



February 27, 2023

Special Resolution #01-2023 and Special Resolution #02-2023 Results

As Chair of the Board of Coastal Community Credit Union (CCCU), I am releasing the results of the CCCU Special Resolution votes regarding tenure limits for serving on the CCCU Board of Directors.

Members of CCCU were asked to vote on two special resolutions, one of which was put forward by a group of CCCU members, the other by the Board. Each special resolution was voted upon separately and each required a vote in favour of 2/3 (66.67%) or greater to pass.

The results are as follows:

SPECIAL RESOLUTION #01-2023 (CCCU Board of Directors Proposed Special Resolution)

In Favour	62%	Against	38%	Resolution #01-2023 did not meet the 2/3 (66.67%) requirement to pass
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SPECIAL RESOLUTION #02-2023 (Member Proposed Special Resolution)

In Favour	69.5%	Against	30.5%	Resolution #02-2023 did meet the 2/3 (66.67%) requirement to pass
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With the results of the member vote now determined, Special Resolution #02-2023 is proceeding through the next steps towards final implementation into CCCU's Rules. These steps are:

- Submitting an application for formal consent to the Rules changes as reflected in the special resolution to our regulator, BC Financial Services Authority (BCFSA)
- If consent is issued, submitting the member proposed special resolution to the B.C. Registrar of Companies for filing.

Once these regulatory consents and filings are complete, the Rule changes will be in force. We expect that these changes will be in effect for our upcoming 2023 Board of Directors Election. Accordingly, a person will not be eligible to become elected or appointed to the office of Director of the Credit Union if such person has served as Director of the Credit Union for nine or more years within the preceding 12 years, consecutively or non-consecutively.

As another next step, the Board of Directors will be reviewing the implications of the Rule changes as a top priority, and developing an action plan to address the faster turnover and loss of skill sets and experience on the Board.

Voting for the special resolutions began on January 6th and closed on February 7th. Eligible members were able to vote either on-line or by paper ballots. Ballots were counted on February 16, 2023. In total, 3,443 valid ballots were cast by CCCU members from 75,682 eligible voters.

A report with the detailed results of the vote and voting process, which was overseen by an independent Acting Returning Officer, Theresa Couture, is available on page 3 of this communication.

If you have any questions, please contact communications@cccu.ca.

I want to thank all those members who took part in the voting, and I appreciate your participation in this important democratic process.

A handwritten signature in black ink, appearing to read "Susanne Jakobsen". The signature is fluid and cursive, with the first name "Susanne" being more prominent than the last name "Jakobsen".

Susanne Jakobsen, Chair, Coastal Community Credit Union Board of Directors



COASTAL COMMUNITY CREDIT UNION SPECIAL RESOLUTIONS RESULTS

Theresa Couture

Chief Elections Officer
MC²Analytics

Acting Returning Officer
Coastal Community Credit Union

Election Results Overview:

As we have always done, the following definitions were used:

Rejected ballot: a ballot for which it was not possible to complete the required verification process; or a ballot submitted by a member who was not eligible to vote; or a ballot that was not counted because the member voted more than once.

Spoiled ballot: a ballot which was verified and accepted for counting but could not be counted because the member marked the ballot incorrectly (ie. Voting in favour and against a resolution or did not vote for any resolution).

The Count:

The following table reports the manner in which all ballots were treated and provides the total number of valid ballots that were counted to arrive at the results.

Total Ballots Received	3,486
By mail	1,838
On-line	1,648
Total Rejected Ballots	26
Incomplete or missing verification tab	2
Duplicate ballots	14
Missing ballot form	0
Ineligible voter	10
Total Spoiled Ballots	17
Voted for neither of the resolutions	16
Voted both in favour and against the same resolution	1
Total Valid Ballots	3,443
Includes scanned, online and hand counted ballots	3,443

All ballots cast and received by the deadline were validated, processed and accounted for in the chart above on February 16, 2023.

The Results:

SPECIAL RESOLUTION #01-2023

BE IT RESOLVED, as a special resolution, that the Rules of Coastal Community Credit Union be altered as follows:

1. Rule 8.1 be amended by adding the phrase in double-underlining below to give effect to the new term limit for Directors as set out in Rule 8.6:

“8.1 **Director Elections to be Held.** Each year, Directors will be elected to replace those whose terms expire and, except as otherwise provided in these Rules, a Director whose term expires is eligible for re-election.”

2. The period at the end of Rule 8.4(g) be replaced with a semi-colon and a new Rule 8.4(h) be added as follows:

“(h) is disqualified by Rule 8.6.”

3. A new Rule 8.6 be added as follows:

“8.6 **Term Limit.** A person is not eligible to become elected or appointed as a Director if that person has served as a Director for 12 or more consecutive years immediately preceding the date of election or appointment; provided, however, a person who has served 12 or more consecutive years as a Director may be elected or appointed again after a period of three years not in office.”

4. If this Special Resolution #01-2023 and Special Resolution #02-2023 are both passed by the members, this Special Resolution #01-2023 will take precedence and Special Resolution #02-2023 will have no force and effect.

Special Resolution #01-2023 Result:

Total Votes: 3,378

In Favour	2,095	62.0%
Against	1,283	38.0%

Resolution #01-2023 did not meet the 2/3 (66.67%) requirement to pass

SPECIAL RESOLUTION #02-2023

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT, the Rules of Coastal Community Credit Union (the “Rules”) be altered as follows:

(A) By adding Rule 8.4 (h), with the wording as follows:

8.4 (h) A person is not eligible to become elected or appointed to the office of Director of the Credit Union if such person has served as Director of the Credit Union for nine or more years within the preceding twelve years, consecutively or non-consecutively. For clarity, there is no re-set and this provision will be in effect for the elections in 2023 and subsequent years, and immediately for appointments.

(B) In Rule 8.1, by adding the words and characters shown in the double underline as follows:

8.1 Director Elections to be Held Each year, Directors will be elected to replace those whose terms expire and a Director whose term expires is eligible for re-election subject to the provisions in Rule 8.4 (h).

Special Resolution #02-2023 Result:

Total Votes: 3,280

In Favour	2,279	69.5%
Against	1,001	30.5%

Resolution #02-2023 did meet the 2/3 (66.67%) requirement to pass

I did a secondary review of the rejected and spoiled ballots and it is my professional opinion that it is not necessary to consider a recount. Therefore, my final report can confirm that Special Resolution #01-2023 **did not** meet the requirement of 2/3 (66.67%) or greater and Special Resolution #02-2023 **met** the 2/3 (66.67%) or greater requirement.

This is my final report.

Respectfully:

A handwritten signature in black ink, appearing to read "Theresa Couture", with a stylized flourish at the end.

Theresa Couture
Chief Elections Officer
MC²Analytics

Acting Returning Officer
Coastal Community Credit Union