

Advisory

Credit Unions Issuing Equity Shares to Non-Members

Date: March 3, 2026
Distribution: B.C. Credit Unions
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PURPOSE

BC Financial Services Authority (BCFSA) is issuing a [Regulatory Statement](#) (Statement) to provide guidance to B.C. credit unions that intend to issue equity shares to investors who are not credit union members. This Statement provides BCFSA's updated position on a credit union's ability to issue equity shares (other than membership shares) to non-members.

BACKGROUND

BCFSA is engaged in a multi-year initiative to modernize the capital framework for B.C.'s credit unions, the Capital Modernization Project (Project). Through extensive stakeholder consultation during the Project, BCFSA heard from credit unions that uncertainty about their ability to issue equity shares to non-members restricted their ability to raise capital.

ADDITIONAL INFORMATION

Credit unions are reminded that key requirements for issuing equity shares under the *Credit Union Incorporation Act* (CUIA) include:

- The credit union's constitution and rules provide for issuing the shares (see section 55 [Shares]);
- Entitlement to share certificates (see section 60 [Entitlement to share certificate]); and
- Filing a disclosure statement with the Superintendent of Financial Institutions and providing the disclosure statement to a person acquiring securities, where applicable (see section 62 [Security issue preconditions]).

Share certificates and disclosure statements contain important risk disclosures for persons acquiring credit union equity shares: (1) **the equity shares are not guaranteed by the Credit Union Deposit Insurance Corporation**, and (2) **neither the Superintendent of Financial Institutions nor any other authority of the government of the Province of British Columbia has in any way passed on the merits of the matters dealt with in a disclosure statement**. As a starting point for their own further enquiries, credit unions can see the CUIA, *Credit Union Disclosure Statement Exemptions Regulation*, and the Statement.

When a credit union files a statement with the BC Securities Commission (BCSC) or similar authority outside British Columbia, the credit union must consider filing the statement with the Superintendent of Financial Institutions, as set out in the *Financial Institutions Act* (FIA) (see section 127(2)(a) [Filings]). Credit unions should be aware that updates from BCSC related to non-member shareholding, including [BC Instrument 45-531](#), may follow.

Classification: Distribution

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Credit unions are cautioned that neither this Advisory nor the Statement is exhaustive of all requirements for credit unions to issue equity shares or other security instruments. Separate requirements under the CUIA and FIA apply. The *Securities Act* also applies to a credit union.

Credit unions are urged to obtain their own legal advice prior to issuing any securities, including equity shares to non-members.

For questions regarding this Advisory, credits unions can contact their Relationship Manager at BCFSa and general inquiries can be submitted to info@bcfsa.ca.