





## Notice of 2023 Annual General Meeting (Virtual AGM)

### Thursday, April 27, 2023 6:30 pm

Pre-registration for the AGM will be open from March 30 to April 20, 2023. Information will be posted to prospera.ca (click the 2023 AGM banner) in the coming weeks. Be sure to check back soon.

The virtual AGM can be accessed at prospera2023agm.com

# Special Resolution 2023-01

The Prospera Board of Directors ("board") is bringing this special resolution to you, our members, in time for our 2023 AGM, which marks our third anniversary as an amalgamated credit union. In addition to the regular business conducted annually, we will be announcing the results of this vote and of the 2023 Directors Election (the Directors Election booklet can be found on <u>prospera.ca</u> and <u>prosperavote.ca</u>) at the AGM on Thursday, April 27, 2022, and we look forward to your participation.

The Board is seeking your approval for Special Resolution 2023-01 to amend Prospera's Credit Union rules (the "rules").

Following a detailed review, the board is recommending several changes to the rules that will further strengthen and enhance the sound governance practices within Prospera.

We are asking members to vote on a special resolution that would replace our current rules with a comprehensive, revised set of rules. The information you will need to make an informed decision with respect to Special Resolution 2023-01 is included in this booklet. Supplemental information can be found at **prosperavote.ca**.

#### **SPECIAL RESOLUTION 2023-01**

#### BE IT RESOLVED, as a Special Resolution that:

- 1. The Rules of Prospera Credit Union dated January 1, 2020, and attached as Schedule A, be rescinded in their entirety; and
- 2. The Rules attached as Schedule B, be approved and adopted as the rules of Prospera Credit Union.

**NOTE:** This booklet can be downloaded and saved for future reference.

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#### **VOTER ELIGIBILITY**

To be eligible to vote in the 2023 Special Resolution, a member must be 19 years or older and be a member in good standing.

Member in good standing means a member who, on or before November 15, 2022, holds five membership shares.

Eligible members are entitled to cast **one** ballot in the 2023 Special Resolution by using one of the voting methods listed below. If a member casts more than one ballot in their individual or representative capacity, all ballots cast by this member will be void.

#### **VOTING METHODS**

All eligible voting members will receive (or have received) a notice in the mail (together with a mail-in ballot) that includes their unique ballot # and password to securely vote in the special resolution.

Please retain a copy of your ballot # and password as you will need it to vote online or in branch. If you have lost or misplaced your ballot # or password, please contact membervote@prospera.ca.

#### There are three methods to cast your vote.

Please vote using one method only.

#### 1. Mail-in ballot

Eligible members may vote by completing the mail-in ballot provided with the notice. Once you have marked your ballot by placing an X beside your selection, place the ballot in the supplied return envelope (no postage is required) and seal the envelope. Mail the envelope and ensure it is received by the returning officer c/o Avenue 4 by 5 pm on April 20, 2023 (please allow four business days for mailing as per Canada Post).

All businesses, corporations, partnerships and other entities (the "entity" or "entities") can vote through their authorized representative. To designate an authorized representative, entities must complete the Designation of Authorized Representative form (the "designation"). Entities voting by mail must complete the designation portion on their mail-in ballot (located on the reverse side of the ballot).

#### 2. Voting online

Online voting will open on April 10, 2023 at 9 am and close on April 20, 2023 at 5 pm.

Eligible voting members may vote securely online, by visiting <u>prospera.ca</u> (clicking on the 2023 Special Resolution + Directors Election banner) or on <u>prosperavote.ca</u>.

Entities voting online will be required to enter their ballot # and password, then will be prompted to download and complete the designation prior to submitting their vote. Once the designation has been completed and signed (electronic signatures are valid) by the signing authorities of the company, partnership or other entity on file with Prospera, the designation must be emailed to <u>membervote@prospera.ca</u>. If the entity does not complete and return a copy of the designation to <u>membervote@prospera.ca</u> prior to the voting deadline of 5 pm on April 20, the vote of the entity will be disallowed.

The designation form can be completed ahead of casting your vote by downloading the designation form at **prosperavote.ca**, completing, signing and returning it by email to **membervote@prospera.ca**.

#### 3. Voting in branch

In-branch voting will open on April 10, 2023 at 9:30 am and close on April 20, 2023 at 5 pm.

Ballots for in-branch voting will be electronic and made available through a secure portal to be accessed by eligible voting members in the branch. Members must bring their ballot (the portion that includes their unique ballot # and password), along with a piece of government issued picture ID, to a Prospera employee in the branch, for assistance with online in-branch voting.

#### **VOTING PERIOD**

Voting in the 2023 Special Resolution commences at 9 am on April 10, 2023 and ends at 5 pm on April 20, 2023. All mail-in ballots must be received by the returning officer c/o Avenue 4 (our third-party administrator) by 5 pm on April 20, 2023. Voting can be completed electronically via **prospera.ca** or **prosperavote.ca** until 5 pm on April 20, 2023. Mail-in ballots received prior to commencement of voting (9 am on April 10, 2023) will be deemed effective and dated as at 9 am on April 10.

#### **VOTER CONFIDENTIALITY**

An independent returning officer is appointed by the board to oversee the election ballot counting process. The online and mail-in ballots are designed to ensure the secrecy of your vote. Mail-in and online ballots are sent directly to the returning officer through Avenue 4 for authentication. Once authenticated, mail-in ballots are processed through a secure site and cross-referenced with the online votes to eliminate any duplicate votes. After all ballots are processed, the results are tabulated and provided to the returning officer.

#### **VOTING RESULTS**

The results of the special resolution will be announced at our virtual AGM on Thursday, April 27, 2023 and subsequently posted on **prospera.ca**.

In order for a special resolution to be approved, a majority of not less than two-thirds of the votes cast by members eligible to vote must be in favour of the special resolution.

# **B** Special Resolution 2023-01

The objective of the review was to ensure a set of rules that align with the strategic direction of Prospera and further enhance the foundation for sound governance practices. The proposed amendments focus on the practical application of the rules in a digital environment, reinforces democratic processes and further supports Prospera's ability to exercise sound governance practices in an equitable manner.

### **Summary of Proposed Rule Amendments**

A detailed summary of the administrative and substantive proposed amendments to the current set of rules can be found <u>here</u>, which is an annotated copy of the current rules detailing the proposed amendments, together with a detailed summary of each amendment. For your reference, a copy of the current set of rules forms Schedule A of this booklet, and the proposed new set of rules forms Schedule B of this booklet.

In addition to the administrative and substantive changes proposed to enhance clarity throughout the rules, some of the more notable changes include:

PROPOSED UPDATE	CURRENT RULE / RATIONALE FOR AMENDMENT
Updating language to ensure inclusion, which is part of Prospera's diversity, equity and inclusion (DEI) journey.	Currently, Prospera's rules reference outdated gender terminology. This proposed amendment revises such language to ensure it aligns with DEI.
Enhancing Prospera's ability to operate in a digital environment.	Minor amendments proposed throughout the rules to provide clarity and leverage the use of electronic means as provided by applicable legislation.
Amending criteria regarding the <b>Validity of</b> <b>Ballots</b> in a Directors Election ( <b>provision 9.15</b> ), more specifically eliminating the requirement for members to vote for the number of candidates to be elected.	Currently, Prospera's rules require that members vote for the number of candidates to be elected in a director's election; otherwise, their ballot is considered invalid and not counted. This proposed amendment will eliminate this requirement and allow members to vote for the number of candidates of their choice, but not exceed the number of candidates to be elected. This means members will not be forced to vote for candidates that they would not vote for otherwise. <b>Note:</b> members are still required to vote for the number of candidates to be elected in the 2023 election as this amendment has not yet been approved.
Amending criteria for the <b>Disqualification</b> of <b>Candidates and/or Board Members</b> (provision 8.2), more specifically allowing former employees and directors of other credit unions to be eligible to serve as a director of Prospera (if duly elected), after two years have passed from the date they ceased their position at the former credit union.	Currently, Prospera's rules require that seven years must pass before those persons are eligible. This proposed amendment will provide the opportunity for highly qualified candidates with industry experience to become members of the Prospera board in a timely manner.

# B Special Resolution 2023-01 Continued

PROPOSED UPDATE	CURRENT RULE / RATIONALE FOR AMENDMENT
Amending the <b>Number of Nominations Required</b> ( <b>provision 9.3</b> ), more specifically removing the need for potential candidates to obtain nomination by three members in good standing.	Currently, Prospera's rules require that members submit nomination by three members in good standing for their nomination application to be valid. This proposed amendment will eliminate this requirement and provide for the equal treatment of all members by ensuring that skilled members are not deterred from seeking a board position, nor does it exclude members who may be unable to locate three Prospera members to nominate them. Potential candidates will still be required to submit a nominations application as required by the Governance and Nominations Committee.
Delete the threshold needed by members to requisition a <b>Special Resolution (provision 13.2)</b> .	Currently, Prospera's rules reflect a provision in legislation that requires a certain threshold of members needed to requisition a special resolution. The proposed amendment deletes the threshold from the rules and provides for neutral language that will ensure the rules comply should an amendment to legislation come into force.
	It is important to note that a member's right to requisition a special resolution is governed under legislation, and therefore, is not required to be explicitly provided for in the Rules. Members have this right regardless of whether it is embedded in the rules.

### **Special Resolution 2023-01**

Please read the Special Resolution below and then cast your vote either online, by marking your mail-in ballot or electronically in branch.

#### **BE IT RESOLVED, as a Special Resolution that:**

- 1. The Rules of Prospera Credit Union dated January 1, 2020, and attached as Schedule A, be rescinded in their entirety; and
- 2. The Rules attached as Schedule B, be approved and adopted as the Rules of Prospera Credit Union.

# **Voting Deadline**

Ballots must be received by the returning officer c/o Avenue 4 no later than 5 pm on April 20, 2023.

Voting can be completed online at **prospera.ca** or **prosperavote.ca** until 5 pm on April 20, 2023.

For assistance, please email <u>membervote@prospera.ca</u>