

# TransCanada Credit Union Ltd

## By-Laws

Approved on March 18<sup>th</sup> 2021



# TRANSCANADA CREDIT UNION LTD BY-LAWS

The following by-laws were approved by the required majority of members of TransCanada Credit Union Ltd (hereinafter called the “Credit Union”) and shall be the by-laws of the Credit Union.

## INTERPRETATION

1.1 In these by-laws and all the other by-laws of the Credit Union, unless the context otherwise specifies or requires:

- (i) “Act” means The Credit Union Act, 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 of the Credit Union to provisions of the Act shall be read as references to the substituted provisions therefor in the new statute or statutes;
- (ii) “By-law” means any by-law of the Credit Union, including any special by-law, from time to time in force and effect;
- (iii) “Regulations” means the Credit Union Act Regulations as amended from time to time in force and effect;
- (iv) “Board of Directors” means the directors of the Credit Union holding office from time to time;
- (v) “Ordinary Resolution” as defined by the Act and means a resolution carried by a simple majority;
- (vi) “Related Person”, where used to indicate a relationship with any person, means any spouse, son or daughter of that person, or any relative of that person or of his spouse, son or daughter who has the same home as that person;
- (vii) “Special Resolution” as defined by the Act and means a resolution carried by a 2/3 majority;
- (viii) all terms contained in the by-laws and which are defined in the Act shall have the meanings given to such terms in the Act; and
- (ix) 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.

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

1.3 Where notice to a member is required, under these by-laws, other than the notice calling a general or 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 five (5) days from the date the notice was delivered to the post office or on delivery by a private courier.

## MEMBERSHIP

- 2.1 (a) Membership in the Credit Union shall be limited to:
- (i) Permanent employees of TC Energy and any of its subsidiary or former subsidiary companies,
  - (ii) Subject to any conditions established by the Board, persons working under a contract for services on behalf of TC Energy, and its subsidiary or former subsidiary companies,
  - (iii) Employees of TransCanada Credit Union Ltd
  - (iv) Related Persons to a member,
  - (v) Incorporated or unincorporated associations related to employee activities of TC Energy and any of its subsidiary or former subsidiary companies.
- (b) A member who retires, ends their employment or contract for services may continue to hold membership in the Credit Union.
- 2.2 Two or more persons may apply for joint membership in the Credit Union.
- 2.3 Application for membership shall be made in writing, and the Board of Directors may from time to time specify the form of such applications.
- 2.4 No person shall be eligible for membership in the Credit Union until he has fully paid for twenty-five (25) common shares of the Credit Union.
- 2.5 (a) The Board of Directors may, at its discretion, authorize the manager of the Credit Union, or any other officer of the Credit Union, to approve applications for membership into the Credit Union.
- (b) All applications approved by a designated officer shall be reported to the Board of Directors at the next regular meeting of the Board of Directors following the approval.
- 2.6 The Board of Directors may, for good and sufficient cause, by a resolution passed by a majority of not less than three-quarters of the directors present at the meeting called to consider such a resolution, terminate the membership of a member.
- 2.7 A member whose membership is proposed to be terminated by a resolution of the Board of Directors is entitled to at least seven (7) day's notice of the meeting at which the resolution is to be considered together with a statement of the grounds upon which the membership is proposed to be terminated, and he is entitled to appear, either personally, or by or with an agent or counsel, to make submissions at the meeting.
- 2.8 Within seven (7) days after the date on which a resolution referred to in by-law 2.7 is passed, the Credit Union shall notify the person whose membership was terminated.
- 2.9 A meeting of members of the Credit Union may, by Special Resolution, terminate the membership of a member.

- 2.10 (a) A person whose membership has been terminated by the Board of Directors may appeal the decision to the Board of Directors within thirty (30) days from receipt or deemed receipt of the notice set forth in by-law 2.8 a person whose membership has been terminated by Special Resolution of a meeting of the members of the Credit Union may appeal the decision to the membership at the next Annual General Meeting of the Credit Union.
- (b) A person whose membership has been terminated shall not, failing a successful appeal, again be admitted to membership in the Credit Union except by Special Resolution of a General Meeting.
- 2.11 A member may make a request in writing to examine the member list, and the request shall state the reason that the member wishes to examine the member list for purposes of requesting a meeting of members in accordance with Section 56 of the Act.

## SHAREHOLDING

- 3.1 No member shall purchase or hold common shares in a number exceeding 3,500.
- 3.2 Common shares shall have the par value of \$1.00 each.
- 3.3 A person holding common shares may request the Credit Union, in writing, to redeem all, or a portion, of his common shares and the Board may at its sole discretion, and subject to any conditions of the Board, and subject to the redemption complying with the Act, approve the redemption of shares.
- 3.4 Upon redemption of any person's common shares, the Credit Union shall first deduct all amounts due from the person to the Credit Union and shall then remit to him the balance due in respect of the common shares redeemed.
- 3.5 A person holding common shares may request in writing a transfer of common shares to another member in accordance with the Act and these by-laws The Credit Union shall, after payment of all amounts due from the person to the Credit Union, transfer the balance of his common shares.
- 3.6 The Board of Directors shall determine from time to time:
- (a) The method of calculating dividends, if any, on common shares;
  - (b) The manner or method for determining a patronage rebate, if any;
  - (c) The record date for payment of a dividend on common shares or a patronage rebate; and
  - (d) The method of payment of a dividend on common shares or patronage rebate.

## MEMBERSHIP MEETINGS

- 4.1 Notice of all meetings of the members of the Credit Union shall be given by the secretary, who shall, not later than ten (10) days before the date of the meeting or earlier than forty (40) 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, and
- (a) Posting the notice on bulletin boards in offices where members commonly work, and would be reasonably expected to see the notice or,
  - (b) Sending the notice by prepaid mail to the latest address of the member as shown on the records of the Credit Union or,
  - (c) Delivering the notice to the member at the place of employment of the member or,
  - (d) In cases where the Board of Directors has reasonably determined that an interruption of mail services is in effect or imminent, then by publishing the notice in a newspaper that is circulated in the locality in which the head office of the Credit Union is situated.
- 4.2 All notices posted on a bulletin board or notice board, pursuant to by-law 4.10 hereof shall be left there for the duration of their currency. Prompt replacement of any prematurely removed notice is to be made.
- 4.3 If two or more persons are registered as holders of a joint membership in the Credit Union, notice to one such persons shall be sufficient notice to all of them.
- 4.4 Provided that the conditions under Section 58(3) of the Act for notice of an adjourned meeting are met, no further notice need be provided by the Credit Union of an adjourned meeting.
- 4.5 The chairperson of any meeting of members shall be the president, or in the absence of the president, the vice-president, or in absence of both, such other person as is appointed by the Board of Directors. If the secretary of the Credit Union is absent, the chairperson shall appoint a person to act as secretary of the meeting.
- 4.6 The business at an Annual General Meeting of the Credit Union shall include, but not be restricted to, the following items:
- (a) Roll call or registration of members to determine whether the quorum requirements have been met;
  - (b) Appointment/election of scrutineers;
  - (c) Adoption of the minutes of the last meeting;
  - (d) Report of the Board of Directors;
  - (e) Financial Statement presentation;
  - (f) Auditors report;
  - (g) Report of the Audit & Finance Committee;
  - (h) Report of the Credit Committee;

- (i) New business, including elections and amendments to by-laws;
- (j) A motion to destroy election ballots
- (k) Adjournment.

4.7 At all meetings of the members of the Credit Union, notice shall include a statement of the business to be transacted and notice shall be given of any proposed by-law amendments.

4.8 At all Annual Meetings of the Credit Union, quorum will be (a) 50 members if the credit union has assets of less than \$500 000 000, and (b) 100 members if it has assets of or exceeding \$500 000 000.

Where a vote is to be held on a special resolution, the quorum for that vote is (a) 75 members if the credit union has assets of less than \$500 000 000, and (b) 150 members if it has assets of or exceeding \$500 000 000.

If no quorum is present, the presiding officer of the meeting shall adjourn the meeting to a date and time not more than thirty (30) days thereafter.

4.9 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.

4.10 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 that fact.

4.11 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 purpose 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.

4.12 A vote by ballot will be considered spoiled wherein:

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

4.13 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 provisions of the Act to be present at the meeting. The Minister or his representative and the designated representative of the Credit Union Deposit Guarantee Corporation shall be entitled to attend all such meetings of the members, 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.

## VOTING RIGHTS

- 5.1 The Directors may set by resolution a record date for the purpose of determining which members are to receive notice of a meeting and which members are to be entitled to vote at a meeting, which record date shall not be later than ten (10) days before the date of the meeting or earlier than forty (40) days before the date of the meeting.
- 5.2 Any member of the Credit Union may vote on any question before the members but, subject to the by-laws and the Act, has only one vote on any question.
- 5.3 Each joint membership shall have only one vote the Credit Union shall be notified prior to the meeting which of the parties of the membership has been designated as the voting member.
- 5.4 No member of the Credit Union under the age of eighteen (18) years shall be entitled to vote.
- 5.5 Where a member of the Credit Union is other than an individual or a trustee or personal representative of a corporation, government body, 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 the Credit Union.
- 5.6 An individual authorized to represent a member under by-law 5.5 may exercise, on behalf of that member, all powers that the member could exercise as an individual member.
- 5.7 A member may represent more than one body corporate or association, such member may vote in his own right, if he is a member in his own right, as well as for the corporation(s) or association(s) he represents.

## VOTING BY MAIL

- 5.8 The Board of Directors shall, from time to time, determine whether the election of directors shall be conducted by mail ballot, by votes cast at a general meeting or by a combination thereof. The directors shall be entitled from time to time to determine, prior to any meeting being conducted for the purpose of electing directors, to have the election of directors conducted by any one or more of the procedures as set forth in this by-law. In the event that a combination of the procedures is used, then all votes cast pursuant to each procedure shall be counted together in determining the election of directors with each member to vote only once overall.
- 5.9 Should the Board of Directors determine that the election of directors shall include or be restricted to a mail ballot, mail ballots for such elections shall be distributed to all members eligible to vote, at each member's last known address. Ballots mailed to the member shall be mailed sufficiently in advance of the election deadline to permit not less than ten (10) business days for completion by the member and return mailing.
- 5.10 Mail ballots shall include instructions for completion.
- 5.11 Mail ballots shall include the election ballot, a ballot envelope which can be sealed and which includes a method as determined by the Board of Directors from time to time to permit voter verification, and a ballot envelope.
- 5.12 All ballots shall be return addressed directly to an independent third party approved by the Board of Directors for verification and counting.

- 5.13 No ballots postmarked, or if delivered by method other than post, received, after the final date for election returns shall be included in the election count.
- 5.14 A mailed ballot received under this section will be considered spoiled when
- (a) More than one ballot is included in a ballot envelope;
  - (b) The ballot envelope cannot be verified as valid in accordance with the method of verification as determined by the Board of Directors; or,
  - (c) Any of the conditions of by-law 4.12 apply.
- 5.15 The votes cast for the election of directors by mail ballot, if any, shall be counted in conjunction with the results of the voted for directors cast at the General Meeting, if any.

#### BOARD OF DIRECTORS

- 6.1 A director, in addition to qualifications under Section 65 of the Act, must meet the following qualification:
- (a) Shall be a member in good standing of the Credit Union;
  - (b) Shall have been an employee of TC Energy or any other Company either wholly owned or managed by TC Energy for a minimum of one year immediately prior to his election;
  - (c) Shall be bondable;
  - (d) Shall not have been discharged from bankruptcy in the past five years;
  - (e) Shall not be in violation of the Credit Union's policies, by-laws, the Act or its Regulations; and,
  - (f) Shall not be in breach of his oath in office as a director, including, but not limited to confidentiality of Credit Union or member information.
- 6.2 Where a director no longer meets the qualifications of a director under by-law 6.1, such director shall submit his resignation to the Board of Directors and, if such director fails to do so, the Board of Directors shall, and it is hereby empowered to, remove the director if it becomes aware of a defect in such director's 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 of Directors until the matter of such director's qualification is resolved or for a specified period of time not to exceed ninety (90) days.
- 6.3 Notwithstanding by-law 6.1 the Board of Directors shall always, with just cause, have the right to question the qualifications of a director and to subsequently suspend any such director or request any such director's resignation.

- 6.4 A director ceases to hold office when the director
- (a) Dies or resigns;
  - (b) After notice pursuant to the Act, is removed from office by Ordinary Resolution of the members at a General Meeting; or,
  - (c) Becomes disqualified or is removed by the Board of Directors, pursuant to by-law 6.1, 6.2, or 6.3 unless a resolution to suspend is passed by the Board of Directors pursuant to by-law 6.2.
- 6.5 The Board of Directors shall be comprised of no fewer than seven (7), and no more than nine (9) persons duly elected by the members. The authority and powers of the Board of Directors will not in any way be diminished in the event that there is a vacancy on the Board.
- 6.6 A nominating committee may be appointed by the Board of Directors to place candidates for election to the Board of Directors before the membership, provided that the report of the committee may be supplemented by further nominations which may be made verbally or in writing by any member present at any meeting which may be held to elect directors.
- 6.7 The members shall elect directors at the first meeting of members and at each Annual Meeting of members thereafter. The term of office for directors shall be until the third Annual Meeting following their election.
- 6.8 If there is a failure to elect the approved number of directors in the manner determined by the Board of Directors pursuant to by-law 6.7, the directors then in office shall forthwith call a meeting of members to fill the vacancy and, if they fail to call a meeting or if there are no directors then in office, the meeting may be called by any member.
- 6.9 In the event a vacancy occurs on the Board of Directors, the Board of Directors may, by Special Resolution, appoint a replacement to serve until the next Annual General Meeting of the Credit Union.
- 6.10 At the first meeting following the Annual General Meeting of the Credit Union, the Board of Directors shall choose from their own members a president and a vice president, and such other officers, as they consider necessary. Elections for officers shall be by secret ballot. All other 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.
- 6.11 A director is required to attend a minimum of 75% of all properly constituted Board of Director meetings per year, unless the director has provided advance notice with good cause, and the director's absences have been approved by the Board of Directors. If a director fails to attend the required number of meetings in a year or misses three consecutive meetings without the approval of the Board of Directors, the director's office may be declared vacant by the Board of Directors and the director may cease to be a director and the vacancy shall be filled as provided by in by-law 6.9.
- 6.12 Subject to the Act and the by-laws of the Credit Union, the Board of Directors is responsible for the general management of the business and affairs of the Credit Union.

## DESIGNATION AND POWERS OF OFFICERS

- 7.1 Officers of the Credit Union shall include, any person in office identified in Section 1(1) (mm) of the Act and Regulations, and such other persons or positions as may be set by resolution by the Board of Directors from time to time.
- 7.2 All officers shall perform such other duties not inconsistent with the Act, the Regulations and the by-laws as may be authorized by the Board of Directors.
- 7.3 The president 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 unable to do so;
  - (c) Shall ensure that a delegate is appointed to attend those functions which the president deems necessary; and,
  - (d) Shall perform such other duties and functions as the Board of Directors may prescribe.
- 7.4 The vice president shall substitute for the president and perform all of the president's duties and exercise all of the president's powers when the president is unable to do so.
- 7.5 The secretary shall cause correct minutes to be kept of all meetings of the Board of Directors. The secretary shall cause proper notice of all meetings of the Board of Directors to be provided. In the absence of the secretary, a person present at a meeting shall be appointed by the chairman, with the consent of the meeting, to act as secretary for the meeting.
- 7.6 The Board of Directors is authorized to delegate by resolution any of its powers, duties or functions under this by-law, the Act or the Regulations, to any officer, director or committee of the Credit Union.

## COMMITTEES

- 8.1 Pursuant to the requirements of Section 80 of the Act, the Board of Directors shall appoint such committees, as it considers necessary.
- 8.2 Committee members who are not directors may, at the discretion of the Board of Directors, be subject to election by the membership.
- 8.3 The audit and finance committee may, to fulfill their duties, utilize the services of an external auditor, and the external auditor shall report directly to the audit and finance committee all their findings.
- 8.4 The credit committee may, subject to the approval of the Board of Directors, delegate any of its powers, duties and functions to approved officers or committee members 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.

## BOARD OF DIRECTORS AND COMMITTEE MEMBERS

- 9.1 The Board of Directors shall meet no less frequently than ten (10) times during a year, and more often if the business of the Credit Union warrants.
- 9.2 Committees shall meet according to the following minimum schedules:
- (a) Audit and Finance Committee- Quarterly
  - (b) Credit Committee - as required
  - (c) Other committees- as required
- 9.3 A meeting of the Board of Directors or of a committee 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 the purposes of the Act and these by laws, the directors participating by those means are deemed, subject to the requirements of the Act as to Board of Director meetings, to be present at the meeting.
- 9.4 A written resolution signed by a majority of the directors of the Credit Union shall constitute a proper and valid resolution of the Board of Directors and shall have the same force and effect as if passed by the Board of Directors at a meeting duly held and constituted for the purpose of passing such resolution.
- 9.5 Notice of a meeting of the Board of Directors or of a committee, including the date, time, place and agenda, shall be communicated by announcement at the preceding meeting, by telephone, facsimile, post or by electronic mail, to each director or committee member not less than two (2) days prior to the meeting. In the event a meeting by telephone conference call of the Board of Directors or a committee is required, notice shall be given in person or by telephone to each participant, not less than twenty-four (24) hours in advance of the conference call.
- 9.6 Notice may be waived by the Board of Directors or a committee upon a poll of the members with simple majority agreement, for the purpose of holding a meeting of the Board of Directors or a committee.
- 9.7 A quorum of the Board of Directors shall be not less than 50% of the directors. A quorum of a committee shall not be less than:
- (a) Audit and Finance Committee- simple majority, at least one of whom shall be a director
  - (b) Credit Committee- simple majority
  - (c) Other Committees- simple majority
- 9.8 Voting by the Board of Directors or committees shall be a show of hands, unless otherwise required by a member of the Board of Directors or a committee.
- 9.9 The Board of Directors currently receive no remuneration from the Credit Union and any amendment to this will require the prior approval of the membership via resolution at an annual meeting.

SUBSIDIARIES

10.1 The Credit Union shall not invest in any form of subsidiary business.

RELATED PARTY TRANSACTIONS

11.1 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 the Credit Union which do not exceed the amounts prescribed by the regulations; or,
- (c) Enter into a transaction with a related party for the sales of goods or the provision of services at fair market rate.

PASSED by the Board of Directors this 18 th day of March 2020

WITNESS the corporate seal of the Credit Union

PASSED by the required majority of the members present at a meeting of TransCanada

Credit Union Limited, duly held 20<sup>th</sup> March 2020

\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary

TransCanada Credit Union Ltd

## By-Laws

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