



DISCLOSURE MATERIALS

Certified B Corporations must complete a Disclosure Questionnaire to identify potentially sensitive issues related to the company (e.g. historical fines, sanctions, material litigation, or sensitive industry practices).

This component does not affect the company's score on the B Impact Assessment. If the company answers affirmatively to any items in the Disclosure Questionnaire and B Lab deems them to be material, the company must:

- 1) Be transparent about the disclosure issues identified on the company's public B Impact Report
- 2) Describe how the company has addressed this issue.
- 3) Demonstrate that management systems are in place to avoid similar issues from arising in the future.

In all cases, the Standards Advisory council reserves the right to refuse certification if the company is ultimately deemed not to uphold the spirit of the community.

In addition to the voluntary indication of sensitive issues in the Disclosure Questionnaire, companies pursuing Certification also are subject to background checks by B Lab staff. Background checks include a review of public records, news sources, and search engines for company names, brands, executives/founders, and other relevant topics.

Sensitive issues identified through background checks may or may not be within the scope of questions in the Disclosure Questionnaire, but undergo the same review process and are subject to the same possible review by the Standards Advisory Council, including ineligibility for B Corp Certification, required remediation, or disclosure.

This document contains a copy of the company's completed Disclosure Questionnaire and related disclosure documentation provided by the company.



DISCLOSURE QUESTIONNAIRE

CompanyName: Coast Capital Savings

Date Submitted: April 30th 2018

| Disclosure Industries | Yes | No |
|---|-----|----|
| Please indicate if the company is involved in production of or trade in any the following. Select Yes for all options that apply. | | |
| Any product or activity deemed illegal under host country laws or regulations or international conventions and agreements | | ✓ |
| Alcohol (excluding beer and wine) | | ✓ |
| Commercial loggings and logging equipment | | ✓ |
| Firearms, weapons or munitions | | ✓ |
| Genetically modified organisms | | ✓ |
| Fossil fuel-based oil or coal utility | | ✓ |
| Ozone depleting substances subject to international phase out | | ✓ |
| Persistent organic pollutants (POPs) that are banned or scheduled to be phased out of production | | ✓ |
| Pesticides/herbicides subject to international phase out or bans | | ✓ |
| Pharmaceuticals subject to international phase-outs or bans | | ✓ |
| Payday lending | | ✓ |
| Pornography | | ✓ |
| Radioactive materials | | ✓ |
| Tobacco | | ✓ |
| Unbonded asbestos | | ✓ |
| Wildlife or wildlife products regulated under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) | | ✓ |
| Disclosure Penalties | Yes | No |
| Please indicate if the company has had any formal complaint to a regulatory agency or been assessed any fine or sanction in the past five years for any of the following practices or policies. Check all that apply. | | |
| Diversity and equal opportunity | | ✓ |
| Employee safety or workplace conditions | | ✓ |
| Environmental issues | | ✓ |
| Financial reporting | | ✓ |
| Geographic operations or international affairs | | ✓ |
| Investments or Loans | | ✓ |
| Labor issues (internal and supply chain) | | ✓ |
| Marketing | | ✓ |
| Political contributions | | ✓ |
| Taxes | | ✓ |
| Animal Welfare | | ✓ |
| Bribery, Fraud or corruption | | ✓ |

| Disclosure Practices | True | False |
|---|------|-------|
| Please indicate if the following statements are true regarding whether or not the company engages in the following practices. Check all that apply. If the statement is true, select "True." If false, select "False." | | |
| Company is not formally registered in accordance with domestic regulations | | ✓ |
| Company has reduced or minimized taxes through the use of corporate shells or structural means | | ✓ |
| Company facilities are located adjacent to or in sensitive ecosystems | | ✓ |
| Company employs workers under the age of 15 (or other minimum work age covered by the International Labour Organization Convention No. 138) and/or company does not keep personnel records that include evidence of the date of birth of each | | ✓ |
| Overtime work for hourly workers is compulsory | | ✓ |
| Company uses workers who are prisoners | | ✓ |
| Company prohibits workers from freely associating and bargaining collectively for the terms of one's employment | | ✓ |
| Animal testing is conducted | | ✓ |
| Company exploitatively operates in conflict zones | | ✓ |
| Company employs individuals on zero-hour contracts | | ✓ |

| Disclosure Outcomes | True | False |
|--|------|-------|
| Please indicate if the following statements are true regarding if the company has experienced any of the following in the past 5 years. Check all that apply. If the statement is true, select "True." If false, select "False." | | |
| Company has had an operational or on-the-job fatality | | ✓ |
| Company sites have experienced accidental discharges to air, land or water of hazardous substances | | ✓ |
| Construction or operation of company facilities resulted in physical resettlement or economic displacement involving 5,000 or more people near your facility | | ✓ |
| Material recalls due to quality control issues | | ✓ |
| Material litigation or arbitration against company | ✓ | |
| Company has filed for bankruptcy | | ✓ |
| Company has had material breaches of individual's confidential information | | ✓ |

| Supplier Disclosure | Yes | No | Don't Know |
|--|-----|----|------------|
| Please indicate if any of the following statements are true regarding your company's significant suppliers. | | | |
| Significant Suppliers employ workers under the age of 15 (or other minimum work age covered by the International Labour Organization Convention No. 138) | | ✓ | |
| Significant Suppliers use any workers who are prisoners | | ✓ | |
| Significant Suppliers have had an operational or on-the-job fatality | | ✓ | |
| Significant Suppliers' sites have experienced accidental discharges to air, land or water of hazardous substances | | ✓ | |
| Construction or operation of Significant Suppliers' facilities resulted in physical resettlement or economic displacement involving 5,000 or more people near their facility | | ✓ | |
| Construction or operation of Significant Suppliers involved large scale land acquisition | | ✓ | |
| Construction or operation of Significant Suppliers involved large scale land conversion and/or degradation | | ✓ | |
| Construction or operation of Significant Suppliers involved the construction or refurbishment of dams | | ✓ | |
| Significant Suppliers have had material fines or sanctions in the last five years regarding the issues indicated in DQ4.1 | | ✓ | |
| Significant Suppliers exploitatively operate in conflict zones | | ✓ | |



B Corp Certification - Disclosure Questionnaire Documentation

PROVIDED BY:

Coast Capital Credit Union

UPDATED AS OF:

4.30.2018

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| DISCLOSURE QUESTIONNAIRE CATEGORY | Disclosure Outcomes |
| ISSUE DATE | The scheme was discovered by Coast Capital in the beginning of 2012. Authorities were notified immediately. |
| TOPIC | Material Litigation |
| SUMMARY OF ISSUE | In early 2012, it was discovered that some members of Coast Capital had been victims of a Ponzi scheme led by a Vancouver notary, Rashida Samji. Ms. Samji was not employed by Coast Capital and had no affiliation with Coast Capital. A Coast Capital financial advisor, Arvin Patel, had invested with Ms. Samji and had discussed the scheme with some members and staff. The scheme, presented as an investment in a wine and spirits company, had nothing to do with any Coast Capital product. Coast Capital uncovered and reported Ms. Samji's scheme and Mr. Patel's involvement in the scheme to the relevant authorities, and cooperated fully with subsequent investigations. Coast Capital suspended Mr. Patel immediately upon hearing the allegations, and his employment with Coast Capital came to an end two weeks later. Individual law suits and a class action claim was commenced against Samji, Patel, Coast Capital and other financial institutions. The matter was settled in 2014. Both Ms. Samji and Mr. Patel have been subject to criminal and securities proceedings. |
| SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected) | The BC Securities Commission levied a \$33 million fine against the Vancouver notary, Ms. Samji, for her orchestration of the Ponzi scheme, which she perpetrated through a number of financial institutions. Patel in his individual capacity entered into a settlement agreement with the BC Securities Commission dated April 12, 2012 and was also charged criminally for his individual participation in the scheme. |
| IMPACT ON STAKEHOLDER(S) | Unknown |
| RESOLUTION | <i>The civil proceedings against Coast Capital were resolved in 2014 by confidential settlement before trial.</i> |
| IMPLEMENTED MGT PRACTICES | No management changes were deemed necessary as the scheme was that of a rogue operator. |
| REPORT | None |
| OTHER MANAGEMENT COMMENTS | None |
| RELATED INCIDENTS (YES/NO) | None |