers	21
9.03	Transfer Agents and Registrars	21
9.04	Lien for Indebtedness	22
9.05	Non-recognition of Trusts	22
9.06	Share Certificates.....	22
9.07	Replacement of Share Certificates	23
9.08	Joint Shareholders.....	23
9.09	Deceased Shareholders	23
ARTICLE TEN DIVIDENDS AND RIGHTS		23
10.01	Dividends.....	23
10.02	Cash Dividend Payments.....	23
10.03	Non-receipt of Cheques	24
10.04	Record Date for Dividends and Rights.....	24
10.05	Unclaimed Dividends	24
ARTICLE ELEVEN MEETINGS OF SHAREHOLDERS		24
11.01	Not to Govern Certain Meetings.....	24
11.02	Meetings.....	25
11.03	Special Meetings	25
11.04	Place of Meetings	25
11.05	Notice of Meetings	25
11.06	List of Shareholders Entitled to Notice	25
11.07	Record Date for Notice.....	25
11.08	Chair, Corporate Secretary and Scrutineers.....	26
11.09	Persons Entitled to be Present.....	26
11.10	Quorum	26
11.11	Right to Vote.....	27
11.12	Proxies.....	27
11.13	Time for Deposit of Proxies.....	27
11.14	Joint Shareholders	28

11.15	Votes to Govern.....	28
11.16	Show of Hands	28
11.17	Ballots	28
11.18	Adjournment	28
11.19	Requisitions.....	29
ARTICLE TWELVE LENDING		29
12.01	Lending.....	29
ARTICLE THIRTEEN INFORMATION AVAILABLE TO MEMBERS AND SHAREHOLDERS		29
13.01	Annual Statements	29
13.02	Information Available to Members and Shareholders.....	29
13.03	Directors' Determination	29
13.04	Fee for Copy of the Bylaws	30
ARTICLE FOURTEEN NOTICES		30
14.01	Method of Giving Notices	30
14.02	Signature to Notices.....	30
14.03	Proof of Service	30
14.04	Notice to Joint Shareholders.....	31
14.05	Computation of Time.....	31
14.06	Undelivered Notices	31
14.07	Omissions and Errors.....	31
14.08	Deceased Members or Shareholders.....	31
14.09	Persons Entitled by Death or Operation of Law.....	32
14.10	Waiver of Notice	32
ARTICLE FIFTEEN EFFECTIVE DATE		32
15.01	Effective Date	32
15.02	Repeal of All Existing By-laws	32

MERIDIAN CREDIT UNION LIMITED

BY-LAW NO. 1

A by-law relating generally to the conduct of the affairs of Meridian Credit Union Limited

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

ARTICLE ONE

INTERPRETATION

1.01 Definitions

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

- (a) “**Act**” means the *Credit Unions and Caisses Populaires Act, 1994* and the regulations and guidelines made pursuant thereto, as from time to time amended, and every statute that may be substituted therefor and, in the case of such substitution, any reference in the By-laws to provisions of the Act shall be read as references to the substituted provisions therefor in the new statute or statutes;
- (b) “**Appoint**” includes “elect” and vice versa;
- (c) “**Articles**” means the articles of amalgamation of the Credit Union dated as of the date of the Credit Union’s certificate of amalgamation and any amendments thereto from time to time;
- (d) “**ballot**” includes either a paper-ballot on which a member indicates the member’s vote or an electronic-ballot used by a member in the manner specified by the Returning Officer;
- (e) “**Board**” means the board of directors of the Credit Union;
- (f) “**By-law**” and “**By-laws**” means this by-law and all other by-laws of the Credit Union from time to time in force and effect;
- (g) “**Director Nomination Policy**” means the policy or policies adopted by the Board governing the nomination of individuals for election as directors of the Credit Union;
- (h) “**Indemnified Person**” means (i) a director, officer, or committee member of the Credit Union, (ii) a former director or officer or committee member of the Credit

Union, (iii) 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 shareholder or creditor, and (iv) the heirs and legal representatives of any persons referenced in (i) to (iii) of this subparagraph;

- (i) **“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) chequing accounts are not habitually overdrawn in material amounts;
 - (iii) the Credit Union is not in receipt of a garnishment or similar third-party demand for payment against any person;
 - (iv) all required mortgage and loan payments are paid on time, unless an extension has been granted;
 - (v) all conditions for financing prescribed by the Credit Union have been satisfied; and
 - (vi) the Member Connection, or any part thereof, is not asserting an unresolved claim against the Credit Union;
- (j) **“Member Connection”** means a member, together with that member’s “connected persons”, within the meaning of that term in the Act, who are also members of the Credit Union;
- (k) **“Nomination Period”** means that period of time, which shall not be less than 15 calendar days, designated by the Credit Union during which applications for nomination for election to the Board will be received by the Returning Officer;
- (l) **“Nominee”** means a member:
 - (i) who has submitted an application for nomination as a director of the Credit Union that has been accepted in accordance with this By-law; and
 - (ii) whose name has been placed in nomination in accordance with this By-law and, for greater certainty, includes but is not limited to a Recommended Nominee;
- (m) **“Non-business day”** means a Saturday, a Sunday or any other day that is a statutory holiday in Ontario;
- (n) **“Recipient”** means a member, shareholder, director, officer, auditor or member of a committee of the Board of the Credit Union;

- (o) **“Recommended Nominee”** means a Nominee who has received the recommendation of the committee overseeing the nomination process pursuant to the Director Nomination Policy;
- (p) **“Recorded Address”** means, in the case of a member or shareholder, such member’s or shareholder’s 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, such director’s, officer’s, auditor’s or member of a committee’s latest address as recorded in the records of the Credit Union;
- (q) **“Returning Officer”** means that person appointed by the Board as the senior official responsible for overseeing the election process for compliance with all legal, regulatory and By-law requirements, or in the absence of a specific appointment, the Corporate Secretary;
- (r) **“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; and
- (s) 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.

1.02 Gender, Plural, etc.

In these By-laws, the singular shall include the plural and the plural shall include the singular; the masculine shall include the feminine and neuter 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

2.01 Membership

Membership in the Credit Union shall be limited to:

- (a) individuals or natural persons who reside or who work in any Province or Territory of Canada;
- (b) for greater certainty, and without limiting the generality of the foregoing, employees of the Credit Union;

- (c) subject to any conditions that may be imposed by regulations under the Act, (i) Her Majesty the Queen in right of Ontario or in right of Canada, (ii) corporations, including municipalities as defined in the *Municipal Affairs Act*, (iii) unincorporated associations, or (iv) partnerships registered under the *Business Names Act* or a predecessor thereof;
- (d) persons or entities not otherwise qualifying for membership under clauses (a), (b) and (c), as long as the aggregate number of such members does not exceed 3% of the number of members of the Credit Union, where the admission of such persons or entities has been approved by the Board; and
- (e) a person or entity who originally qualified for and became a member under clauses (a), (b), or (d) above but who no longer qualifies under clauses (a), (b), or (d) above.

2.02 Membership Application

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, a committee of the Board, or by an employee, or in accordance with a process, authorized or set by resolution of the Board to approve such application.

2.03 Membership Shares

- (a) No person shall become a member of the Credit Union until such person has fully paid for 1 membership share of the Credit Union.
- (b) The price of each membership share is \$1.00.
- (c) In addition to the minimum number of membership shares required under paragraph (a) above, at the discretion of the Credit Union, Members may hold up to an additional 1,000 membership shares for an additional aggregate consideration of \$1,000, or such other maximum limit that may be specified in the Act.
- (d) A member shall maintain the membership shareholdings required in this By-law for as long as such person continues to be a member of the Credit Union.

2.04 Voting Rights

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 vote at that meeting. Notwithstanding the above, no Member of the Credit Union under the age of 18 years shall be entitled to vote.

2.05 Expulsion

Where a member:

- (a) commits an act of misconduct in the affairs of the Credit Union, including, but not limited to, failing for any reason to hold the required number of membership shares of the Credit Union;
- (b) fails to abide by this By-law; or
- (c) fails to repay indebtedness to the Credit Union in accordance with the conditions of repayment,

the Board shall give 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 (or by such other means of communications previously authorized by the member). After providing such notice and giving the member an opportunity to appear before the Board to make a submission, and to be represented at a Board meeting by a licensed lawyer or other representative, the Board may by resolution decide to expel such member from membership. The Corporate Secretary shall, within 5 days after the passing of a resolution expelling a member, notify the member of the decision of the Board by registered mail to the member's recorded address. Subject to the Act and within 90 days after the day on which the member is expelled, the Credit Union shall forthwith pay to such person any balance standing to the credit of such person on the books of the Credit Union after deducting all amounts due from the person to the Credit Union.

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 21 days after receiving the notice of expulsion. If written representations of no longer than 2,000 words from an expelled member appealing his or her expulsion are received by the Credit Union at least 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.

2.06 Withdrawal

Where a member wishes to withdraw from the Credit Union, such member shall give notice in writing of such member's intention to withdraw to the Board, or in accordance with applicable Board policy. Subject to the Act and the Articles, in respect of shares, the Credit Union shall, after deduction of all amounts due from the member to the Credit Union, remit the balance of the said member's shares and deposits to such member within 90 days of such member giving notice of such member's intention to withdraw.

ARTICLE THREE

BUSINESS OF THE CREDIT UNION

3.01 Corporate Seal

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

3.02 Financial Year

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

3.03 Execution of Instruments

Except for documents executed in the usual and ordinary course of the Credit Union's business, which may be signed by any officer or employee of the Credit Union acting within the scope of his or her authority, the following are the only persons authorized to sign any document on behalf of the Credit Union:

- (a) any individual appointed by resolution of the Board to sign the specific document, that type of document or documents generally on behalf of the Credit Union; or
- (b) any director or any officer appointed to office by the Board.

Any document so signed may, but need not, have the corporate seal of the Credit Union applied, if there is one.

3.04 Borrowing

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 that is prohibited by the Act.

3.05 Language of Business

The credit union shall carry on business primarily in the English language, but may, at its own discretion, from time to time communicate to members in any other language.

ARTICLE FOUR

DIRECTORS

4.01 Number of Directors and Quorum

- (a) *Number* – The Board shall consist of 12 directors.

- (b) *Quorum* – The quorum for the transaction of business at any meeting of the Board shall be a majority of the Board.

4.02 Director Eligibility Requirements

A person is eligible for election to the position of director if the person meets the following director eligibility requirements:

- (a) as of the last day of the Nomination Period, the person:
 - (i) is a member of the Credit Union;
 - (ii) all of the persons or entities of the Member Connection associated with the member, have been members In Good Standing continuously for a period of time equal to the lesser of the preceding 6 months and the period of actual membership;
 - (iii) is not disqualified from becoming or acting as a director pursuant to the Act;
 - (iv) is not a director, officer, employee, or agent of an entity (other than any other entity for which an exception has been made by the Board from time to time) that is engaged in, or has the reasonable potential to be engaged in, business activity materially and directly competing with the then existing or proposed business activities of the Credit Union;
 - (v) is not a spouse of a person described in sub-paragraph (iv) above;
 - (vi) if an incumbent director, has not failed, without in the opinion of the Board reasonable cause, to attend 3 consecutive regular meetings of the directors within the preceding 12 months; or
 - (vii) is free of any real or perceived conflict of interest that might reasonably be expected (based on a legal opinion) to prevent him or her from acting in the best interests of the Credit Union as a whole, and independently of any particular interest arising as a result of any previous, existing, or future relationship with the Credit Union, its members, customers, competitors, or suppliers.
- (b) the person is eligible and has been nominated in accordance with the Director Nomination Policy, if applicable.

4.03 Director Term of Office

- (a) Subject to the Act, a member elected as a director shall take office immediately at the close of the annual general meeting at which such director was elected or, if the election results with respect to the election of that member are not determined by the close of the annual general meeting, then as soon thereafter as the results are determined provided that, for the purpose of determining that member's

number of years of consecutive service on the Board, that member shall be deemed to have taken office immediately at the close of the annual general meeting.

- (b) Directors shall be elected or acclaimed for terms of 3 years, or until their successor in office is elected or appointed, except in the following circumstances: (i) where an election is held to fill the unexpired portion of a director's term, in which case the director filling such position shall be elected for such unexpired term; (ii) where an election is held to fill the remaining portion of a 3 year term of a director who is required to retire from the Board before such 3 year period concludes on account of section 4.03(c), in which case the director filling such position shall be elected for the remaining portion of such 3 year period; (iii) where a director cannot serve for a term of 3 years on account of section 4.03(c), in which case such director shall be elected for the number of years that he or she may serve in accordance with section 4.03(c); and (iv) as otherwise specifically provided in this Article or the Act.
- (c) No director shall serve on the board of the Credit Union for more than 15 consecutive years.
- (d) If, in an election, terms of office of varying lengths are to be filled, the Nominees garnering the greater number of votes shall be declared to be elected to the longer terms of office available, subject to section 4.03(c).
- (e) If, in the case of an acclamation of all Nominees, terms of office of varying lengths are to be filled, the committee overseeing the nomination process shall assign terms to the Nominees, in its sole and unfettered discretion, subject to section 4.03(c).

4.04 Manner of Election

Each year, within 60 days prior to the annual general meeting of the Credit Union, an election shall be held in accordance with the provision hereof to fill vacant Board positions as follows:

- (a) *Nomination Process* – Members seeking election to the Board shall submit themselves to the processes detailed in the Director Nomination Policy, including the nomination and selection process outlined therein.
- (b) *Acclamation* – If the number of Nominees is equal to the number of vacancies to be filled, the Nominees shall be declared by the chairperson at the next annual general meeting to be elected by acclamation for a 3-year term, unless a shorter term is otherwise specified.
- (c) *Contested Election* – If the number of Nominees exceeds the total number of vacancies to be filled, then an election shall be held as hereinafter provided and in accordance with the applicable policy adopted by the Board:

- (i) *Voting Eligibility* – Only a member (other than a member under the age of 18 years) as of the record date determined in accordance with section 7.04 of the By-laws is eligible to cast a ballot in an election of a director or directors. Subject to the Act, in the case of a corporation, partnership or unincorporated association, its vote may be cast on its behalf through a written proxy produced at any branch or head office, signed by the president or other senior executive with signing authority of the member, appointing one or more persons to vote on its behalf. Any person so appointed need not be a member of the Credit Union. Any such proxy shall cease to be valid on the day following the next annual general meeting of the Credit Union.
- (ii) *In-Branch and Electronic Voting Process* – Unless the Board exercises its discretion under paragraph (iii), voting in an election of directors shall take place before the annual general meeting and, in such election, members shall be permitted to choose to cast their ballots by either:
 - (A) voting at any branch of the Credit Union; or
 - (B) voting by electronic means in the manner prescribed by the Board, during a period of at least 8 consecutive business days and ending at least 2 calendar days prior to the annual general meeting.
- (iii) *Alternative Voting Process* – The Board shall have the discretion in any given election year to permit, by resolution, members to cast a ballot by mail, in addition to the voting process under paragraph (ii), in an election of directors.
- (iv) *Rules for Alternative Voting Processes* – If the Board exercises its discretion under paragraph (iii), it may, by resolution, make additional rules governing the conditions that apply to a ballot cast by mail, provided that these and any other rules governing such votes are made available to the members.
- (v) *For Greater Certainty* – Pursuant to this section:
 - (A) There shall be no voting in directors’ elections on the floor of any general meeting of the members.
 - (B) No member shall become a Nominee unless and until the committee overseeing the nomination process has placed that member’s name in nomination.

4.05 Returning Officer

The Board may appoint a Returning Officer to oversee the election process, and if so appointed, shall be appointed at least 60 days prior to the date on which voting in an election is to commence.

4.06 Supervision of Election Process

The Returning Officer shall supervise the election process and:

- (a) may require a member to provide proof and particulars of membership;
- (b) shall obtain all ballots and, after the close of balloting, shall cause a tally to be made of all ballots, such tally to be made in a manner that ensures the secrecy of the balloting; and
- (c) shall determine whether a ballot is to be accepted or rejected and such determination is final and not open to review.

4.07 Announcement of Election Results

The results of the election shall be announced at the annual general meeting next following the completion of voting. A tie vote resulting from balloting shall be broken by the drawing of lots.

4.08 Removal of Directors by Members

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.

4.09 Removal of Directors by the Board

Subject to provisions of and as may be permitted under the Act, the Board may, by resolution, declare a director's position vacant if (a) a director fails to attend 3 consecutive Board meetings without, in the opinion of the Board, reasonable cause, or (b) fails to perform any of the duties allotted to him or her as a director.

4.10 Vacation of Office

A director ceases to hold office when such director dies, resigns, becomes disqualified pursuant to the Act, is removed from office by the Board, the members or the Superintendent in accordance with the Act, or such director's term expires, except that a death, resignation or removal which occurs, or a disqualification which is first discovered, during the period commencing with the date which is 7 days prior to the date for notice of Nomination Period and ending with the date which is the day following the annual general meeting, shall be deemed to result in a vacation of office on the day following that annual general meeting.

4.11 Vacancies

Subject to the Act and except when section 4.08 applies a quorum of the Board may fill a vacancy in the Board until the next annual meeting of the members. 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. 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.

4.12 Telephone and Electronic Meetings

Subject to any applicable policy of the Credit Union, 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.

4.13 Calling of Meetings

Subject to the Act, meetings of the Board shall be held from time to time 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 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.

4.14 Notice of Meeting

- (a) Notice of the date, time and place of each meeting of the Board shall be given in the manner provided in section 14.01 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.
- (b) A director may in any manner waive notice of or otherwise consent to a meeting of the Board.

4.15 First Meeting of New Board

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 declared elected.

4.16 Adjourned Meeting

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.

4.17 Regular Meetings

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 meetings 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.

4.18 Votes to Govern

At all meetings of the Board every question shall be decided by a majority of the votes cast on the question. The chair shall have a vote on every question in the first instance, but, in the case of a tie vote, shall not have a second or deciding vote. In the event of a tie vote on a motion, the motion shall be declared defeated for the lack of a majority.

4.19 Remuneration and Expenses

The directors shall be paid such remuneration for their services as the Board may from time to time determine. The directors shall also be entitled to be reimbursed for travelling and other expenses properly incurred by them, subject to terms, conditions, and restrictions, if any, prescribed by the Board from time to time.

ARTICLE FIVE

COMMITTEES

5.01 Committee of Directors

The Board may appoint any number of committees of directors, however designated, and delegate to such committee any of the powers of the Board except those powers which the Board cannot delegate pursuant to the Act. The term of office of a member of a committee of directors shall be determined by the Board in its discretion.

5.02 Transaction of Business

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

5.03 Audit Committee

- (a) *Election from Board* – The Board shall appoint annually from among its number an audit committee to be composed of a minimum of 3 directors. The audit committee shall have the powers and duties provided in the Act, and shall serve at the pleasure of the Board.
- (b) *Chair and Meetings* – The chair of the audit committee shall be selected in accordance with procedures established by the Board from time to time, and meetings of the audit committee shall be at the call of such chair, the Credit Union's auditor or a director, provided that the audit committee shall meet at least once each quarter.
- (c) *Duties* – The audit committee shall perform such duties as are set out in the Act and such other duties as may be delegated to it by the Board.

5.04 Procedure

Subject to this By-law 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 chairman and to regulate its procedure.

5.05 Remuneration

The members of a committee of directors shall be paid such remuneration for their services as the Board may from time to time determine.

ARTICLE SIX

OFFICERS

6.01 Appointment

The Board shall appoint a Chair of the Board, a Corporate Secretary and a President and 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), such other officers as the Board may determine, including one or more assistants to any of the officers so appointed. The Board may specify the duties of and, in accordance with this By-law and subject to the provisions of the Act, delegate to such officers powers to manage the business and affairs of the Credit Union. Subject to paragraphs 6.02 and 6.03, an officer may but need not be a director and one person may hold more than one office, with the exception that the Chief Executive Officer must be an employee of the Credit Union appointed by the Board. 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 a period of time.

6.02 Chair of the Board

The Chair of the Board shall be a director and shall, when present, preside at all meetings of the Board. The Chair of the Board shall perform such other duties and fulfil such responsibilities as may from time to time be assigned to him or her by the Board. During any absence or inability to act by the Chair of the Board, or with the consent of the Board, the Chair of the Board's duties and responsibilities shall be fulfilled by the Vice-Chair of the Board.

6.03 Term of the Chair of the Board

The Chair of the Board shall serve for a 2 year term, subject to annual confirmation and subject to section 4.03. The Chair may serve for no more than 4 consecutive terms.

6.04 Vice-Chair

The Board may from time to time also appoint a Vice-Chair, in accordance with applicable policy, who shall be a director. If appointed, he or she shall have such powers and duties as the Board may specify by resolution or as are incident to his or her office.

6.05 Powers and Duties of Officers

The powers and duties of 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.

6.06 Variation of Powers and Duties

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.

6.07 Term of Office

Each officer appointed by the Board who is not an employee of the Credit Union, other than the Chair of the Board, shall hold office indefinitely. Each officer appointed by the Board who is an employee of the Credit Union shall hold office indefinitely until his or her successor is appointed or until the earlier of his or her resignation or death, 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 office with or without cause, without prejudice to such officer's rights under any employment contract.

6.08 Terms of Employment and Remuneration

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

6.09 Fidelity Bonds

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 under the Act or calculated in accordance with the formula specified in the Act, but no director shall be liable for failure to acquire 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

7.01 Meetings

- (a) Annual General Meetings: Unless otherwise authorized by the Superintendent, the annual meeting of the members of the Credit Union shall be held within 120 days following the fiscal year-end, at such time and at such place within Ontario as the directors may by resolution determine.
- (b) Special General Meetings: Unless otherwise specified by the Act, a special general meeting of the members of the Credit Union shall be held at such time and at such place within Ontario as the directors may by resolution determine.
- (c) Electronic Meetings: 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.

7.02 Business at an Annual Meeting

At annual meetings of the Credit Union, the Board shall place before the members,

- (a) the audited financial statements;
- (b) the report of the audit committee;
- (c) the report of the auditor;
- (d) the report on the election results;
- (e) the announcement of the results of voting on any special resolutions; and

- (f) such further information respecting the financial position of the Credit Union and the results of its operations as the By-laws require.

The members shall conduct such other business as is required by the Act, identified in the meeting notice or deemed desirable by the meeting, including, but not limited to appointment of the auditor.

7.03 Notice of Meeting

Notice of all meetings of the Credit Union shall be given by the Corporate Secretary, who shall, not later than 10 days before the date of the meeting or earlier than 50 days before the date of the meeting, give notice of the meeting to each member of the Credit Union who, on the record date for notice, appears on the records of the Credit Union as a member, by posting a notice of the meeting in each office of the Credit Union, on the website of the Credit Union, and publishing the notice in a newspaper that is circulated in the community in which the head office of the Credit Union is situated and in such other communities as the Board may from time to time decide.

Subject to the Act, the notice of an annual meeting of the members shall specify that copies of the financial statements and the reports of the audit committee, and the auditor, shall be available at the meeting and at the offices of the Credit Union 10 days before the date of the meeting.

7.04 Record Date

The Board may fix in advance a date preceding the date of any meeting of members by no more than 50 days and not less than 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 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.

7.05 Accidental Omission

Where notice of a meeting 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 resolution passed or any proceedings taken at the meeting.

7.06 Members Meetings

The chair of any meeting of members shall be the first mentioned of such of the following officers as have been appointed and who is present at the meeting: the Chair of the Board or a Vice-Chair who is a director, unless the Board by resolution has designated another person who need not be a member to chair the meeting. If no such person 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 member, to act as secretary of the meeting. If desired, one or more scrutineers (who need not be members) may be appointed by a resolution or by the chair with the consent of the meeting.

7.07 Quorum

At all meetings of the members of the Credit Union, 50 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 7 or more than 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 secretary in the manner herein provided, at least 7 days prior to the date of the adjourned meeting.

7.08 Voting in Person at the Meeting

All voting on special resolutions coming before a meeting of the members shall take place in accordance with section 7.13. On any business coming before a meeting of members that is not a special resolution, every member who is eligible to vote at the meeting of members in question shall be entitled to one vote thereat.

7.09 Show of Hands

- (a) Subject to section 7.08, 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 (or similar method if a meeting is conducted partially or completely by telephonic or electronic means). In the case of an equality of votes, either upon a show of hands or upon a poll, the chair of the meeting shall not be entitled to a second or casting vote.
- (b) At any meeting, unless a poll is required or demanded, a declaration by the chair of the meeting that a resolution has been carried unanimously or by a particular majority, or lost or not carried by a particular majority, shall be conclusive evidence of the fact.

7.10 Joint Members

Where two or more persons hold the same membership 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.

7.11 Proxies

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 produced at the meeting, signed by the president or other senior executive

with authority to sign of such entity, appointing some one or more persons to vote on its behalf. Any person so appointed need not be a member of the Credit Union. Any such proxy shall cease to be valid after the expiration of one year from its date.

7.12 Proposals and Requisitions

- (a) Proposals: 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 10 days of its receipt meet to consider whether or not the proposal is to be included in the notice of meeting. 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 therefor.
- (b) Requisitions: 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 21 days from the date the written request was deposited at the head office, and such meeting shall be held within 60 days from the date of the deposit of the requisition. Requisitions may be made in counterpart.

7.13 In-Branch and Electronic Voting on Special Resolutions

- (a) General: Unless the Board exercises its discretion under section (d) hereof, voting on any special resolution shall take place before the members' meeting at which the result will be announced and, on such special resolution, members shall be permitted to choose to cast their ballots by either:
 - (i) in-branch voting at any branch of the Credit Union; or
 - (ii) electronic means in the manner prescribed by the Board,in lieu of voting on the matter in person at the annual general meeting or special meeting.
- (b) Notice of Meeting: The first or initial notice, under section 7.03, of the annual general meeting or special meeting at which the special resolution would otherwise be presented to the members for approval shall be given not later than 40 days before the date of the members' meeting and shall contain the following:
 - (i) a notice of the special resolution requiring the approval of the members;
 - (ii) clear and precise instructions for voting;
 - (iii) notification of the date (or dates) and time(s) during which voting on the special resolution shall take place;

- (iv) notification of the place (or places) at which in-branch polling on the special resolution shall take place and the manner in which electronic ballots may be cast (or details of alternative methods of voting, if applicable);
 - (v) the conditions under which members will be eligible to vote on the special resolution; and
 - (vi) a warning to members that the special resolution cannot be amended, and that voting on the question will not be permitted at the meeting.
- (c) Voting Period: Voting on a special resolution takes place during a period of at least 8 consecutive business days and ending at least 2 calendar days prior to the annual general meeting or special meeting at which the special resolution would otherwise be presented to the members. The voting period under this section 7.13 may be the same as the voting period for the election of directors under Article Four.
- (d) Alternative Methods of Voting: The Board shall have the discretion at any time to permit, by resolution, members to cast a ballot by mail, in addition to voting in accordance with subparagraph (a), in a polling on a special resolution.
- (e) Idem: If the Board exercises its discretion under subparagraph (d), it may, by resolution, make additional rules governing the conditions that apply to a ballot cast by mail, provided that these and any other rules governing such votes are made available to the members together with the information required to be made available under subparagraph (b).
- (f) Returning Officer: The Board may appoint a Returning Officer to oversee the in-branch and electronic voting process, and if so appointed, shall be appointed at least 30 days prior to the date on which in-branch and electronic voting is to commence. The Returning Officer may be the same person as the Returning Officer appointed by the Board under Article Four.
- (g) Information on the Question: The Returning Officer shall make available, in all branches and the head office of the Credit Union, at least 15 days before the commencement of the voting period, to all members of the Credit Union entitled to vote the text of the proposed special resolution and the Board's reasons for proposing the confirmation by the members of the special resolution.
- (h) Voting Process: Only a member (other than a member under the age of 18 years) as of the record date determined in accordance with section 7.04 is eligible to cast a ballot on the question of a special resolution. Subject to the Act, in the case of a corporation, partnership or unincorporated association, its vote may be cast on its behalf through a written proxy produced at any branch or the head office, signed by the president or other senior executive authorized to sign, appointing one or more persons to vote on its behalf. Any person so appointed need not be a

member of the Credit Union. Any such proxy shall cease to be valid on the day following the meeting of the members of the Credit Union in question.

- (i) Ballots: The ballot used for the vote shall refer to the special resolution and instructions on how the voter may indicate such voter's vote on the question. If the voting on the special resolution is conducted in conjunction with an election of directors under Article Four, the ballot used for the election of directors may also be used for the vote on the special resolution provided that it contains a reference to the special resolution and instructions on how the voter may indicate such voter's vote on the question.
- (j) Supervision of Election Process: The Returning Officer shall supervise the voting process and:
 - (i) may require a member to provide proof and particulars of membership;
 - (ii) shall obtain all ballots and, after the close of balloting, shall cause a tally to be made of all ballots, such tally to be made in a manner that ensures the secrecy of the balloting; and
 - (iii) shall determine whether a ballot is to be accepted or rejected and such determination is final and not open to review.
- (k) Announcement of Voting Results: The results of the voting shall be announced at the annual general meeting or special meeting at which the special resolution would otherwise have been presented to the members for approval.
- (l) Accidental Omission: Where the voting on the special resolution is conducted substantially in accordance with the provisions of this section, the accidental omission to give notice to any member thereof, or the non-receipt of the notice by any member thereof, or to include any statement required to be included in any such notice, shall not invalidate the decision reached by the voting process.

ARTICLE EIGHT

PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

8.01 Indemnity

Subject to the limitations contained in the Act, the Credit Union shall indemnify an Indemnified Person 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 such Indemnified Person is made a party by reason of being or having been a director or officer of the Credit Union or of a body corporate, at the Credit Union's request, of which the Credit Union is or was a shareholder or creditor if

- (a) such person 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, such person had reasonable grounds for believing that such person's conduct was lawful.

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

8.02 Insurance

Subject to the Act, the Credit Union may purchase and maintain insurance for the benefit of any person referred to in paragraph 8.01 against such liabilities and in such amounts as the Board may from time to time determine.

ARTICLE NINE

SHARES

9.01 Allotment

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.

9.02 Registration of Transfers

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 (a) payment of all applicable taxes and any fees prescribed by the Board, (b) compliance with such restrictions on transfer as are authorized by the Articles, and (c) upon satisfaction of any lien referred to in paragraph 9.04.

9.03 Transfer Agents and Registrars

The Board may from time to time appoint one 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 or more branch securities registers. Such a person may be designated as transfer agent and registrar according to such person's functions, and one person may be designated both registrar and transfer agent. The Board may at any time terminate such appointment.

9.04 Lien for Indebtedness

The Credit Union shall have a lien on any share registered in the name of a shareholder or such shareholder's legal representatives for a debt of that shareholder to the Credit Union, provided that if the shares of the Credit Union are listed on a stock exchange recognized by the Ontario Securities Commission, the Credit Union shall not have such lien. The Credit Union may enforce any lien that it has on shares registered in the name of a shareholder indebted to the Credit Union by the sale of the shares thereby affected or by any other action, suit, remedy or proceeding authorized or permitted by law and, pending such enforcement, the Credit Union may refuse to register a transfer of the whole or any part of such shares.

9.05 Non-recognition of Trusts

Subject to the provisions of the Act, the Credit Union may treat as absolute owner of any share 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.

9.06 Share Certificates

- (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 members upon request.
- (b) Subject to paragraph (a) hereof, every holder of one or more shares of the Credit Union shall be entitled, at such holder's option, to a share certificate, or to a non-transferable written acknowledgement of such shareholder's 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 acknowledgements 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 paragraph 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 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 or both of the officers whose facsimile signature appears thereon no longer holds office at the date of issue of the certificate.

9.07 Replacement of Share Certificates

The Board or any officer or agent designated by the Board may, in its or such officer's or agent's 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.

9.08 Joint Shareholders

If two or more persons are registered as joint holders of any share, the Credit Union shall not be bound to issue more than one certificate in respect thereof, and delivery of such certificate to one of such persons shall be sufficient delivery to all of them.

Any one of such persons may give effectual receipts for the certificate issued in respect thereof or for any dividend, bonus, return of capital or other money payable or warrant issuable in respect of such shares.

9.09 Deceased Shareholders

In the event of the death of a holder, or of one 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 AND RIGHTS

10.01 Dividends

Subject to the provisions of the Act, the Board may from time to time declare dividends, rebates of interest on loans or bonus interest on deposits payable to members and the shareholders according to their respective rights and interest in the Credit Union. Dividends, rebates or bonuses may be paid in money or property or by issuing fully paid shares, except for membership shares, of the Credit Union.

10.02 Cash Dividend Payments

A dividend payable in cash may be credited to the member or shareholder's account with the Credit Union, unless such holder otherwise directs. If the member or shareholder directs the credit union to pay the dividend by cheque, it shall be paid by cheque drawn on the Credit Union's bankers or one of them to the order of each 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 registered holder at such registered shareholder's recorded

address. In the case of joint holders, the cheque shall, unless such joint holders otherwise direct, be made payable to the order of all of such joint 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 to the extent of the sum represented thereby plus the amount of any tax which the Credit Union is required to and does withhold.

10.03 Non-receipt of Cheques

In the event of non-receipt of any dividend 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.

10.04 Record Date for Dividends and Rights

The Board may fix in advance a date preceding, by not more than 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 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.

10.05 Unclaimed Dividends

Any dividend unclaimed after a period of 3 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

11.01 Not to Govern Certain Meetings

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

11.02 Meetings

Subject to the Act, meetings of shareholders shall be held at such time as 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.

11.03 Special Meetings

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

11.04 Place of Meetings

At the discretion of the Board, meetings of shareholders shall be held at the head office of the Credit Union or elsewhere within Ontario.

11.05 Notice of Meetings

Notice of the time and place of each meeting of shareholders shall be given in the manner provided in paragraph 14.01 not less than 10 days nor more than 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 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 judgement 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.

11.06 List of Shareholders Entitled to Notice

For every meeting of shareholders, the Credit Union shall prepare a list of shareholders entitled to receive notice of the meeting. If a record date for the meeting is fixed pursuant to paragraph 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 registered 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.

11.07 Record Date for Notice

The Board may fix in advance a date, preceding the date of any meeting of shareholders by not more than 50 days and not less than 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 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.

11.08 Chair, Corporate Secretary and Scrutineers

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 of the Board or a Vice-Chair who is a director, unless the Board by resolution has designated another person who need not be a shareholder to chair the meeting. If no such person 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 or more scrutineers (who need not be shareholders) may be appointed by a resolution or by the chair with the consent of the meeting.

11.09 Persons Entitled to be Present

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.

11.10 Quorum

Subject to paragraph 11.11, regarding any class of special shares issued by the Credit Union and offered for sale pursuant to an offering statement, two persons present in person, each being a shareholder entitled to vote at the meeting or a duly appointed proxyholder 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 bylaw, shall be persons present in person, each being a shareholder entitled to vote at the meeting or a duly appointed proxyholder for an absent shareholder entitled to vote at the meeting, not being less than two in number and holding or representing by proxy not less than 20% of the total number of the issued shares of the Credit Union for the time being enjoying voting rights at such meeting.

Subject to paragraph 11.11, regarding any class of special shares issued by the Credit Union but not offered for sale pursuant to an offering statement, 50 persons present in person, each being a shareholder entitled to vote at the meeting or a duly appointed

proxyholder for an absent shareholder entitled to vote at the meeting, shall be a quorum at any meeting of the shareholders.

Regarding any meeting of the shareholders of the Credit Union, if there is no quorum, 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 paragraph 11.18, 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 such persons present in person, each being a shareholder entitled to vote at the meeting or a duly appointed proxyholder 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.

11.11 Right to Vote

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 paragraph 11.06, every person who is named in such list shall be entitled to vote the shares shown opposite such shareholder's name, except to the extent that such person has transferred any of such shareholder's shares after the record date determined in accordance with paragraph 11.07 and the transferee, having produced properly endorsed certificates evidencing such shares or having otherwise established that such person owns such shares, has demanded not later than 10 days before the meeting that such shareholder's 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 paragraph 11.05, 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 or more shares carrying the right to vote at such meeting.

11.12 Proxies

Every shareholder entitled to vote at a meeting of shareholders may appoint a proxyholder, or one or more alternate proxyholders, 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 a shareholder's attorney authorized in writing and shall conform with the requirements of the Act.

11.13 Time for Deposit of Proxies

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.

11.14 Joint Shareholders

If two 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 or more of those persons are present in person or represented by proxy and vote, they shall vote as one the shares jointly held by them.

11.15 Votes to Govern

At any meeting of shareholders every question shall, unless otherwise required by the Articles or the By-laws, 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 be entitled to a second or casting vote.

11.16 Show of Hands

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 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.

11.17 Ballots

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 proxyholder entitled to vote at the meeting may require or demand a ballot at any time prior to the introduction of the next question on the agenda by the chair. 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 such person 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.

11.18 Adjournment

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 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 or more adjournments for an aggregate of 30 days or more, notice of the adjourned meeting shall be given as for an original meeting.

11.19 Requisitions

Two or more shareholders who together hold not less than five per cent (5%) of the issued and outstanding shares of a class of shares may require that the Board call a meeting of the shareholders of that class.

ARTICLE TWELVE

LENDING

12.01 Lending

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

13.01 Annual Statements

Every member or shareholder applying in writing therefor 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 make extracts thereof during normal business hours free of charge.

13.02 Information Available to Members and Shareholders

A member or shareholder shall be entitled to have access to or review the members or shareholders register at the head office of the Credit Union during normal business hours, on not less than 3 full business days' written notice to the Credit Union by such member or shareholder. Except as provided by the Act, no member or 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, would not be in the interests of the Credit Union to communicate to the public.

13.03 Directors' Determination

The directors 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 a general meeting.

13.04 Fee for Copy of the Bylaws

A member of the Credit Union shall be entitled to a copy of the Bylaws upon payment of a fee of 25 dollars, or such lesser amount as may be prescribed by the Act from time to time.

ARTICLE FOURTEEN

NOTICES

14.01 Method of Giving Notices

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 Recipient shall be sufficiently given if delivered personally to the proposed Recipient or if delivered to the Recipient's recorded address or if mailed to the Recipient's recorded address by prepaid mail or if sent to the Recipient at the Recipient's 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 day after so depositing; and a notice so sent by any means of transmitted or recorded communication including, without limitation, electronic mail and facsimile 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 the Corporate Secretary to be reliable.

14.02 Signature to Notices

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 (a) written, stamped, typewritten, printed or electronically affixed, or (b) partly written, stamped, typewritten, printed or electronically affixed.

14.03 Proof of Service

A certificate of the Chair of the Board, a Vice-Chair, the President and Chief Executive Officer, the Corporate Secretary 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 of 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.

14.04 Notice to Joint Shareholders

All notices with respect to shares registered in more than one name shall, if more than one address appears on the records of the Credit Union in respect of such joint holdings, be given to all of such joint shareholders at the first address so appearing, and notice so given shall be sufficient notice to the holders of such shares.

14.05 Computation of Time

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.

14.06 Undelivered Notices

If any notice given to a member or shareholder pursuant to paragraph 14.01 is returned on 3 consecutive occasions because such member or shareholder cannot be found, the Credit Union shall not be required to give any further notices to such member or shareholder until such member or shareholder informs the Credit Union in writing of such member or shareholder's new address.

14.07 Omissions and Errors

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 found thereon.

14.08 Deceased Members or Shareholders

Any notice or other document delivered or sent by post or left at the address of any member or shareholder as the same appears in the records of the Credit Union shall, notwithstanding that such member or shareholder be then deceased, and whether or not the Credit Union has notice of such member or shareholder's 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 such member or shareholder's stead in the records of the Credit Union as the holder or one of the holders thereof, and such service shall for all purposes be deemed a sufficient service of such notice or document on such member or shareholder's heirs, executors or administrators and on all persons, if any, interested with such member or shareholder in such shares.

14.09 Persons Entitled by Death or Operation of Law

Every person who, by operation of law, transfer, death 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 such person derives title to such share prior to such person's name and address being entered on the securities register (whether such notice was given before or after the happening of the event upon which such person became so entitled) and prior to such person furnishing to the Credit Union the proof of authority or evidence of such person's entitlement prescribed by the

14.10 Waiver of Notice

Any member or shareholder (or such member or shareholder's duly appointed proxyholder), director, officer, auditor or member of a committee of the Board 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 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 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.

ARTICLE FIFTEEN

EFFECTIVE DATE

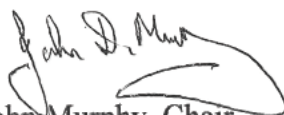
15.01 Effective Date

Subject to the Act, this By-law shall come into force upon close of the meeting at which it is confirmed by a special resolution of the members, following being passed by the Board.

Repeal of All Existing By-laws

All by-laws of the Credit Union in force on the day immediately preceding the day on which this By-law is confirmed, are hereby repealed.

CERTIFIED to be a complete and accurate representation of the by-laws of Meridian Credit Union Limited, effective the 20th day of April, 2017.


John Murphy, Chair