

**189—12.4(533) Specific voting requirements for the board of directors elections.**

**12.4(1) *Nominating committee.*** If the board has determined that voting for directors at the annual meeting will be conducted other than only in-person voting at the meeting, then at least 120 days before each annual meeting, the chairperson of the board shall appoint a nominating committee of three or more members, none of whom are directors currently eligible for reelection or their immediate family members.

*a.* It is the duty of the nominating committee to nominate at least one member for each vacancy, including for any unexpired-term vacancy, for which elections are being held and to obtain a signed certificate from the members nominated that they agree to the placing of their names in nomination, will accept office if elected, and will cooperate with any background check required by the credit union.

*b.* The nominating committee shall file its nominations with the secretary of the credit union board of directors at least 90 days before the annual meeting.

*c.* Nominations made by the nominating committee are not subject to the petition process in subrule 12.4(2).

**12.4(2) *Nominations by petition.*** If the board of directors determines pursuant to subrule 12.2(1) that voting for directors will be conducted in whole or in part by mail or electronic ballots prior to the annual meeting, then nominations shall not be taken from the floor at the annual meeting and the nominating committee shall accept additional nominations by petition.

*a.* At least 90 days before the annual meeting, the secretary shall notify in writing all members eligible to vote that nominations for vacancies may be made by petition signed by at least 1 percent of the members, subject to a minimum of 20 members and a maximum of 200 members.

(1) The notice shall indicate that there will be no nominations from the floor at the annual meeting.

(2) The notice shall include a list of the nominating committee's nominees and a brief statement of the nominees' qualifications and biographical data in a form approved by the board of directors.

(3) Nominations by petition shall be accompanied by a statement of qualifications and biographical data, as well as a signed certificate from the nominee stating that the nominee agrees to nomination, will serve if elected to office, will cooperate with any background check required by the credit union, and understands and agrees to the board of director oath of office.

(4) Nominations by petition shall be accepted for at least 30 days from the date that the notice is sent. Petitions must be filed with the secretary of the credit union board of directors at least 60 days before the annual meeting.

(5) Nominations by petition which are received after the closing date, or which are otherwise incomplete, shall be disqualified by the board secretary. The secretary shall immediately notify the nominee of the disqualification and of the reason. A petition for a disqualified nominee may be refiled provided that all requirements, including the closing date for receiving nominations by petition, are met.

*b.* The notice may be included with the notice of annual meeting, in statements or newsletters, on the credit union website, or on signs posted in each credit union office.

*c.* The secretary may use electronic mail to notify members who have opted to receive notices or statements electronically.

**12.4(3) *Posting of nominations.*** The secretary shall ensure that all nominations are posted in a conspicuous place in each credit union office and interactive teller machine (ITM) terminal at least 30 days but no more than 60 days before the annual meeting.

**12.4(4) *Nominations from the floor—voting only in person at annual meeting.*** If the board of directors determines that voting at the annual meeting shall only be conducted in person, and nominations will be taken from the floor at the annual meeting, the chairperson of the board shall appoint a nominating committee of three or more members, none of whom are directors currently eligible for reelection or their immediate family members, at least 60 days before the annual meeting. The nominating committee shall not solicit additional nominations by petition pursuant to subrule 12.4(2). Nominations shall be posted according to subrule 12.4(3).

*a.* If no electronic, mail-in, or absentee balloting has occurred and nominations will be taken from the floor, then at the annual meeting, printed ballots shall be distributed to those in attendance after additional nominations are taken from the floor or the ballots shall have blank spaces to write in additional names.

The ballots shall be deposited in ballot boxes placed in conspicuous locations by the election committee before the meeting.

*b.* After members have been given an opportunity to vote, balloting shall be closed, the ballot boxes opened and the vote tallied by the election committee.

*c.* The election committee shall immediately certify the vote count to the board. The chairperson of the election committee shall announce the result of the vote at the annual meeting.

**12.4(5)** *Nomination notification by newsletter.* The board of directors may determine that the entire credit union membership will be notified via newsletter or other written communication of the opportunity to nominate an individual for the board of directors.

*a.* If the membership is notified of nominations via newsletter or other written communication at least 90 days before the annual meeting, the secretary shall:

(1) Send the newsletter or other written communication to the entire membership via U.S. mail or electronic mail to members who have opted to receive notices or statements electronically and indicate a physical location or email address where nominations can be sent;

(2) Indicate in the notice that there will be no nominations from the floor at the annual meeting; and

(3) Indicate in the notice that the nominating committee will vet the candidates to confirm each candidate is eligible and present a list of the eligible candidates prior to the voting period.

*b.* If the board of directors utilizes the nomination notification by newsletter pursuant to this rule, then nominations shall not be taken from the floor at the annual meeting as set forth in subrule 12.4(4) and nomination notifications made pursuant to this rule are not subject to the nomination-by-petition process in subrule 12.4(2).

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