

APPENDIX B

Recognizing a Conflict of Interest

Below are examples to assist directors in recognizing where a conflict of interest may arise. This is not intended to be an exhaustive list.

- Notifying an individual, group or association of any business information where they may benefit from that information is a conflict of interest and may even be deemed a breach of the Code of Conduct.
- Pursuing competing business interests to Connect First Credit Union, for example, entering into or diverting a business opportunity from Connect First Credit Union for personal gain/loss is a conflict of interest.
- Directors that own or hold interest in an outside company that sells goods and services should refrain from participating in decision making if Connect First Credit Union is entering into a transaction or contract with that company, e.g. legal/consulting services, accounting, tax services.
- Owner or employee of a business or relative of an owner/co-owner of a business where insights gleaned from Connect First board meetings could influence business decisions in that other organization or provide competitive advantage. For example, providing consulting services to a major strategic partner.
- Taking a position as a director, employee (or equivalent position) or Advisory Board member of (or a person acting in a similar capacity for) any entity that directly competes with Connect First Credit Union or any of its subsidiaries or affiliates, e.g. another financial institution, such as credit union, bank, or insurance company.
- Being a director, employee (or equivalent position) or Advisory Board member of (or a person acting in a similar capacity for) any entity that is a party to a proposed or current contract or transaction with Connect First Credit Union or any of its subsidiaries or affiliates. For example, director or employee of a major supplier, strategic partner, contractor or sub-contractor of goods/services to Connect First such as CUMIS, Celero, Everlink, PPJV, CUES, CCUA, AB Central, CFCU current audit firm or any law firm that CFCU does material business with.
- Accepting any gift or hospitality of material value offered by reason of a person's position as a director of Connect First Credit Union.
- Initiating legal, regulatory or public relations action against the Board as a whole or specific members of the Board while still an active Board member
- Knowingly approaching members of Connect First Credit Union in respect of business activities other than the business activities of Connect First Credit Union and its subsidiaries or affiliates.

- Involvement with an organization that represents a special interest group or that carries out activities that, having regard to the purpose of this Policy and the role of a director of Connect First Credit Union, would reasonably be considered to conflict with the values and goals of Connect First Credit Union or the duties of a director. For example, involvement in a consumer advocacy group adverse to financial institutions may represent a conflict of interest or involvement in a group whose mandate is inconsistent with the values of the Credit Union.
- Municipal, provincial or federal politician currently elected and representing an Alberta riding, government employee who directly or through their department oversees legislation or regulation that CFCU is governed by. For example, mayor and city council of Calgary, employees of CUDGC, employees of Alberta Treasury and Finance.