

Proposed Rule Changes - 2026

Rule	Rule change	Purpose
9: Elections	9.4. e) In order that a person may become a candidate for election to the position of Director that person must complete a nomination form prescribed by the Board including any necessary requirements to comply with New Zealand law and shall be nominated by not fewer than two persons entitled to vote. Those persons who shall sign the nomination paper and, after having obtained the consent in writing of the person so nominated, shall forward or lodge the nomination to the Returning Officer at the address of their office so as to be in the Returning Officer's hands before four o'clock on the afternoon of the last day for receipt of nomination of candidates. The person nominated to be a candidate must be deemed eligible and fit and proper as outlined in Rule 10.3.1.	To expressly incorporate fit and proper requirements into the Director nomination and election process.
10: Board of Directors	10.1 The Board of Directors shall consist of: a) Elected and Non-Elected Directors i. Six Up to seven Directors in total, of which up to three may be non-elected Directors, appointed by the Board on terms and conditions determined by the Board, with skills that add value to the Board and the Credit Union as a whole. Elected and non-elected Directors are subject to meeting suitability requirements under New Zealand law and being deemed fit and proper to serve as a Director of the Credit Union in accordance with its Fit and Proper Policy at the sole discretion of the Board. b) Non-Elected Directors i. Up to two non-elected Directors, appointed by the Board on terms and conditions determined by the Board, with skills that add value to the Board and the Credit Union as a whole, subject to the non-elected Directors meeting suitability requirements under New Zealand law. 10.3.1 Any member as defined in Rule 7.1.1, with the exception of any employee of the Credit Union, shall be eligible for nomination to an elected position as Director. To qualify for participation in an election, the nominated member must meet suitability requirements under New Zealand law and be deemed fit and proper to serve as a Director of the Credit Union in accordance with its Fit and Proper Policy at the sole discretion of the Board.	To provide for a Board composition that may include elected and non-elected Directors, and to ensure all Directors meet applicable suitability and fit and proper requirements.

	10.7 At least four elected Directors shall constitute a quorum for the transaction of business at any meeting thereof but fewer than a quorum may adjourn from time to time until a quorum is in attendance. Written notice of an adjourned meeting need not be given to the Directors.	To align the quorum requirement with the proposed Board composition, which may include both elected and non-elected Directors.
	10.8 If a Director fails to attend regular meetings of the Board for three consecutive meetings, is deemed to have failed the expectations of being fit and proper as outlined in the Fit and Proper Policy (including being found to be in serious breach of the Director's Code of Conduct), or otherwise fails to perform any of the duties delivered upon them as Director, their office may be declared vacant by the Board and the vacancy filled as herein provided.	To align the Rules with the standards of conduct and suitability expected of Directors.
11: Disqualification of Directors	11.5 Is deemed to no longer meet the criteria of being fit and proper as defined in the Fit and Proper Policy after following due process outlined in the same Policy; or 11.6 Is deemed to be in serious breach of the Director's Code of Conduct after following due process outlined in the Fit and Proper Policy; or 11.75 Resigns their office by writing to the Credit Union.	To align the Rules with the standards of conduct and suitability expected of Directors.
19: Loans to members	19.4 The maximum indebtedness of a member in respect of an unsecured loan (whether wholly secured or, in the case of a loan which is partly secured and partly unsecured, that part which is unsecured) shall at the time the loan is made be an amount not exceeding the limit set by resolution of the Board. The limit set by resolution may not at any time exceed any limitations as set out in the Act. a) The Credit Union may lend to members on the following securities: i. Personal Property security ii. Mortgage of an estate in land iii. The Surrender Value of policies of life insurance iv. Credit Union shares v. Mortgage, charge, pledge or deposit of any personal property not hereinbefore specifically mentioned whether tangible or intangible, including debts of every description, shares or legacies under the estates or will of deceased persons, shares in companies, mortgages or charges whether legal or equitable. vi. On personal guarantee of someone other than the borrower.	To clarify the types of security that may be accepted for lending to members, including where property is held through a family trust or look-through company.