

BULLETIN NUMBER:	CU-18-003 (REPLACES INFORMATION BULLETIN CU-16-002)
TITLE:	CREDIT UNION CONSTITUTION AND RULES AMENDMENTS
LEGISLATION:	<i>CREDIT UNION INCORPORATION ACT</i>
DATE:	OCTOBER 2018
DISTRIBUTION:	BRITISH COLUMBIA CREDIT UNIONS

PURPOSE

This bulletin sets out the process by which British Columbia (BC) credit unions may apply for preliminary and formal consent for filing of Special Resolutions amending their Constitution or Rules.

BACKGROUND INFORMATION

A credit union must receive the consent of the Commission before filing any alteration to its Constitution or Rules with the Registrar of Companies. To avoid situations where a credit union passes a Special Resolution which is subsequently refused the Commission's consent, each Special Resolution should be submitted to the Financial Institutions Commission (FICOM) for preliminary consent before a vote is put to a credit union's members.

LEGISLATIVE PROVISIONS

Section 39.71 of the *Credit Union Incorporation Act* (CUIA) provides that the Registrar of Companies must not accept for filing a resolution to alter the Constitution or Rules of a credit union without first receiving the consent of the Commission. Sections 39.74(1), 39.76 and 39.77(1) provide that a credit union may alter its Constitution or Rules by Special Resolution.

APPLICATION PROCESS

A credit union wishing to amend its Constitution or Rules should submit an application for preliminary consent of the proposed Special Resolution to FICOM prior to it being voted on by the credit union's members.

An application for preliminary consent must include:

- a cover letter with a brief summary/rationale of the proposed amendments;
- a draft copy of the Special Resolution;
- for Rules amendments, a Summary of Proposed Rules Amendments (a template is attached to this bulletin);
- for Constitution amendments, a red-lined version of the amended Constitution highlighting the proposed changes;
- a clean version of the amended Constitution or Rules;
- confirmation that the amendments have been approved by the Board (either through a Board Resolution or meeting minutes); and
- confirmation that the proposed amendments have been reviewed by the credit union's legal counsel.

Once preliminary consent has been given, a Special Resolution to amend the Rules of a credit union requires the formal consent of the Commission before it can be filed with the Registrar of Companies. Therefore, once the Special Resolution passes a vote by the credit union's members, the credit union must submit an application for formal consent to FICOM.

An application for formal consent must include:

- three certified copies of the Special Resolution, using a blank [Form 19](#) (available on our website);
- non-refundable application fee made payable to the Minister of Finance¹; and
- a cheque for \$125 made payable to the Minister of Finance for the Registrar of Companies' filing fee.

TIMELINES AND SUBMISSION INSTRUCTIONS

All notices and materials referenced in this Bulletin, as well as any enquiries, can be submitted via email to StatApprovals@ficombc.ca or by mail to the following address:

Financial Institutions Division
c/o Statutory Approvals
2800 – 555 West Hastings Street
Vancouver, BC V6B 4N6

FICOM staff will begin their review of an application upon receipt of the requested documentation in full. Please reference [Information Bulletin FI-18-00 – Timelines for Statutory Approvals Applications](#) for application timelines.

¹ Please refer to Schedule 1 of the [Financial Institutions Fees Regulation](#) to the *Financial Institutions Act* for further information on fees applicable to each transaction. Applications for consent on Special Resolutions are under Section 39.71 of the CUIA.

The timeline above serves as a general guideline, but may vary depending on the volume of requests received and the complexity of the individual application. FICOM staff will undertake to complete assessments as quickly as possible; however, the length of time spent reviewing an application will depend on the specifics of each application. An applicant can expedite the process by filing a complete application and providing all required supporting information at the outset of the application process.

At the Financial Institutions Commission, we issue information bulletins to provide technical interpretations and positions regarding certain provisions contained in the *Financial Institutions Act* and *Insurance Act*, Regulations and other pertinent legislation. While the comments in a particular part of an information bulletin may relate to provisions of the law in force at the time they were made, these comments are not a substitute for the law. The reader should consider the comments in light of the relevant provisions of the law in force at the time, taking into account the effect of any relevant amendments to those provisions or relevant court decisions occurring after the date on which the comments were made. Subject to the above, an interpretation or position contained in an information bulletin generally applies as of the date on which it was published, unless otherwise specified.

SUMMARY OF PROPOSED RULES AMENDMENTS OF [CREDIT UNION]

The following table summarizes the significant Rules amendments proposed by [Credit Union] ([abbreviated name]):

	Current Rule	Proposed Rule Amendment	Summary/Rationale
1			
2			
3			
4			
5			