

# Asset Transfer Agreement

**Together  
Our Best**

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## Asset Transfer Agreement

**THIS AGREEMENT** is dated as of the \_\_\_\_ day of \_\_\_\_\_, 2024,

**BETWEEN:**

**BLUESHORE FINANCIAL CREDIT UNION,**

a credit union incorporated under the laws of the Province of British Columbia having its head office at 1250 Lonsdale Avenue, North Vancouver, British Columbia V7M 2H6

(the “**Vendor**”)

**AND:**

**BEEM CREDIT UNION,**

a credit union incorporated under the laws of the Province of British Columbia having its head office at 300 – 678 Bernard Ave, Kelowna, British Columbia V1Y 6P3

(the “**Purchaser**”)

**WHEREAS:**

- A. The Purchaser and the Vendor wish to combine the businesses of their respective credit unions pursuant to the business acquisition by asset transfer provisions of the Act (as hereinafter defined);
- B. The Vendor is a “transferring credit union” pursuant to section 16(1) of the Act and the Purchaser is an “acquiring credit union”;
- C. In accordance with the provisions of the Act, the Superintendent (as hereinafter defined) has consented to this Agreement, a copy of which consent is attached as Schedule “A”;
- D. In accordance with the provisions of the Act, this Agreement has been approved by special resolution of the members of the Vendor and by separate resolution of the holders of the Class C Investment Equity Shares of the Vendor; and
- E. It is desirable and in the interests of each of the Vendor and the Purchaser and their respective members that the business acquisition by asset transfer of the Vendor, as a transferring credit union, by the Purchaser, as an acquiring credit union, should be effected on the terms and conditions set forth in this Agreement.

**NOW THEREFORE** this Agreement witnesses that in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the parties covenant and agree with each other as follows:

**ARTICLE 1**  
**DEFINITIONS AND INTERPRETATION**

1.1. **Definitions** – In this Agreement, unless the context otherwise requires:

- (a) **“Act”** means the *Credit Union Incorporation Act*, R.S.B.C. 1996, Chapter 82, as amended from time to time;
- (b) **“Agreement”** means this Asset Transfer Agreement as the same may be amended from time to time and the expressions **“hereof”**, **“herein”**, **“hereto”**, **“hereunder”**, and **“hereby”**, and similar expressions refer to this Agreement and not to any particular provision;
- (c) **“ARC”** means an advance ruling certificate issued under subsection 102(1) of the *Competition Act* in respect of the transactions contemplated by this Agreement;
- (d) **“Business Day”** means each day Monday through Friday inclusive, other than a day which is a statutory holiday in British Columbia;
- (e) **“Commissioner”** means the Commissioner of Competition appointed pursuant to subsection 7(1) of the *Competition Act*;
- (f) **“Competition Act”** means the *Competition Act*, R.S.C. 1985, c. C-34, as amended from time to time;
- (g) **“Competition Act Approval”** means any of:
  - (i) the issuance of an ARC;
  - (ii) the Purchaser and the Vendor have provided the notice required under section 114 of the *Competition Act* to the Commissioner with respect to the transactions contemplated by this Agreement and the applicable waiting period under section 123 of the *Competition Act* has expired or has been terminated in accordance with the *Competition Act*; or
  - (iii) the obligation to give the requisite notice under section 114 of the *Competition Act* has been waived pursuant to paragraph 113(c) of the *Competition Act*,

and, in the case of (ii) or (iii), the Commissioner shall have advised the Purchaser in writing that the Commissioner does not, at that time, intend to make an application to the Competition Tribunal under section 92 of the *Competition Act* for an order in respect of the transactions contemplated by this Agreement, and such advice has not been rescinded prior to the Effective Date;

- (h) **“Competition Bureau”** means the Canadian Competition Bureau;
- (i) **“DBP”** has the meaning given to that term in paragraph (f) of Schedule “C” of this Agreement;
- (j) **“Delivery Date”** has the meaning given to that term in Article 9.1 of this Agreement;
- (k) **“Depositor”** means a person having money on deposit with the Vendor;

- (l) **“Effective Date”** means January 1, 2025, or such other date specified by the Superintendent as the effective date of the transfer of the Vendor’s Assets and set out in the certificate of business acquisition issued by the Registrar pursuant to section 16(8)(b) of the Act;
- (m) **“Effective Time”** means 12:02 a.m. (Pacific Time) on the Effective Date;
- (n) **“Excess Fractional Amount”** has the meaning given to that term in paragraph 4 of Schedule “B” of this Agreement;
- (o) **“Excess Membership Shares”** has the meaning given to that term in paragraph 2 of Schedule “B” of this Agreement;
- (p) **“Financial Statements”** has the meaning given to that term in Article (c) of this Agreement;
- (q) **“IFRS”** means International Financial Reporting Standards as adopted by the Accounting Standards Board, as those standards are amended from time to time;
- (r) **“Income Tax Act”** means the *Income Tax Act*, R.S.C., 1985, c. 1 (5th Supp.), as amended from time to time;
- (s) **“Non-Disclosure Agreement”** means the Confidentiality and Non-Disclosure Agreement dated as of July 11, 2024, between the Vendor and the Purchaser;
- (t) **“Personal Information”** has the meaning given to that term in the *Personal Information Protection Act*, S.B.C. 2003, Chapter 63, as amended from time to time;
- (u) **“Redemption Value”** has the meaning given to that term in Article 3.2 of this Agreement;
- (v) **“Registrar”** has the meaning given to that term in the Act;
- (w) **“Rules”** means the rules of the Purchaser or the Vendor, as the case may be, as described in section 7 of the Act;
- (x) **“Shareholder”** means a person recorded in the records of the Vendor as the owner of a share or shares of the Vendor, whether or not a member of the Vendor;
- (y) **“Submission Date”** means the date the Purchaser is required hereunder to submit, or does submit, to the Superintendent a fully executed copy of this Agreement and certified copies of the resolutions, which are to be delivered to the Purchaser by the Vendor as contemplated in Article 9.1;
- (z) **“Superintendent”** has the meaning given to that term in the Act;
- (aa) **“Transition Period”** means the period commencing on the Effective Date and expiring on the day that is 18 months following the Effective Date or such other period as may be mutually agreed by the Chief Executive Officer of the Purchaser and the President of BlueShore Financial, a division of Beem Credit Union;
- (bb) **“Vendor Nominees”** has the meaning given to that term in Article (a) of this Agreement;

- (cc) **“Vendor’s Assets”** means all of the rights, property and assets of the Vendor of whatever nature and kind, real or personal, and wherever situated, owned by the Vendor on the Effective Date immediately prior to the Effective Time, including, without limiting the generality of the foregoing, all indebtedness owed to the Vendor, all actions and causes of action, all choses in action, all agreements, records and evidences of indebtedness due to it, all securities held by it with respect to any indebtedness due to it, all cash on hand and in any bank or invested in shares of, on deposit with or held in trust by Central 1 Credit Union, all bonds, shares, stocks or other securities held by it, all lands and all furnishings, furniture and equipment owned by it, all trademarks, trade names, copyrights, goodwill and the right to represent itself as carrying on the Vendor’s Business and the right to use the name “BlueShore Financial Credit Union”, “BlueShore Financial” and any variations thereof;
  - (dd) **“Vendor’s Business”** means the business carried on by the Vendor immediately prior to the Effective Time on the Effective Date;
  - (ee) **“Vendor’s Executive Team”** has the meaning given to that term in paragraph (b) of Schedule “C” of this Agreement; and
  - (ff) **“Vendor’s Liabilities”** means each and every indebtedness and liability of the Vendor, present and future, direct or indirect, absolute or contingent to any and all persons, including, without limiting the generality of the foregoing, the liability of the Vendor to Depositors for monies on deposit with the Vendor and to Shareholders with respect to monies invested in shares of the Vendor.
- 1.2. **Headings** – The headings herein are inserted for convenience of reference only and shall not affect the construction or interpretation of this Agreement.
- 1.3. **Invalidity of Any Provision** – If any covenant, obligation or provision contained in this Agreement shall be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and each covenant, obligation or provision of this Agreement shall separately be valid and enforceable to the fullest extent permitted by law.
- 1.4. **Amendments** – This Agreement may only be amended from time to time in writing executed by each of the Vendor and the Purchaser.
- 1.5. **Number and Gender** – In this Agreement, words in the singular include the plural and *vice versa* and words in one gender include all genders.
- 1.6. **Governing Law** – This Agreement shall be governed by, and construed in accordance with, the laws of the Province of British Columbia and the laws of Canada applicable therein and each of the parties submits to the jurisdiction of the Courts of British Columbia with respect to this Agreement.
- 1.7. **Date for Action** – If any date on which any action required to be taken hereunder by either party is not a Business Day, such action shall be required to be taken on the next following Business Day.
- 1.8. **Duty to Act Reasonably** – Wherever any matter hereunder is subject to approval or consent of one party, that party shall not unreasonably withhold or delay such approval or consent.
- 1.9. **Time of the Essence** – Time shall be of the essence of this Agreement.

- 1.10. **Schedules** – The following schedules are attached hereto and form part of this Agreement:
- (a) Schedule “A” – Superintendent’s Consent;
  - (b) Schedule “B” – Share Exchange;
  - (c) Schedule “C” – Employment Matters; and
  - (d) Schedule “D” – Purchaser’s Services.

**ARTICLE 2  
TRANSFER OF ASSETS AND ASSUMPTION OF LIABILITIES**

- 2.1. **Transfer of the Vendor’s Assets** – Upon the terms and subject to the conditions hereof, the Vendor agrees to transfer to the Purchaser, and the Purchaser agrees to acquire from the Vendor, all the Vendor’s Assets as of the Effective Time.
- 2.2. **Assumption of Liabilities** – In consideration of the acquisition by the Purchaser of the Vendor’s Assets, the Purchaser agrees to assume, as of the Effective Time, all the Vendor’s Liabilities.
- 2.3. **Deposits** – Without limiting the generality of Article 2.2, as of the Effective Time, the Purchaser shall assume the obligations of the Vendor to each Depositor on a dollar-for-dollar basis on the amount of deposits of each Depositor with the Vendor and on the same terms and conditions with respect to each deposit as existed between the Vendor and each Depositor at the time the asset transfer contemplated hereunder takes effect.
- 2.4. **No Exclusions** – For the purposes of sections 16(2)(e) and (f) of the Act, the Vendor and the Purchaser acknowledge and agree that none of the assets of the Vendor are excluded from the Vendor’s Assets and that none of the liabilities of the Vendor are excluded from the Vendor’s Liabilities.
- 2.5. **Income Tax Act** – It is the intention of the Vendor and the Purchaser that the transfer and distribution of the Vendor’s Assets as contemplated by the terms and conditions hereof shall take place pursuant to subsection 88(1) of the *Income Tax Act*.

**ARTICLE 3  
SHARES**

- 3.1. **Share Exchange** – Effective at 12:01 a.m. (Pacific Time) on the Effective Date (and, for greater certainty, prior to the Effective Time), the issued shares of the Vendor will be exchanged for shares of the Purchaser in the manner described in Schedule “B”. The exchange of shares is subject to the rights of holders of equity shares other than membership shares to require the purchase of such shares at the value established in Article 3.2 and as provided for by section 24 of the Act.
- 3.2. **Fair Market Value** – As the Class A Membership Equity Shares and the Class C Investment Equity Shares of the Vendor are, pursuant to the Vendor’s Rules, to be purchased or redeemed at an amount equal to the sum of the par value of each Class A Membership Equity Share (\$1.00) and each Class C Investment Equity Share (\$1.00) plus any dividends declared but unpaid thereon (the “**Redemption Value**”), a willing purchaser acting in good faith and at arm’s length in the open market would only pay the Redemption Value for a Class A Membership Equity Share or Class C Investment Equity Share of the Vendor. Accordingly, the parties have determined for the purposes of this Agreement and sections 16(2)(d) and 24 of the Act that the fair market value of each Class A Membership

Equity Share and each Class C Investment Equity Share of the Vendor is the Redemption Value of the share.

3.3. **Right of Repurchase –**

- (a) The Vendor covenants to and agrees that it will, immediately following the execution of this Agreement, issue to the holders of its Class C Investment Equity Shares the notice required under section 24(1) of the Act.
- (b) The Purchaser covenants to purchase the Class C Investment Equity Shares of the Vendor from holders of such shares exercising that right under section 24(2) of the Act for the Redemption Value of such shares as set out in Article 3.2 hereof.
- (c) The Class C Investment Equity Shares of the Vendor to be exchanged for Class “C” Investment Equity Shares of the Purchaser will be those Class C Investment Equity Shares of the Vendor remaining following exercise by the holders of Class C Investment Equity Shares of the Vendor of their right to have their shares redeemed by the Purchaser under section 24 of the Act.

3.4. **Purchaser Not a Member of Vendor** – Notwithstanding the exchange of shares provided for in Article 3.1, it is understood and agreed that the Purchaser does not thereby become a member of the Vendor. However, each Shareholder of the Vendor receiving sufficient Class “A” Membership Equity Shares of the Purchaser will become a member of the Purchaser entitled to participate in and use the services of the Purchaser as set out in this Agreement, subject to the provisions of the Act and the Rules of the Purchaser with respect to the rights of members.

3.5. **Income Tax Act** – It is the intention of the Vendor and the Purchaser that the exchange of shares as contemplated by the terms and conditions hereof shall take place pursuant to subsection 85.1 of the *Income Tax Act*.

**ARTICLE 4  
REPRESENTATIONS AND WARRANTIES OF THE VENDOR**

4.1. The Vendor represents and warrants to the Purchaser that:

- (a) **Status of the Vendor** – The Vendor is a credit union duly incorporated, validly existing and in good standing under the laws of the Province of British Columbia with respect to the filing of annual reports and has the power and capacity to own the Vendor’s Assets and to carry on the Vendor’s Business;
- (b) **Authority to Sell** – The execution and delivery of this Agreement and the completion of the transactions contemplated hereby have been duly and validly authorized by all necessary corporate action on the part of the Vendor and this Agreement constitutes a legal, valid and binding obligation of the Vendor enforceable against the Vendor in accordance with its terms except as may be limited by laws of general application affecting the rights of creditors;
- (c) **Financial Statements** – Except as otherwise disclosed in writing to the Purchaser by the Vendor, the audited financial statements of the Vendor for the fiscal year ending on December 31, 2023 (the “**Financial Statements**”), have been prepared in accordance with IFRS and present fairly and correctly the Vendor’s Assets and the Vendor’s Liabilities and the financial condition of the Vendor as of the date of the Financial Statements and of the operations of the Vendor during the period covered by such statements;

- (d) **Transaction Will Not Cause Default** – Neither the execution and delivery of this Agreement nor the completion of the transactions contemplated herein will:
- (i) violate any of the terms and provisions of the constating documents or the Rules of the Vendor or any resolution of the directors or members of the Vendor, or any order, decree, bylaw, regulation, covenant or restriction applicable to the Vendor or any of the Vendor's Assets;
  - (ii) give any person any right of termination, cancellation or acceleration with respect to any agreement, instrument or other document to which the Vendor is a party or the Vendor or any of the Vendor's Assets is subject or from which the Vendor derives a benefit, save to the extent that the consent of third parties is required to assign any leasehold property of the Vendor or any material contracts of the Vendor;
  - (iii) result in the creation of a lien, encumbrance or other charge of any kind or nature whatsoever on any of the Vendor's Assets; or
  - (iv) result in any fees, duties, taxes, assessments or other amounts relating to any of the Vendor's Assets becoming due or payable other than, to the extent applicable, property transfer tax, provincial sales tax, federal goods and services tax, and fees payable to the BC Financial Services Authority, the Superintendent, the Registrar or the Competition Bureau in connection with the transactions contemplated herein;
- (e) **Assets** – The Vendor owns and possesses and has good and marketable title to the Vendor's Assets, free and clear of all mortgages, liens, charges, pledges, security interests, encumbrances or other claims whatsoever except for (i) mortgages, liens, charges, security interests, encumbrances or other claims registered in the British Columbia Land Title Office against real property registered in the name of the Vendor and disclosed in writing to the Purchaser by the Vendor; and (ii) security perfected by the following financing statements registered in the British Columbia Personal Property Registry:
- (i) transition financing statement registered under base registration #4687375 in favour of Central 1 Credit Union, as amended by amendment #595921I, amendment #069205D and amendment #187052B;
  - (ii) transition financing statement registered under base registration #4687376 in favour of Central 1 Credit Union, as amended by amendment #595919I, amendment #069207D and amendment #187054B;
  - (iii) financing statement registered under base registration #9660845 in favour of Fédération des Caisses Desjardins du Québec, as amended by amendment #130904K, secured party transfer #098467J, amendment #590476I, amendment #705912H, amendment #069213D, amendment #997695C, amendment #187057B, and any renewals thereof;
  - (iv) financing statement registered under base registration #823786A in favour of Central 1 Credit Union, as amended by renewal #779066J, renewal #710602J, amendment #595917I, renewal #831140G, amendment #069210D and amendment #187061B, and any further renewals thereof; and



- (v) financing statement registered under base registration #197364K in favour of The Bank of Nova Scotia, as amended by renewal #785449N, and any further renewals thereof;
- (f) **Books and Records** – Except as otherwise disclosed in writing to the Purchaser by the Vendor, the books and records of the Vendor fairly and correctly set out and disclose in all material respects, in accordance with IFRS, the financial position of the Vendor and all material financial transactions of the Vendor relating to the Vendor's Business have been accurately recorded in such books and records;
- (g) **Material Change** – Since the date of the consolidated statement of financial position included in the Financial Statements and except as disclosed in writing to the Purchaser there has not been:
  - (i) any material change in the financial condition of the Vendor's Business, the Vendor's Liabilities or the Vendor's Assets other than changes in the ordinary course of business, none of which has been materially adverse;
  - (ii) any damage, destruction, loss or other event (whether or not covered by insurance) materially and adversely affecting the Vendor's Assets or the Vendor's Business;
  - (iii) any material increase in the compensation payable or to become payable by the Vendor to any of its officers, employees or agents or any bonus, payment or arrangement made to or with any of them, save and except as agreed to in writing by the Purchaser;
- (h) **Auxiliary Members** – Except as disclosed in writing to the Purchaser, there are no "auxiliary members" of the Vendor, as such term is defined in the Act;
- (i) **Disclosure** – The Vendor has disclosed to the Purchaser all material facts which if known by a prospective purchaser of the Vendor's Assets might reasonably have a bearing on the prospective purchaser's decision as to whether or not to purchase the Vendor's Assets and assume the Vendor's Liabilities;
- (j) **Litigation** – Except for collection litigation by the Vendor in the ordinary course of business and as otherwise disclosed in writing by the Vendor to the Purchaser, there is no litigation or administrative or governmental proceeding or inquiry pending or, to the knowledge of the Vendor, threatened against or relating to the Vendor or the Vendor's Business or any of the Vendor's Assets nor does the Vendor know of or have reasonable grounds for believing that there is any basis for any such action, proceeding or enquiry;
- (k) **Conformity with Laws** – All governmental licenses and permits required for the conduct in the ordinary course of the operations of the Vendor's Business and the uses to which the Vendor's Assets have been put have been obtained and are in good standing and such conduct and uses are not in breach of any statute, bylaw, regulation, covenant, restriction, plan or permit;
- (l) **Collective Agreement** – The Vendor is not a party to any collective agreements;
- (m) **Terms of Employment** – Except as otherwise disclosed in writing to the Purchaser, all employees of the Vendor are parties to written contracts of employment with the Vendor. The Vendor has provided to the Purchaser a list of all employees of the Vendor and copies of the employment contracts for each

member of the Vendor's Executive Team, including change of control and retention agreements with respect to such individuals;

(n) **Shares –**

- (i) the Vendor has no issued and outstanding equity shares other than:
    - A. Class A Membership Equity Shares of the Vendor, which have been issued to each member of the Vendor at an issue price of \$1.00 each; and
    - B. Class C Investment Equity Shares of the Vendor, which have been issued to the holders of such shares at an issue price of \$1.00 each;
  - (ii) there are no issued and outstanding Class B Transaction Equity Shares of the Vendor, Class D Participation Equity Shares of the Vendor, Class E Equity Shares of the Vendor, Class F Equity Shares of the Vendor or Preferred Equity Shares of the Vendor; and
  - (iii) there are no issued and outstanding Class E Life Insured Savings Non-Equity Shares of the Vendor;
- (o) **Dividends** - Except as disclosed in writing by the Vendor to the Purchaser on or before the date of this Agreement, there are no declared and unpaid dividends on any of the Vendor's shares and there are no unpaid bonuses, interest refunds or patronage refunds owing to the Vendor's Shareholders.

- 4.2. **Reliance on Representations and Warranties** – The Vendor acknowledges that the Purchaser intends to and shall rely on the foregoing representations and warranties in entering into this Agreement and in concluding the transactions contemplated hereby.

## **ARTICLE 5 COVENANTS OF THE VENDOR**

- 5.1. **Conduct of the Vendor's Business** – Between the date of this Agreement and the Effective Date, except as agreed to in writing by the Purchaser, the Vendor will conduct its business diligently and only in the ordinary course and will use its best efforts to preserve the Vendor's Assets intact, to keep available to the Purchaser the Vendor's present employees and to preserve for the Purchaser the Vendor's relationship with its members and others having business relations with it.
- 5.2. **Access by the Purchaser** – The Vendor will give to the Purchaser and the Purchaser's solicitors, accountants and other representatives full access, during normal business hours throughout the period between the date of this Agreement and the Effective Time to all of the properties, books, contracts, commitments and records of the Vendor relating to the Vendor's Business, the Vendor's Assets and the Vendor's Liabilities and will furnish to the Purchaser during such period all such information as the Purchaser may reasonably request.
- 5.3. **Disclosure** – If, on or before the Effective Date, any new or conflicting material information about the Vendor or the Vendor's Business from that previously disclosed to the Purchaser comes to the attention of the Vendor, the Vendor shall provide such new or conflicting material information to the Purchaser as soon as reasonably possible thereafter.

- 5.4. **Insurance** – From the date of this Agreement until the Effective Date, the Vendor will maintain in full force and effect the policies of insurance presently in force and if requested by the Purchaser will cause the Purchaser to be added as a named insured under all such policies and to remain as a named insured until the Effective Date.
- 5.5. **Procure Consents** – The Vendor shall diligently take all reasonable steps necessary to obtain all consents required to vest in the Purchaser all of the Vendor's Assets.
- 5.6. **Leases** – The Vendor will cause its leases of any real or personal property to be assigned to the Purchaser or its successor, each with the prior consent of the lessor confirmed in writing if required by the terms of the lease.
- 5.7. **Contact Information** – The Vendor will cause its telephone numbers, internet access, website and other communication channels to be assigned to the Purchaser or its successor, each with the prior consent of the service provider where required.
- 5.8. **Employees** – The Vendor agrees with the Purchaser on various employment matters as set out in Schedule "C" hereto.
- 5.9. **Material Contracts, Dividends and Other Payments** – Between the date of this Agreement and the Effective Date, the Vendor shall not, without the prior written consent of the Purchaser, which consent will not be unreasonably withheld:
- (a) enter any material contracts, agreements or obligations that are out of the ordinary course of business and would be binding upon the Purchaser following the Effective Date, including, but not limited to, any new or amended employment agreements with management employees of the Vendor; or
  - (b) incur an unbudgeted expense in excess of \$100,000.00 or initiate a distribution of current earnings or capital in excess of \$100,000.00 (in aggregate), provided that any expenses in relation to employee variable pay, patronage allocations, dividends, or hedging or securitization arrangements permitted to be incurred, accrued, distributed or paid pursuant to this Article (b) without the consent of the Purchaser are incurred, accrued, distributed or paid in accordance with established policies and procedures for the Vendor in a manner consistent with prior years.

## **ARTICLE 6 REPRESENTATIONS AND WARRANTIES OF THE PURCHASER**

- 6.1. The Purchaser represents and warrants to the Vendor that:
- (a) **Status of the Purchaser** – The Purchaser is a credit union duly incorporated, validly existing and in good standing under the laws of the Province of British Columbia with respect to the filing of annual reports and has the power and capacity to purchase the Vendor's Assets;
  - (b) **Authority to Purchase** – The execution and delivery of this Agreement and the completion of the transactions contemplated hereby have been duly and validly authorized by all necessary corporate actions of the Purchaser and this Agreement constitutes a legal, valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms except as may be limited by laws of general application affecting the rights of creditors;
  - (c) **Transaction Will Not Cause Default** – Neither the execution and delivery of this Agreement nor the completion of the transactions contemplated herein will violate

any of the terms and provisions of the constating documents or the Rules of the Purchaser or any resolution of the directors or members of the Purchaser, or any order, decree, bylaw, regulation, covenant or restriction applicable to the Purchaser or any of the Purchaser's assets;

- (d) **Common Bond** – The Purchaser does not have a common bond of membership as of the date of this Agreement and will not have a common bond of membership as of the Effective Date;
  - (e) **Disclosure** – The Purchaser has disclosed to the Vendor all material facts which if known by a prospective vendor of the Vendor's Assets might reasonably have a bearing on the prospective vendor's decision as to whether or not to sell the Vendor's Assets and have the Purchaser assume the Vendor's Liabilities;
  - (f) **Litigation** – Except for collection litigation by the Purchaser in the ordinary course of business and as otherwise disclosed in writing by the Purchaser to the Vendor, there is no litigation or administrative or governmental proceeding or inquiry pending or, to the knowledge of the Purchaser, threatened against or relating to the Purchaser or the Purchaser's business or any of the Purchaser's assets nor does the Purchaser know of or have reasonable grounds for believing that there is any basis for any such action, proceeding or enquiry;
  - (g) **Conformity with Laws** – All governmental licenses and permits required for the conduct in the ordinary course of the operations of the Purchaser's business and the uses to which the Purchaser's assets may be put, have been obtained and are in good standing and such conduct and uses are not in breach of any statute, bylaw, regulation, covenant, restriction, plan or permit;
  - (h) **Dividends** – Except as disclosed in writing by the Purchaser to the Vendor on or before the date of this Agreement, there are no declared and unpaid dividends on any of the Purchaser's shares and there are no unpaid bonuses, interest refunds or patronage refunds owing to the Purchaser's shareholders.
- 6.2. **Reliance on Representations and Warranties** – The Purchaser acknowledges that the Vendor intends to and shall rely on the foregoing representations and warranties in entering into this Agreement and in concluding the transactions contemplated hereby.

## **ARTICLE 7 COVENANTS OF THE PURCHASER**

- 7.1. **Conduct of the Purchaser's Business** – Between the date of this Agreement and the Effective Date, the Purchaser will conduct its business diligently and only in the ordinary course.
- 7.2. **Disclosure** – If, on or before the Effective Date, any new or conflicting material information about the Purchaser or its business from that previously disclosed to the Vendor comes to the attention of the Purchaser, the Purchaser shall provide such new or conflicting material information to the Vendor as soon as reasonably possible thereafter.
- 7.3. **Financial Statements** – The Purchaser will provide to members of the Vendor a copy of the audited consolidated financial statements of Gulf and Fraser Fishermen's Credit Union and Interior Savings Credit Union for the fiscal year ending on December 31, 2023, upon request of the member.

- 7.4. **Employees** – The Purchaser agrees with the Vendor on various employment matters as set out in Schedule “C” hereto.
- 7.5. **Services** – The Purchaser covenants and agrees with the Vendor that the services the Purchaser offers to its members and proposes to extend to members of the Vendor are the comprehensive range of services set forth in Schedule “D” hereto.
- 7.6. **Vendor Branches** – Subject to factors outside of its control, the Purchaser will continue operating the existing branches of the Vendor for at least the Transition Period. It is not presently intended that there shall be any reduction of hours or change of physical location for the existing branches; provided, however, that the Purchaser may, upon advance notice to employees of the applicable branch, vary the current hours of business after the Effective Date to better suit the members of the branches and the communities that they serve.
- 7.7. **Offices** –
- (a) The location of the head office and the registered office of the Purchaser immediately after the Effective Date shall be the current head office of the Purchaser in Kelowna, British Columbia.
  - (b) The current head office of the Vendor in North Vancouver, British Columbia shall remain operational as a regional administrative office for staff and administration processes for at least the Transition Period.
  - (c) The location of the records office of the Purchaser immediately after the Effective Date shall be the current records office of the Purchaser located at the offices of Edwards, Kenny & Bray LLP in Vancouver, British Columbia.
- 7.8. **Directors** –
- (a) As of the Effective Date, the directors of the Purchaser shall, by resolution, appoint as additional directors of the Purchaser four nominees of the Vendor (the “**Vendor Nominees**”), two of whom shall be assigned to a one-year term, one of whom shall be assigned to a two-year term and one of whom shall be assigned to a three-year term (with the first year of the term commencing on the Effective Date and ending at the close of the Purchaser’s 2026 AGM), such terms being assigned by the directors of the Purchaser in consultation with the directors of the Vendor. The Vendor Nominees shall be individuals who are directors of the Vendor immediately prior to the Effective Date. The nomination process, which may include a third-party assessment, should consider the competency matrix needs, diversity and representation that meets the best interests of the members.
  - (b) With the addition of the Vendor Nominees as additional directors of the Purchaser by the resolution contemplated in Article (a), the number of directors of the Purchaser as of the Effective Date, together with the 14 existing directors of the Purchaser, shall be 18.
  - (c) Unless otherwise determined by the directors of the Purchaser, upon expiration or earlier termination of the term of a Vendor Nominee for any reason whatsoever, no person will be elected or appointed to fill the vacancy and the number of directors of the Purchaser shall be deemed to have been reduced accordingly.
  - (d) The length of time served as directors of the Vendor by the Vendor Nominees appointed pursuant to Article (a) will not be included in the calculation of time

served as a director of the Purchaser for the purposes of determining term limits in accordance with the Rules of the Purchaser.

- (e) The Purchaser will pay outgoing directors of the Vendor, who are directors immediately prior to the Effective Date but who do not become directors of the Purchaser, \$15,000 for ceasing to be a director, regardless of the term remaining on the director's term of office with the Vendor.
- (f) After a one-year exclusionary period from the Effective Date, any former director of the Vendor shall be eligible for election for any vacancy for which an election is to be held for the Purchaser's board of directors, subject to and in accordance with the Rules of the Purchaser. For clarity, the Vendor Nominees are not subject to the one-year exclusionary period.

7.9. **President and Chief Executive Officer** – At the Effective Date, the President and Chief Executive Officer of the Purchaser shall be the individual who is the President and Chief Executive Officer of the Purchaser immediately prior to the Effective Date.

7.10. **President of BlueShore Financial** – At the Effective Date, the Purchaser shall appoint the Chief Executive Officer of the Vendor immediately prior to the Effective Date to be President of BlueShore Financial, a division of Beem Credit Union, effective as of the Effective Date. Such appointment shall continue for at least the Transition Period, or as otherwise mutually agreed upon by the Purchaser and the Chief Executive Officer of the Vendor.

7.11. **Insurance** –

- (a) The Purchaser shall maintain in effect without any reduction in scope or coverage for 10 years from the Effective Date customary policies of directors' and officers' liability insurance providing protection comparable to the protection provided by the policies maintained by the Vendor as are in effect immediately prior to the Effective Date and providing coverage on a "trailing" or "run-off" basis for all present and former directors and officers of the Vendor with respect to claims arising from facts or events which occurred prior to the Effective Date.
- (b) All rights to indemnification or exculpation now existing in favour of present and former officers and directors of the Vendor shall survive the consummation of the transactions contemplated herein and shall continue in full force and effect for a period of not less than 10 years from the Effective Date.

7.12. **Corporate Name** – The name of the Purchaser on and after the Effective Date, until amended in accordance with the Act, shall be "Beem Credit Union" and, subject to Article 7.13, the Purchaser shall operate under the trade names "Gulf & Fraser", "Interior Savings", "GFCU Savings", "North Peace Savings" and "BlueShore Financial"; provided, however, that the Purchaser may cease using such trade names if market analysis suggests that it would be beneficial to the Purchaser or its members to do so.

7.13. **BlueShore Financial Trade Name** – During the Transition Period and subject to the Act, the Purchaser will operate the former branches of the Vendor, as relocated from time to time, under the name "BlueShore Financial" or a variation thereof. After the expiry of the Transition Period, the Purchaser may cease using such trade name if: (a) market analysis and integration planning suggests that it would be beneficial to the Purchaser or its members to do so; or (b) the Purchaser is required by law to do so.

- 7.14. **Personal Information** – The Purchaser shall:
- (a) only use or disclose Personal Information disclosed to the Purchaser by the Vendor for the same purposes for which it was collected, used or disclosed by the Vendor; and
  - (b) notify the employees, customers, directors, officers and members whose Personal Information the Vendor has disclosed to the Purchaser without consent that the transactions contemplated by this Agreement have taken place and that Personal Information about them has been disclosed to the Purchaser.

## **ARTICLE 8 CONDITIONS PRECEDENT**

- 8.1. **Purchaser's Conditions Precedent** – This Agreement and the obligations of the Purchaser under this Agreement are subject to the fulfilment of the following conditions:
- (a) the Vendor's representations and warranties contained in this Agreement are true as of the Delivery Date and shall be true at and as of the Submission Date as though such representations and warranties were made as of such time;
  - (b) the Vendor shall have performed and complied with all covenants, agreements and conditions required by this Agreement to be performed or complied with by it at or prior to the Submission Date;
  - (c) between the date of this Agreement and the Delivery Date there has not been, and prior to the Submission Date there shall not have been, any event, condition, change of circumstance or other fact in relation to the Vendor which has occurred that has had a material adverse impact on the Vendor or will have a material adverse impact on the business of the Purchaser upon completion of the transactions contemplated herein;
  - (d) prior to the Effective Date, the Purchaser shall have received from the Vendor a certified copy of resolutions of the directors of the Vendor nominating the Vendor Nominees for appointment as additional directors of the Purchaser; and
  - (e) Competition Act Approval shall have been received prior to the Effective Date.
- 8.2. **Waiver** – The conditions described in Article 8.1 are for the exclusive benefit of the Purchaser and any such condition may be waived in whole or in part by the Purchaser.
- 8.3. **Notice to Vendor** – If, by the Submission Date, the Purchaser is of the opinion that any of the conditions set forth in Article 8.1 have not been fulfilled and the Purchaser is unwilling to waive the conditions, the Purchaser shall deliver to the Vendor a notice:
- (a) specifying in what respect the conditions have not been fulfilled; and
  - (b) advising the Vendor that the Purchaser will not be submitting a copy of this Agreement to the Superintendent in accordance with Article 9.2 hereof.

In such event, the Purchaser shall not be required to proceed with the transactions contemplated hereunder and this Agreement shall be of no further force and effect whatsoever.

- 8.4. **Vendor's Conditions Precedent** – This Agreement and the obligations of the Vendor under this Agreement are subject to the fulfilment of the following conditions:
- (a) the Purchaser's representations and warranties contained in this Agreement are true as of the Delivery Date and shall be true at and as of the Submission Date as though such representations and warranties were made as of such time;
  - (b) the Purchaser shall have performed and complied with all covenants, agreements and conditions required by this Agreement to be performed or complied with by it at or prior to the Submission Date;
  - (c) between the date of this Agreement and the Delivery Date there has not been, and prior to the Submission Date there shall not have been, any event, condition, change of circumstance or other fact in relation to the Purchaser which has occurred that has had a material adverse impact on the Purchaser;
  - (d) prior to the Effective Date, the Vendor shall have received from the Purchaser a certified copy of resolutions of the directors of the Purchaser appointing the Vendor Nominees as additional directors of the Purchaser as of the Effective Date and assigning each of the Vendor Nominees to a one, two or three year term; and
  - (e) Competition Act Approval shall have been received prior to the Effective Date.

8.5. **Waiver** – The conditions described in Article 8.4 are for the exclusive benefit of the Vendor and any such condition may be waived in whole or in part by the Vendor.

8.6. **Notice to Purchaser** – If, prior to the Purchaser's submission of a copy of this Agreement to the Superintendent in accordance with Article 9.2, the Vendor is of the opinion that any of the conditions set forth in Article 8.4 have not been fulfilled and the Vendor is unwilling to waive the conditions, the Vendor shall deliver to the Purchaser a notice:

- (a) specifying in what respect the conditions have not been fulfilled; and
- (b) requesting that the Purchaser not submit a copy of this Agreement to the Superintendent pursuant to Article 9.2.

In such event, the Vendor shall not be required to proceed with the transactions contemplated hereunder and this Agreement shall be of no further force and effect whatsoever.

8.7. **Fulfilment of Conditions** – If the conditions set out in Article 8.1 and 8.4 are fulfilled or waived by the Effective Date, then, upon the issue by the Registrar of the certificate of business acquisition pursuant to section 16(8)(b) of the Act:

- (a) this Agreement shall constitute the absolute sale, transfer and assignment of all of the Vendor's Assets to the Purchaser pursuant to section 18 of the Act, upon the terms and conditions herein set forth;
- (b) this Agreement shall be binding upon the Vendor and the Purchaser and each of the members and shareholders of the Vendor and the Purchaser; and
- (c) without any further act or deed, as of the Effective Date:
  - (i) the Vendor shall cease to carry on business;



- (ii) all the Vendor's Assets shall be transferred to and vested in the Purchaser;
- (iii) all of the Vendor's Liabilities:
  - A. shall be transferred to and assumed by the Purchaser;
  - B. shall become the obligations and liabilities of the Purchaser; and
  - C. shall become enforceable against the Purchaser as if the Purchaser had incurred them; and
- (iv) each member of the Vendor will become a member of the Purchaser and will remain a member of the Purchaser until the membership ceases in accordance with the provisions of the Act or the Rules of the Purchaser.

## **ARTICLE 9 PROCEDURES**

- 9.1. **Delivery by the Vendor to the Purchaser** – As soon as feasible following the date the special resolution of the members of the Vendor and the separate resolution of the holders of the Class C Investment Equity Shares of the Vendor have been passed in accordance with section 16(4) of the Act (with such date of delivery being the “**Delivery Date**”), the Vendor shall deliver to the Purchaser:
- (a) one executed copy of this Agreement;
  - (b) one certified copy of the special resolution of members of the Vendor passed in accordance with section 16(4)(b)(i) of the Act; and
  - (c) one certified copy of the separate resolution of holders of Class C Investment Equity Shares of the Vendor passed in accordance with section 16(4)(b)(ii) of the Act.
- 9.2. **Submission by the Purchaser to the Superintendent and Registrar**– As soon as feasible after receipt from the Vendor of the documents referred to in Article 9.1 and not later than three Business Days following the Delivery Date, the Purchaser shall submit to the Superintendent one fully executed copy of this Agreement together with those certified copies of the resolutions delivered to it by the Vendor.
- 9.3. **Prohibition** –
- (a) The Vendor shall not deliver or submit to the Superintendent any of the documentation described in Article 9.2 of this Agreement, it being the intention of the parties that the Purchaser shall co-ordinate the submission of such documentation to the Superintendent.
  - (b) The Purchaser shall not deliver or submit to the Superintendent any of the documentation described in Article 9.2 of this Agreement if, prior to such submission, the Purchaser has received a notice from the Vendor pursuant to Article 8.6 hereof.
- 9.4. **Additional Documents to be Delivered by the Vendor** – Prior to the Effective Date, the Vendor shall deliver or cause to be delivered to the Purchaser's solicitors (unless otherwise directed by the Purchaser), in trust, the following, to be released from trust to the Purchaser

only upon issuance of a certificate of business acquisition pursuant to section 16(8)(b) of the Act:

- (a) all deeds of conveyance, bills of sale, transfers and assignments executed by the Vendor, in form and content satisfactory to the Purchaser's solicitors, appropriate to effectively vest good and marketable title to the Vendor's Assets in the Purchaser to the extent contemplated by this Agreement, and immediately registerable in all places where registration of such instruments is required; and
- (b) all consents or approvals required to be obtained by the Vendor.

## **ARTICLE 10 NOTICES**

10.1. **Notices** – All notices which may or are required to be given herein or pursuant to this Agreement shall be in writing and shall be given personally by serving the same upon any officer of the party to be served or by mail by posting the same by prepaid registered mail addressed:

- (a) to the Vendor at:

BlueShore Financial Credit Union  
1250 Lonsdale Avenue  
North Vancouver, BC V7M 2H6

Attention: Chief Executive Officer

- (b) to the Purchaser at:

Beem Credit Union  
300 – 678 Bernard Avenue  
Kelowna, BC V1Y 6P3

Attention: Chief Executive Officer

or such other addresses as the parties may advise by notice in writing and any such notice shall be deemed to have been received and effectively served, if mailed, the second Business Day following posting and if served personally, on the day of delivery.

10.2. **Delays** – In the event that, at the time a notice is mailed as provided in Article 10.1 or at any time during the period of two Business Days following such mailing, postal or airline or airport employees are engaged in a strike, work slowdown or other work stoppage at the place at which the notice is mailed or at the place to which the notice is mailed or at any point through which such notice must pass, such notice shall be deemed to have been given and received at the time when such notice would be received in the ordinary course of mailings, allowing for such strikes, work slowdown or other work stoppage.

## **ARTICLE 11 GENERAL**

11.1. **Further Assurances** – The parties hereto shall execute such further and other documents and do such further and other things as may be necessary to carry out and give effect to the intent of this Agreement.

- 11.2. **Entire Agreement** – This Agreement, together with the Non-Disclosure Agreement and the Schedules attached hereto, constitutes the entire agreement between the parties in respect of its subject matter and there are no representations or warranties, express or implied, statutory or otherwise and no agreements collateral hereto other than as expressly set forth or referred to herein. For greater certainty, this Agreement supersedes and replaces the Memorandum of Understanding dated as of August 2, 2024, between the Vendor and the Purchaser, which shall have no further force or effect.
- 11.3. **Assignment** – Neither the Purchaser nor the Vendor may assign its rights or obligations under this Agreement.
- 11.4. **Survival** – The parties hereto agree that all covenants and agreements under this Agreement which are to be performed after the Effective Date shall survive the consummation of the transactions contemplated herein and shall be binding upon the Purchaser thereafter.
- 11.5. **Binding Effect** – This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors.
- 11.6. **Counterparts** – This Agreement may be executed by the parties in counterparts, by original, facsimile copy or other electronic means, each of which when so executed by one or more of the parties to this Agreement shall be deemed to be an original, and such counterparts taken together shall constitute one and the same instrument.

*[Signature page follows]*

**IN WITNESS WHEREOF** each of the Vendor and the Purchaser has executed this Agreement as of the day and year first above written.

**BLUESHORE FINANCIAL CREDIT UNION**

Per: \_\_\_\_\_  
Authorized Signatory

Per: \_\_\_\_\_  
Authorized Signatory

**BEEM CREDIT UNION**

Per: \_\_\_\_\_  
Authorized Signatory

Per: \_\_\_\_\_  
Authorized Signatory

**SCHEDULE "A"**

**SUPERINTENDENT'S CONSENT**

See attached.

## SCHEDULE "B"

### SHARE EXCHANGE

Effective at 12:01 a.m. (Pacific Time) on the Effective Date (and, for greater certainty, prior to the Effective Time), the issued shares of the Vendor will be exchanged for shares of the Purchaser as follows:

#### Membership Shares

1. Subject to paragraphs 2 and 4 below, each issued Class A Membership Equity Share of the Vendor will be exchanged for one fully paid Class "A" Membership Equity Share of the Purchaser, up to a maximum of 1,000 Class "A" Membership Equity Shares of the Purchaser per Shareholder.
2. If any Shareholder of the Vendor holds more than 1,000 membership shares of the Vendor or any Shareholder of the Vendor, who is already a member of the Purchaser, would hold more than 1,000 Class "A" Membership Equity Shares of the Purchaser after the share exchange described above in paragraph 1, the Class A Membership Equity Shares of the Vendor in excess of 1,000, either alone or in combination with Class "A" Membership Equity Shares of the Purchaser held by the Shareholder prior to the share exchange contemplated above (in either case, the "**Excess Membership Shares**"), shall not be exchanged for Class "A" Membership Equity Shares of the Purchaser. In such case, an amount of \$1.00 shall be made available for each of the Excess Membership Shares which are not exchanged for Class "A" Membership Equity Shares of the Purchaser by:
  - (a) depositing such amount in a demand deposit account held with the Purchaser which is in the name of the Shareholder of the Excess Membership Shares not exchanged; or
  - (b) if the Shareholder does not hold a demand deposit account with the Purchaser, by mailing to the Shareholder's last-known address with the Vendor such amount in the form of an official cheque payable to the Shareholder of the Excess Membership Shares not exchanged.

#### Other Equity Shares

3. Subject to paragraph 4 below and the rights of the holders of equity shares other than membership shares to require the purchase of such shares at the value established in Article 3.2 of this Agreement and as provided for by section 24 of the Act:
  - (a) each Class C Investment Equity Share of the Vendor will be exchanged for one fully paid Class "C" Investment Equity Share of the Purchaser up to a maximum of 500,000 Class "C" Investment Equity Shares of the Purchaser per Shareholder; and
  - (b) for any Class C Investment Equity Shares of the Vendor which are jointly held by two or more Shareholders, such Class C Investment Equity Shares of the Vendor will be exchanged for an equivalent number of fully paid Class "C" Investment Equity Shares of the Purchaser as shares that are not jointly held, with the total number of Class "C" Investment Equity Shares of the Purchaser divided equally among the joint holders of the shares.

#### Fractional Shares

4. Where the exchange of shares pursuant to paragraphs 1 or 3 above would lead to the issuance of fractional shares, the Purchaser will round down the shares exchanged in a manner that results in an exchange of non-fractional (*i.e.*, whole) shares. The Purchaser will make available the amount

of the fractional shares of the Vendor which have not been exchanged for shares of the Purchaser as a result of such rounding down (the “**Excess Fractional Amount**”) by:

- (i) depositing such Shareholder’s Excess Fractional Amount in the demand deposit account held with the Purchaser which is in the name of the Shareholder of the fractional share not exchanged; or
- (ii) if the Shareholder does not hold a demand deposit account with the Purchaser, the Purchaser will donate the Shareholder’s Excess Fractional Amount to a registered charity selected by the Purchaser, unless the Shareholder has contacted the Purchaser by phone at 1.866.736.4334 or email at [inquiry@beemcreditunion.ca](mailto:inquiry@beemcreditunion.ca) within 30 days of the Effective Date to request that the Purchaser pay the Shareholder’s Excess Fractional Amount to the Shareholder. If the Shareholder has made such a request, the Purchaser will make the Shareholder’s Excess Fractional Amount available to the Shareholder for pickup at any branch of the Purchaser (including former branches of the Vendor) for a period of 90 days after the Effective Date. Upon expiry of such 90 days, if such Shareholder’s Excess Fractional Amount has not been picked up by the Shareholder, the Purchaser may donate such amount to a registered charity selected by the Purchaser.

#### **Unissued Shares**

- 5. Any unissued shares of the Vendor will not be exchanged for shares of the Purchaser and will be cancelled on the Effective Date.

## SCHEDULE "C"

### EMPLOYMENT MATTERS

The Purchaser and the Vendor acknowledge and agree that the employees of the Vendor are a key component of the transactions as contemplated herein and the parties agree as follows:

1. On the Effective Date, the Purchaser shall assume the employment obligations of the Vendor for all employees of the Vendor. Without limiting the generality of the foregoing:
  - (a) the Purchaser shall recognize the continuity of employment of all employees of the Vendor including recognition of length of service for all matters for which length of service is relevant; and
  - (b) on and after the Effective Date, the Purchaser shall assume all obligations and liabilities of the Vendor under any employment agreements between the Vendor and employees of the Vendor in place as of the Effective Date, subject to Article (a) of this Agreement.
2. Integration of the employees of the Vendor shall be guided by the following general principles and arrangements:
  - (a) during the Transition Period, the Purchaser will operate the former branches of the Vendor as a division of the Purchaser under the name "BlueShore Financial";
  - (b) subject to normal attrition or the decision by an employee not to continue in the employment of the Purchaser, it is intended that all employees of the Vendor, with the exception of the Vendor's Executive Team, shall be integrated into the business and operations of the Purchaser and offered positions with the Purchaser that are consistent with their skills, expertise and qualifications. For the purposes of this Schedule, the "**Vendor's Executive Team**" means the Chief Executive Officer, Chief Information Officer, Chief Risk Officer and Chief Marketing & Strategy Officer of the Vendor;
  - (c) the Purchaser shall offer employment terms that are substantially consistent with that of the Vendor and such terms will include equivalent (or better) salary and bonus opportunity and materially consistent provisions in relation to group benefits, vacation and time off, hybrid work options, staff banking and other similar matters;
  - (d) it is intended that all employees of the Vendor who continue employment with the Purchaser shall have opportunities for promotion, training and personal development equivalent to those offered to other employees of the Purchaser and it is expected that employees of the Vendor will take the necessary skill and training development to meet the current standards of an employee of the Purchaser (with such training to be paid by the Purchaser in accordance with its current policies in respect of such matters);
  - (e) other than as outlined in paragraph 2(f) below, by no earlier than December 31, 2025, employees of the Vendor will transition to the salary and bonus, group benefits, vacation and time off, hybrid work options, staff banking and other similar matters normally available to employees of the Purchaser in similar positions. In the interim period until employees of the Vendor are transitioned to such programs of the Purchaser, the Purchaser shall continue the current programs of the Vendor for such employees, subject to the terms and conditions of the applicable plans;
  - (f) the Purchaser will allow employees of the Vendor who are already pension plan participants of the Vendor's defined benefit pension plan (the "**DBP**") to continue to accrue



pension benefits and vesting service in accordance with the terms and conditions of the DBP;

- (g) in the event an employee's monthly salary or hourly wage with the Vendor is less than what the employee would earn at the Purchaser in a comparable position at a similar skill level, expertise, qualifications and performance standard, the employee's salary/wage shall be harmonized to the Purchaser's salary/wage scale as identified by a role evaluation. In the event that an employee is earning more than the comparable position at a similar skill level, expertise, qualifications and performance standard, the employee's salary will be maintained at the Vendor's rate until such time as the salary paid by the Purchaser for that position exceeds the Vendor's rate; and
- (h) subject to the change in role for the current Chief Executive Officer of the Vendor as noted in Article 7.10, it is the intention of the Purchaser that the Vendor's Executive Team will, for the Transition Period and subject to any change of control provisions which may be exercised by the applicable Vendor's Executive Team member, retain their current titles and positions.

## **SCHEDULE "D"**

### **PURCHASER'S SERVICES**

The Purchaser offers a full range of banking services to individuals, businesses and not-for-profit organizations. In addition to the services offered by the credit union, other subsidiaries and suppliers of the Purchaser provide a wide array of services to individuals, businesses and the community, including additional wealth management and insurance services to members. More information about the Purchaser's products and services can be found on the Purchaser's website at <http://www.beemcreditunion.ca>.

The following is a representative listing of the products and services which the Purchaser offers to its members:

#### **RETAIL BANKING**

Chequing and Savings Accounts  
Foreign Currency Accounts  
TFSA's, RRSP's, RRIF's, LIF's, RESP's and RDSP's  
Money and Wire Transfers  
Debit Cards  
CRA Direct Deposit  
Bank Drafts  
Foreign Currency Exchange  
Safe Deposit Boxes  
Telephone, Mobile and Online Banking  
Automatic Teller Machines  
Overdraft Protection  
Credit Cards  
Mortgages, Construction Mortgages, Personal Loans, Bridge Financing, Lines of Credit, Loans and RRSP Loans  
Term Deposits and Guaranteed Investment Certificates  
Interac e-Transfer  
Remote Deposit Capture

#### **COMMERCIAL BANKING**

Chequing and Savings Accounts  
Foreign Currency Accounts  
Credit Cards  
Merchant Payment Services  
Automated Funds Transfer  
Telephone, Mobile and Online Banking  
Automatic Teller Machines  
Night Deposit  
Construction and Real Estate Financing  
Commercial Loans and Mortgages  
Operating Lines of Credit  
Term Deposits  
Letters of Credit  
Payroll Services

#### **WEALTH MANAGEMENT** (provided through subsidiaries of the Purchaser)

Wills & Estate Planning  
Financial Advisory Services

On-Line Brokerage Services  
Investment Services  
FHSAs, Mutual Funds, Segregated Funds & RESPs  
Annuities  
Group & Self-Administered Retirement Plans  
Pension Plans

**INSURANCE** (provided through subsidiaries of the Purchaser)

Home Insurance  
Vehicle and Marine Insurance  
Travel Insurance  
Medical and Dental Plans  
Life, Health, Disability & Critical Injury Insurance  
Commercial General Liability Insurance  
Property Insurance  
Professional Liability Insurance  
Group Benefits and Small Business Insurance

**Carry-over of Vendor Products and Services**

In addition to the above products and services, the Vendor has distinguished itself with respect to certain products and services targeted at select demographics, including commercial lending, wealth management and private banking services. These services include, without limitation, proprietary trading, portfolio management, trading in private securities, at-home service and a differentiated, high-touch in-branch experience. The points of differentiation reflective in these services will be evaluated for alignment to the strategy of the Purchaser and may be extended to all members of the Purchaser.

If, as a result of the transactions contemplated by this Agreement, there will be changes to fees, products or services that were provided by the Vendor prior to the Effective Date, the Vendor or the Purchaser, as the case may be, shall provide any affected members with reasonable notice before such changes take effect.

**We're listening.**

We'd love to hear any feedback or questions that you may have.

Website: [TogetherOurBest.ca](https://TogetherOurBest.ca) | Email: [merger@blueshorefinancial.com](mailto:merger@blueshorefinancial.com)

Phone: BlueShore Financial 1.888.713.6728