

14.17 ~~14.12~~ A majority committee shall are members.

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These pages are an excerpt from the modified Coast Capital Savings Rules. This document was provided by the Board of Directors to disclose the rule changes that they have made.

15.2 is the original rule that gives members the right to run for election.

It's not clear that without Rule 15.2, the Board of Directors can write its own policy about who can run for election.

14.19 ~~14.14~~ Subject to the *Bank Act*, a resolution, whether or not in counterpart, consented to in writing and whether by email, facsimile, or other electronic means of transmitting legibly recorded messages or other means, by all Directors or all the members of a committee and filed with the minutes of the Board of Directors or the committee shall be as valid and effectual as if it had been passed at a meeting of the Board of Directors or of the committee, duly called and constituted.

14.20 ~~14.15~~ The Board of Directors must appoint an Audit Committee of not less than three persons who must at all times during the currency of the work of the Audit Committee be and continue to be Directors of the Credit Union. In addition, all of the members of the Audit Committee must be Unaffiliated Directors and Financially Literate.

15. ELIGIBILITY TO BE A DIRECTOR

15.1 Retiring Directors cease to hold office and newly elected Directors take office, at the close of each Annual General Meeting. A retiring Director is eligible to be nominated for re-election.

~~15.2 Each person, other than a junior member or a person disqualified by Rule 15.3, who is a member in good standing of the Credit Union as at the close of nominations immediately before such member's election or appointment as a Director, is eligible to be a Director.~~

15.2 ~~15.3~~ A person is not eligible to be elected or appointed to the office of Director of the Credit Union and, if holding the office of Director of the Credit Union, shall immediately vacate the office, if such person:

- (a) is not a member in good standing of the Credit Union;
- (b) is convicted of an offence in connection with the promotion, formation or management of a corporation or involving fraud unless five years have elapsed since the latest of:
 - (i) the expiration of the period fixed for suspension of passing of sentence;
 - (ii) the imposition of a fine; or

(iii) the conclusion of a term of imprisonment and probation;

but the disability imposed by this Rule ~~45.3~~15.2(b) ceases on a pardon being granted under the Criminal Records Act (Canada);

(c) being a Director, has failed, without being excused, to attend regular monthly meetings of Board of Directors for three consecutive months in which meetings are held;

(d) is an employee of the Credit Union, a subsidiary of the Credit Union or a corporation in which the Credit Union holds a substantial investment, or a relative of:

(A) that employee; or

(B) the spouse of that employee;

who occupies the same house as that person;

(e) is a director, officer, agent, or employee of an entity that is in commercial or economic competition with the Credit Union or any of its subsidiaries (except where such person is a director of a central credit union, director of any credit union all or substantially all of the assets or shares of which have been acquired by the Credit Union, a director of any subsidiary of any credit union all or substantially all of the assets or shares of which have been acquired by the Credit Union, and not otherwise ineligible to be a Director of the Credit Union, or where the Board of Directors determines, by resolution, that this Rule ~~45.3~~15.2(e) shall not apply to such person);

(f) is the spouse of any person referred to in subparagraph (e) of this Rule ~~45.3~~15.2;

(g) has been an employee of the Credit Union, a subsidiary of the Credit Union or a corporation in which the Credit Union holds a substantial investment at any time during the two-year period immediately before such member's election or appointment;

(h) has ever been in default under any obligation to the Credit Union and has failed to pay the debt in full together with accrued interest;

(i) is a person who is less than eighteen years of age;

(j) is a person who is of unsound mind and has been so found by a court in Canada or elsewhere;

(k) is a person who has the status of a bankrupt;

(l) is a person who is not a natural person;

- (m) is a person who is prohibited, or is an officer, director or full-time employee of an entity that is prohibited, from exercising voting rights attached to shares of a bank under applicable provisions of the *Bank Act*;
- (n) is a person who is an officer, director, employee or agent of — or any other person acting on behalf of — an eligible agent (within the meaning of the *Bank Act*) of a government entity;
- (o) is a minister of Her Majesty in right of Canada or in right of a province;
- (p) is a person who is an agent or employee of the government of a foreign country or any political subdivision thereof;
- (q) is a person disqualified from being a Director in accordance with Rule 13.5; or
- (r) is a person who is otherwise disqualified from being a director of a federal credit union under the *Bank Act*.

Paragraphs (d) and (g) shall not apply in respect of a Director who has been appointed as the Chief Executive Officer of the Credit Union during the time that Director serves as the Chief Executive Officer of the Credit Union and, only if authorized by a resolution of the Board of Directors, after that Director ceases to be Chief Executive Officer of the Credit Union. For the purposes of this Rule ~~15.3~~15.2, the term “employee” includes a person who is paid to provide ~~his or her~~their services, directly or indirectly, to the Credit Union, a subsidiary of the Credit Union or financial institution, as the case may be, on a full-time or part-time basis as an employee, and the term “spouse” means a person who is married to another person or is living and cohabiting with another person in a marriage-like relationship. The Board of Directors may, in their discretion, determine additional criteria for determining whether or not a person is an “employee” for the purposes of these Rules.

~~15.4 — Every nominee for election or appointment as a Director shall file with the Nominations Committee, if for election, or with the Board of Directors, if for appointment, in forms prescribed by the Board of Directors:~~

~~(a) — the declaration contemplated in Rule 16.6; and;~~

~~(b) — a statement of all known conflicts of interest between the nominee and the Credit Union.~~

~~The declaration and statement shall not excuse the nominee, if elected or appointed, from compliance with the *Bank Act*, Credit Union policies and these Rules.~~

15.3

~~15.5~~—The aggregate of all amounts that may be paid to all of the Directors as remuneration as Directors in any financial year of the Credit Union shall not