

March 29, 2017

Commission Consultation
Financial Institutions Commission
2800 - 555 West Hastings Street
Vancouver, BC V6B 4N6

Email: commission.consultation@ficombc.ca

Re: Comments on Coast Capital Savings' application to become a federal credit union

Dear Commission Members:

On behalf of BlueShore Financial Credit Union, I am writing to express support for Coast Capital Savings' application to FICOM to continue as a federal credit union.

BlueShore Financial's position is that credit unions must be able to grow and evolve if they are to remain relevant in today's changing financial services landscape. Becoming a federal credit union is one option credit unions can consider; it is not the right path for every credit union, but it is the right path for some.

Credit unions are governed by member-elected Boards of Directors who, alongside management, assess their credit union's business needs and the direction they must take. Their recommendations are then subject to member-shareholder approval, which aligns with the fundamental democratic process upon which the credit union movement operates. Coast Capital's members have voted in favour of federal continuance. Coast Capital has demonstrated to our sector that they appreciate the potential impact their continuance might have on other BC credit unions, and that their intent is to remain a strong, contributing member of our sector. They have been transparent in their process, and have welcomed input from other credit unions. They have committed to remain active in supporting our shared services at Central 1, ideally as a Class A member.

I can appreciate that Coast Capital is the first credit union in BC to consider federal continuance, and that risks associated with this degree of change must be weighed. There is also risk in the status quo.

Some may argue that credit unions should not grow beyond a certain size. Canada's financial services industry is changing rapidly, and credit unions have to evolve to meet the needs and wishes of their membership. Restraining credit unions from undertaking the growth they believe is necessary could ultimately do more harm than good for our sector, as we face increasing regulatory burden and costs to keep pace with technology.

It is BlueShore Financial's position that we support the application for continuance.

Sincerely,



Chris Catliff
President and Chief Executive Officer
BlueShore Financial