

# Regulatory Statement

## Member Proposal at Credit Union Meeting

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<b>Regulatory Statement Number</b>	25-002
<b>Legislation:</b>	<i>Credit Union Incorporation Act</i>
<b>Date:</b>	February 10, 2025
<b>Distribution:</b>	B.C. Credit Unions

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### PURPOSE

This Regulatory Statement ("Statement"):

- (1) Sets out the position of BC Financial Services Authority ("BCFSA") on section 77.1 [Member's proposal at annual general meeting] of the *Credit Union Incorporation Act* ("CUIA"); and
- (2) Provides instructions for submitting an appeal to the Superintendent of Financial Institutions ("Superintendent") under sections 76(9) [Special general meetings]; 77(9) [Member's special resolutions at general meetings], and 77.1(7) of the CUIA.

### BACKGROUND INFORMATION

Members of a credit union may propose a matter for consideration at a general meeting under sections [76, 77 and 77.1 of the CUIA](#). There are important differences in the requirements under each of these sections of the CUIA. Differences include the number of requisitioning members required, the nature of the proposal permitted, and the nature of the meeting at which the proposal is to be considered. Relevant definitions apply, as set out in section 1 [Definitions] of the CUIA, and for section 76 of the CUIA alone. This Statement is not intended to be exhaustive of all requirements in the CUIA. Additional requirements may also be included in a credit union's rules.

If a proposal is made, the directors must, in accordance with the applicable section of the CUIA, decide to:

- Call the requisitioned special general meeting;
- Allow consideration of a special resolution at a general meeting;
- Allow consideration of a single member proposal at an annual general meeting ("AGM"); or
- Refuse the same.

The directors must also provide notice of their decision (including reasons) to the member or members.

If the directors refuse, the member, or a representative of the requisitioning members as the case may be, may appeal to the Superintendent. In turn, the Superintendent may either confirm or reverse the directors' decision. Where the Superintendent orders the directors to proceed with the member proposal, the Superintendent may require amendments to the proposal, notice and/or establish procedures for the conduct of the meeting, as more particularly set out in the CUIA.

Classification: **Public**

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## REQUIREMENTS

### Single Member Proposal

Under section 77.1 of the CUIA, a single member of a credit union may propose a matter for consideration at an AGM of the credit union (the “Single Member Proposal”). If the directors of the credit union receive a Single Member Proposal that complies with all other requirements, the directors must decide to allow or to refuse to allow consideration of the Single Member Proposal at the AGM. Based on the wording of section 77.1 and context provided by sections 76-77.1, a Single Member Proposal may not include any resolution or matter requiring a vote.

## INSTRUCTIONS

A member whose proposal has been refused by the credit union’s directors may appeal the decision to the Superintendent by contacting BCFSA’s Legal Department at [corporate.legal@bcfsa.ca](mailto:corporate.legal@bcfsa.ca). The respondent credit union should be copied on the communication. Please include “**Member Appeal under the CUIA**” or similar in the subject line, together with the section of the CUIA that is relied on. Members and credit unions should refrain from writing directly to the Superintendent (or delegated decision-maker) unless invited to do so in direct submissions. An appeal made under section 76(9) of the CUIA is subject to a non-refundable \$100 fee. BCFSA will provide instructions for remitting payment where applicable.

BCFSA legal counsel may or may not refer the appeal to the Superintendent (or their delegate) for consideration. For example, if the proposal does not meet all the requirements in the CUIA, and/or the directors have *not* refused to allow consideration of the proposal under sections 76(5)(b), 77(5)(b), 77.1(3)(b) of the CUIA, any appeal may be premature. Appeals under sections 76- 77.1 of the CUIA will normally be conducted through the exchange of written submissions. The Superintendent’s order (if any) will be in writing, with reasons to follow. The Superintendent’s order may be appealed, as set out in section 98 [Appeal] of the CUIA.

## ADDITIONAL INFORMATION

AGMs have specific business to conduct and should not, in the ordinary course, become a forum for member-initiated votes. The CUIA specifies mechanisms for a multi-member proposal to include a resolution, as described above.

Credit unions and members are urged to work together in a timely way with respect to member proposals. Sections 76- 77.1 of the CUIA set timelines for members and directors that may be challenging to meet without cooperation; members may not have access to legal or business resources like the directors. If the directors refuse to allow consideration of a member proposal, it is a good practice for the directors to provide their reasons by written notice to the member. A written record assists review by the Superintendent (or their delegate) in any appeal.

## LEGISLATION

[CUIA, ss. 76-77.1, 84.43, 93, 98](#)

*Financial Institutions Fees Regulation, s. 2 item 14*

*Regulatory Statements establish the form and content of a regulatory submission; prescribe the manner of meeting or enforcing a requirement existing in an enactment; and/or provide the regulator’s view of the laws that BC Financial Services Authority administers. Regulatory Statements are made pursuant to a requirement or power contained in provincial legislation. Compliance with a Regulatory Statement is therefore mandatory. Regulatory Statements may refer to law, practice, or background existing at the time of publication. If relying on the legal information contained in a Regulatory Statement, confirm that any references to the law, including enabling legislation, are up to date and obtain independent legal advice, when needed. Regulatory statements are effective on the date of their publication, unless stated otherwise.*

See also [Regulatory Statement 23-019](#): *Credit Union Constitution and Rules Amendments*

Copies of the legislation are available from [www.bclaws.gov.bc.ca](http://www.bclaws.gov.bc.ca)