



# Forward, *together.*

## Supplemental Information Package

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**SPECIAL RESOLUTION OF THE  
MEMBERS AND SHAREHOLDERS OF  
KAWARTHA CREDIT UNION LIMITED (“KAWARTHA”)**

**AMALGAMATION**

**WHEREAS:**

- A. Kawartha desires to amalgamate with Libro Credit Union Limited (“**Libro**”) under the *Credit Unions and Caisses Populaires Act, 2020* (the “**Amalgamation**”).
- B. Kawartha and Libro have entered into an amalgamation agreement in the form included in the Supplemental Information Package (the “**Agreement**”) setting out the terms and conditions upon which Kawartha and Libro shall complete the Amalgamation.
- C. The Agreement must be approved by special resolution of the members of Kawartha and of each class of shareholders of Kawartha, voting separately.

**BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:**

- (1) The Amalgamation of Kawartha and Libro pursuant to the terms and conditions set forth in the Agreement is hereby approved and adopted in accordance with section 250 of the *Credit Unions and Caisses Populaires Act, 2020*.
- (2) The Amalgamation Agreement, as made available to Members and shareholders on the merger website (*goforwardtogether.ca*) and summarized in the Member/Owner Guide, is hereby approved.
- (3) Subject to the Amalgamation becoming effective, the proposed By-laws and articles of amalgamation (including proposed first board of directors) of the amalgamated credit union, substantially in the form contain in the Agreement, are adopted, approved and confirmed as the By-laws and articles of amalgamation of the amalgamated credit union.
- (4) Subject to the Amalgamation becoming effective, KPMG LLP is hereby appointed as the auditor of the amalgamated credit union.
- (5) Notwithstanding that this resolution has been passed by the members and shareholders of Kawartha, the directors of Kawartha are hereby authorized and empowered to, at their discretion, without further notice to or approval of the members or shareholders of Kawartha, but subject to the terms of the Agreement, not proceed with the Amalgamation.
- (6) Any two (2) directors or officers of Kawartha be and are hereby authorized and directed, for and on behalf of Kawartha, to execute or cause to be executed, and to deliver or cause to be delivered, or file all such other documents and instruments and to perform or cause to be performed all such other acts and things as are required or as such directors or officers, in their sole discretion, may deem necessary or desirable to give full effect or carry out the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

**SPECIAL RESOLUTION OF THE  
OWNERS AND SHAREHOLDERS OF  
LIBRO CREDIT UNION LIMITED (“LIBRO”)**

**AMALGAMATION**

**WHEREAS:**

- A. Libro desires to amalgamate with Kawartha Credit Union Limited (“**Kawartha**”) under the *Credit Unions and Caisses Populaires Act, 2020* (the “**Amalgamation**”).
- B. Libro and Kawartha have entered into an amalgamation agreement in the form included in the supplementary information package (the “**Agreement**”) setting out the terms and conditions upon which Libro and Kawartha shall complete the Amalgamation.
- C. The Agreement must be approved by special resolution of the Owners of Libro and of each class of shareholders of Libro, voting separately.

**BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:**

- (1) The Amalgamation of Libro and Kawartha pursuant to the terms and conditions set forth in the Agreement is hereby approved and adopted in accordance with section 250(4) of the *Credit Unions and Caisses Populaires Act, 2020*.
- (2) The Amalgamation Agreement, as made available to Owners and shareholders on the merger website ([goforwardtogether.ca](http://goforwardtogether.ca)) and summarized in the Member/Owner Guide, is hereby approved.
- (3) Subject to the Amalgamation becoming effective, the proposed By-laws and articles of amalgamation (including proposed first board of directors) of the amalgamated credit union, substantially in the form contain in the Agreement, are adopted, approved and confirmed as the By-laws and articles of amalgamation of the amalgamated credit union.
- (4) Subject to the Amalgamation becoming effective, KPMG LLP is hereby appointed as the auditor of the amalgamated credit union.
- (5) Notwithstanding that this resolution has been passed by the Owners and shareholders of Libro, the directors of Libro are hereby authorized and empowered to, at their discretion, without further notice to or approval of the Owners or shareholders of Libro, but subject to the terms of the Agreement, not proceed with the Amalgamation.
- (6) Any one (1) director or officer of Libro be and are hereby authorized and directed, for and on behalf of Libro, to execute or cause to be executed, and to deliver or cause to be delivered, or file all such other documents and instruments and to perform or cause to be performed all such other acts and things as are required or as such directors or officers, in their sole discretion, may deem necessary or desirable to give full effect or carry out the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

## AMALGAMATION AGREEMENT

THIS AGREEMENT is made this 1st day of October, 2025 (the “**Effective Date**”).

**BETWEEN:**

**LIBRO CREDIT UNION LIMITED**, a credit union existing under the *Credit Unions and Caisses Populaires Act, 2020* (Ontario) (“**Libro**”)

-and-

**KAWARTHA CREDIT UNION LIMITED**, a credit union existing under the *Credit Unions and Caisses Populaires Act, 2020* (Ontario) (“**Kawartha**”)

**RECITALS:**

- A. Libro and Kawartha are credit unions organized under and governed by the *Credit Unions and Caisses Populaires Act* (Ontario) (the “**Act**”).
- B. Each of Libro and Kawartha wish to amalgamate and continue as one credit union pursuant to Section 250 of the Act.
- C. The board of directors of each of Libro and Kawartha has determined that the Amalgamation (as defined herein) is in the best interest of the respective credit union and its respective members/owners, as applicable.

**NOW THEREFORE** in consideration of the respective covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto covenant and agree as follows:

### **ARTICLE 1 INTERPRETATION**

#### **1.1 Definitions**

In this Agreement, the following terms shall have the meanings set forth below:

- (a) “**Act**” has the meaning ascribed thereto in the Recitals;
- (b) “**ADRIC**” means the ADR Institute of Canada Inc.;
- (c) “**Agreement**” means this amalgamation agreement, including the schedules hereto, and all amendments made in writing by Libro and Kawartha, and “**herein**”, “**hereto**”, “**hereof**” and similar expressions mean and refer to this Agreement and not to any particular article, section, subsection or Schedule;
- (d) “**Amalgamated Credit Union**” means the credit union resulting from the Amalgamation pursuant to the Act;

- (e) “**Amalgamation**” means the amalgamation of Libro and Kawartha as provided for herein;
- (f) “**Applicable Laws**” in respect of any Person, property, transaction or event, means all present laws, statutes, regulations, regulatory guidance, treaties, judgments and decrees applicable to that person, property, transaction or event, including all applicable regulatory requirements and other requirements, rules, orders, directives and policies of any Governmental Authority having the force of law over that Person, property, transaction or event;
- (g) “**ARC**” means an advance ruling certificate issued by the Commissioner under Section 102(1) of the Competition Act in respect of the Amalgamation;
- (h) “**Articles of Amalgamation**” means the articles of amalgamation to be jointly submitted to the FSRA CEO by Libro and Kawartha pursuant to Section 250(13) of the Act, substantially in form attached as Schedule B hereto;
- (i) “**Benefit Plan**” means any pension, retirement, savings, profit sharing, bonus, savings, deferred compensation, incentive compensation, stock option, purchase or appreciation, change of control, health, hospitalization, welfare, medical, dental, life or accident insurance, disability, sick pay, severance or termination pay (except with respect to key executives), employee loan, group insurance or other employee benefit plans, programs or arrangements maintained or contributed to by the party (each such plan, program or arrangement, other than a plan, program or arrangement established pursuant to statute);
- (j) “**Breaching Party**” has the meaning set forth in Section 7.1(c);
- (k) “**Business Day**” means any day, other than a Saturday or a Sunday, or statutory holiday, in Ontario, Canada;
- (l) “**Bylaws**” means the bylaws of the Amalgamated Credit Union, as set out in Schedule C;
- (m) “**CASL**” means *An Act to promote the efficiency and adaptability of the Canadian economy by regulating certain activities that discourage reliance on electronic means of carrying out commercial activities, and to amend the Canadian Radio-television and Telecommunications Commission Act, the Competition Act, the Personal Information Protection and Electronic Documents Act and the Telecommunications Act, S.C. 2010, c. 23;*
- (n) “**Claimant**” has the meaning set forth in Section 8.11(b);
- (o) “**Closing**” means the completion of the Amalgamation in accordance with this Agreement;
- (p) “**Closing Date**” means January 1, 2026, or such other date upon which the Articles of Amalgamation become effective pursuant to the issuance by the FSRA CEO of a certificate of amalgamation;

- (q) “**Collective Agreement**” means collective agreements, union agreements and other similar contracts or agreements and related documents, including (without limitation) benefit agreements, letters of understanding, letters of intent and other written communication (including arbitration awards), with any labour union, employee association, council of trade unions, employee bargaining agent or affiliated bargaining agent and by which a party is bound;
- (r) “**Commissioner**” means the Commissioner of Competition appointed under subsection 7(1) of the Competition Act and includes any person designated by the Commissioner to act on his behalf;
- (s) “**Competition Act**” means the *Competition Act* (Canada) RSC 1985, c. C-34 and any successor legislation thereto, as enacted and as amended, from time to time, including regulations made thereunder;
- (t) “**Competition Act Approval**” means either: (a) the Commissioner has issued an ARC; or (b) both of (i) the waiting period in respect of the Amalgamation, including any extension thereof, under section 123 of the Competition Act has expired or been terminated or the obligation to provide a pre-merger notification in accordance with Part IX of the Competition Act in respect of the Amalgamation has been waived in accordance with paragraph 113(c) of the Competition Act, and (ii) the parties have received a letter from the Commissioner indicating that he does not, at that time, intend to make an application under section 92 of the Competition Act in respect of the Amalgamation (a “**No-Action Letter**”);
- (u) “**Confidentiality Agreement**” means the mutual confidentiality agreement between Libro and Kawartha dated as of March 24, 2025;
- (v) “**Constating Documents**” means, as applicable with respect to a party, its certificate of incorporation, continuance or amalgamation, constitution, bylaws, other order issued by a Governmental Authority in respect of the party and any compliance agreement entered into with a Governmental Authority or other similar document, all as amended and as in effect from time to time;
- (w) “**Dispute**” has the meaning set forth in Section 8.11(a);
- (x) “**Dispute Notice**” has the meaning set forth in Section 8.11(b);
- (y) “**Dispute Notice Date**” has the meaning set forth in Section 8.11(c);
- (z) “**Encumbrance**” means any lien, pledge, hypothecation, charge, mortgage, deed of trust, security interest, encumbrance, restriction, equitable interest, claim, easement, right-of-way, servitude, right of possession, lease tenancy, contract, encroachment, burden, intrusion, covenant, infringement, interference, option, pre-emptive rights or right of first refusal;
- (aa) “**Enforcement Limitation**” when used in the context of “enforceable in accordance with its terms” means that such enforceability is subject to any limitation on enforcement under Applicable Laws relating to: (i) bankruptcy,

winding-up, insolvency, arrangement and other similar Applicable Laws of general application affecting the enforcement of creditors' rights; or (ii) the discretion that a court may exercise in the granting of extraordinary remedies such as specific performance and injunction;

- (bb) “**Environmental Laws**” means all Applicable Laws and agreements with Governmental Authorities and all other statutory or regulatory requirements relating to human health, Hazardous Materials or the protection of the environment and all authorizations issued pursuant to such Applicable Laws, agreements or statutory or regulatory requirements;
- (cc) “**Financial Statements**” means, in respect of a party, the audited financial statements of such party for the fiscal year ended in 2024, and all internal interim (unaudited) financial statements of such party for the period ended September 30, 2025;
- (dd) “**FSRA**” means the Financial Services Regulatory Authority of Ontario;
- (ee) “**FSRA Approvals**” means the approval of the FSRA CEO with respect to (i) the Amalgamation and this Agreement pursuant to Section 250(4) of the Act, and (ii) the continued operation by the Amalgamated Credit Union post-Closing of the existing branches of Kawartha under the name of Kawartha pursuant to Section 17(1) of the Act;
- (ff) “**FSRA CEO**” means the Chief Executive Officer appointed under subsection 10(2) of the *Financial Services Regulatory Authority of Ontario Act, 2016*;
- (gg) “**Governmental Authority**” means any applicable domestic or foreign government, including any federal, provincial, state, territorial, local or municipal government, and any governmental agency or department, tribunal, board, commission, court or other authority exercising or purporting to exercise executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, government, as well as any arbitrator, arbitration tribunal or other tribunal or any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing;
- (hh) “**Hazardous Materials**” means any substance, material or other contaminant that is prohibited, listed, defined, designated or classified as, or otherwise determined to be, dangerous, hazardous, radioactive, explosive or toxic or a pollutant or a contaminant under or pursuant to any applicable Environmental Laws, including any mixture or solution thereof;
- (ii) “**Information Security Program**” has the meaning set forth in Section 3.1(aa)(ii);
- (jj) “**Intellectual Property**” means all worldwide intellectual property rights, including all (i) patents (whether utility or design), and industrial designs (ii) trademarks, service marks, brands, trade dress, logos, corporate names, trade names, Internet domain names, social media identifiers and other source, origin, or quality indicators, together with the goodwill of the business symbolized thereby

and all common-law rights related thereto, (iii) copyrights, Software, and other works of authorship, (iv) trade secrets, proprietary information or know-how, inventions, developments, improvements, methods and processes (in each case, whether patentable or not) and (v) any applications, registrations, continuations, continuations-in-part, divisions, re-issues, re-examinations, renewals or foreign counterparts of any of the foregoing;

- (kk) “**Interim Period**” means the period from the date of execution of this Agreement to the Closing Date;
- (ll) “**IT Systems**” means the computer systems, information technology, and data processing systems, technology infrastructure and services used by the party in the conduct of its business, including all Software, firmware, devices, systems hardware, networks, interfaces, platforms, public or private cloud services, databases, websites, telecommunications and network infrastructure, and other related systems and services including those used to receive, store, operate, process, maintain, organize, present, generate, analyze or transmit data and information;
- (mm) “**Kawartha**” has the meaning ascribed thereto in the Recitals;
- (nn) “**Kawartha Disclosure Letter**” means the letter of disclosure dated the date of this Agreement and signed by Kawartha and delivered to Libro on the date hereof;
- (oo) “**Kawartha Leased Properties**” has the meaning set forth in Section 3.1(w)(i);
- (pp) “**Kawartha Member Approval**” means the approval of the members of Kawartha of the Amalgamation and this Agreement by special resolution pursuant to Section 250(4) of the Act;
- (qq) “**Kawartha Owned Properties**” has the meaning set forth in Section 3.1(w)(ii);
- (rr) “**Kawartha Shareholder Approvals**” means the approval of holders of each class of shares (other than membership shares) of Kawartha (voting as separate classes) of the Amalgamation and this Agreement by special resolution pursuant to Section 250(5) of the Act;
- (ss) “**Leased Real Property**” has the meaning set forth in Section 3.1(w)(i);
- (tt) “**Legal Proceeding**” means any litigation, action, application, suit, investigation, hearing, claim, complaint, deemed complaint, grievance, civil, administrative, regulatory or criminal, arbitration proceeding or other similar proceeding, before or by any Governmental Authority, and includes any appeal or review thereof and any application for leave for appeal or review;
- (uu) “**Liability**” means any debt, obligation, duty or liability of any nature (including any unknown, undisclosed, unfixed, un-liquidated, unsecured, un-matured, unaccrued, unasserted, contingent, conditional, inchoate, implied, vicarious, joint, several or secondary liability), strict liability (including, strict liability arising under

Applicable Laws) regardless of whether such debt, obligation, duty or liability would be required to be disclosed on a balance sheet, collectively the “**Liabilities**”;

- (vv) “**Libro**” has the meaning ascribed thereto in the Recitals;
- (ww) “**Libro Disclosure Letter**” means the letter of disclosure dated the date of this Agreement and signed by Libro and delivered to Kawartha on the date hereof;
- (xx) “**Libro Leased Properties**” has the meaning set forth in Section 3.1(w)(i);
- (yy) “**Libro Owned Properties**” has the meaning set forth in Section 3.1(w)(ii);
- (zz) “**Libro Owner Approval**” means the approval of the owners of Libro of the Amalgamation and this Agreement by special resolution pursuant to Section 250(4) of the Act;
- (aaa) “**Libro Shareholder Approvals**” means the approval of holders of each class of shares (other than membership shares) of Libro (voting as separate classes) of the Amalgamation and this Agreement by special resolution pursuant to Section 250(5) of the Act;
- (bbb) “**Material Adverse Change (or Effect)**” means any change, effect, condition, event or development that has had, or would reasonably be expected to result in, a material adverse change or to have a material adverse effect on the business, operations, results of operations, assets, condition or future prospects (financial or otherwise) of a party hereto, provided, however, that any change, effect, condition, event or development:
  - (i) relating to or arising from general political, economic or financial conditions;
  - (ii) relating to or arising from the state of securities or financial markets in general;
  - (iii) relating generally to the banking and the credit union industries;
  - (iv) relating to or arising from changes or proposed changes in Applicable Laws (including Tax law), regulatory conditions, policies or government programs or the interpretation, application or non-application of Applicable Laws (including Tax law), conditions, policies or programs by any Governmental Authority;
  - (v) relating to or arising from changes in accounting principles or changes in regulatory accounting requirements;
  - (vi) relating to acts of war (whether or not declared), armed hostilities or terrorism, or the escalation or worsening thereof;
  - (vii) relating to general outbreaks of illness;

- (viii) relating to or arising from the execution of this Agreement or the announcement or consummation of the transactions contemplated hereby;
- (ix) relating to or arising from compliance with the terms of, or taking any action required by, this Agreement; or
- (x) relating to, or arising from, any action taken by a party at the request or with the written consent of the other party;

shall be deemed not to constitute a “Material Adverse Change” or “Material Adverse Effect” and shall not be considered in determining whether a “Material Adverse Change” or a “Material Adverse Effect” has occurred; except in the case of subparagraphs (i), (ii), (iii), (iv) and (v) of this definition, to the extent that such change, effect, condition, event or development has had or would reasonably be expected to result in a material disproportionate impact on the applicable party relative to its impact generally on credit unions;

- (ccc) “**Material Contract**” means, with respect to each party, any contract listed in the external dependencies section or contract appendices of its Resolution Plan for the 2025 fiscal year;
- (ddd) “**Meetings**” means collectively, the Member/Owner Meetings and Shareholder Meetings;
- (eee) “**Member/Owner Meetings**” means the meeting of the members/owners of each party, as applicable, including any adjournment or postponement of such meeting in accordance with the terms of this Agreement, to be called and held for the purpose of obtaining the Kawartha Member Approval and the Libro Owner Approval, as applicable;
- (fff) “**Ordinary Course of Business**” means, with respect to an action taken by a Person, that such action is consistent with the past practices of such Person and is taken in the ordinary course of the day-to-day operations of such Person;
- (ggg) “**Outside Date**” means twelve (12) months from the date hereof, or such later date as may be agreed by Libro and Kawartha acting in their sole discretion;
- (hhh) “**Owned Real Property**” has the meaning set forth in Section 3.1(w)(ii);
- (iii) “**Permitted Encumbrances**” means:
  - (i) easements, rights of way, servitude, and similar rights in land for sewers, drains, gas and oil pipelines, gas and water mains, telephone or cable television conduits;
  - (ii) rights reserved to or vested in any Governmental Authority by the term of any lease, license, franchise, grant or permit pursuant to Applicable Laws;

- (iii) liens for Taxes which are not yet due and payable or which are being contested in good faith by appropriate proceedings (which proceedings have the effect of preventing the enforcement of such lien);
  - (iv) liens incurred, created and granted in the Ordinary Course of Business to a public utility, municipality or Governmental Authority;
  - (v) rights of lessors, including purchase money security interests, under equipment leases in respect of office equipment and other minor equipment entered into in the Ordinary Course of Business;
  - (vi) any privilege in favour of any lessor, licensor or permitter for rent to become due or for other obligations or acts, the performance of which is required under contracts so long as the payment of such or the performance of such other obligation or act is not delinquent as at the Closing Date; and
  - (vii) those Encumbrances, if any, disclosed in writing by a party to the other party;
- (jjj) “**Person**” means any natural person, sole proprietorship, partnership, limited partnership, corporation, trust, joint venture, Governmental Authority or incorporated or unincorporated entity or association of any nature;
- (kkk) “**Personal Information**” means information about an identifiable individual, or as defined in applicable Privacy Laws;
- (lll) “**Privacy Law**” means the *Personal Information Protection and Electronic Documents Act* (Canada) and any comparable law of any province or territory of Canada governing the collection, use and disclosure of Personal Information;
- (mmm) “**Privacy Requirements**” means (i) all Privacy Laws, (ii) the party’s published privacy policies, and (iii) the privacy, data security, and Security Breach reporting and record-keeping requirements of any contracts, codes of conduct, or industry standards by which the party is legally bound.
- (nnn) “**Real Property Leases**” has the meaning set forth in Section 3.1(w)(i);
- (ooo) “**Required Approvals**” means, collectively, the FSRA Approvals, the Competition Act Approval, the Kawartha Member Approval, the Kawartha Shareholder Approvals, the Libro Owner Approval and the Libro Shareholder Approvals;
- (ppp) “**Resolution Plan**” means a plan developed in accordance with the requirements of FSRA that outlines the strategy and actions to be taken to resolve a credit union in the event of severe financial distress or failure, with the aim of maintaining critical operations, protecting depositors, and minimizing disruption to the financial system;
- (qqq) “**Respondent**” has the meaning set forth in Section 8.11(b);

- (rrr) “**Security Breach**” means any (i) loss, theft, or misuse of Personal Information or data, (ii) unauthorized, and/or unlawful access, collection, use, processing, corruption, modification, or disclosure of Personal Information, or (iii) other act or omission that has compromised the privacy, confidentiality or security of Personal Information or other data or the security or operation of the IT Systems;
- (sss) “**Shareholder Meetings**” means the meeting of the shareholders of each party, including any adjournment or postponement of such meeting in accordance with the terms of this Agreement, to be called and held for the purpose of obtaining the Kawartha Shareholder Approvals and the Libro Shareholder Approvals, as applicable;
- (ttt) “**Software**” means any and all (i) computer programs, including any and all software implementations of algorithms, models and methodologies, whether in source code or object code, (ii) databases and compilations, including any and all data and collections of data, whether machine readable or otherwise, (iii) descriptions, flow-charts and other work product used to design, plan, organize and develop any of the foregoing, screens, user interfaces, report formats, firmware, development tools, templates, menus, buttons and icons, and (iv) all documentation, including user manuals and training materials, related to any of the foregoing; and
- (uuu) “**Tax**” or “**Taxes**” means (i) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Authority, including those levied on, or measured by, or described with respect to, income, gross receipts, profits, gains, windfalls, capital, capital stock, production, recapture, transfer, land transfer, license, gift, occupation, wealth, environment, net worth, indebtedness, surplus, sales, goods and services, harmonized sales, use, value-added, excise, special assessment, stamp, withholding, business, franchising, real or personal property, health, employee health, payroll, workers’ compensation, employment or unemployment, severance, social services, social security, education, utility, surtaxes, customs and all employment insurance, health insurance and government pension plan premiums or contributions; (ii) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Authority on or in respect of amounts of the type described in clause (i) above or this clause (ii); (iii) any liability for the payment of any amounts of the type described in the immediately preceding clauses (i) or (ii) as a result of any obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any party; and (iv) any installments in respect of the foregoing;
- (vvv) “**Tax Act**” means the *Income Tax Act* (Canada) and the regulations promulgated thereunder, as amended;
- (www) “**Tax Returns**” means any and all returns, reports, declarations, elections, notices, forms, designations, filings, and statements (whether in tangible, electronic or other form and including estimated tax returns and reports, withholding tax returns and reports, and information returns and reports) and including any amendments, schedules, attachments, supplements, appendices and exhibits thereto made,

prepared, or filed with a Governmental Authority or required to be made, prepared, or filed with a Governmental Authority in respect of Taxes;

(xxx) “**Terminating Party**” has the meaning set forth in Section 7.1(c); and

(yyy) “**Transaction Personal Information**” means any Personal Information acquired by or disclosed to either party to or in connection with this Agreement.

## 1.2 Schedules

The following Schedules are attached to this Agreement and the schedules to the Libro Disclosure Letter and the Kawartha Disclosure Letter, shall, for purposes of this Agreement, form an integral part of this Agreement:

Schedule A	–	Proposed Directors of the Amalgamated Credit Union
Schedule B	–	Articles of Amalgamation
Schedule C	–	Proposed Bylaws of the Amalgamated Credit Union
Schedule D	–	Libro Disclosure Letter
Schedule E	–	Kawartha Disclosure Letter

Any reference to a Schedule to this Agreement shall be deemed to be a reference to, and shall incorporate by reference, all matters contained in such Schedule.

## 1.3 Currency

Unless otherwise stated, all references in this Agreement to sums of money are expressed in lawful money of Canada.

## 1.4 Interpretation Not Affected by Headings

The division of this Agreement into articles, sections, subsections, paragraphs and subparagraphs and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of the provisions of this Agreement.

## 1.5 Number and Gender

Unless the context otherwise requires, words importing the singular number only shall include the plural and vice versa and words importing the use of any gender shall include all genders.

## 1.6 Knowledge

In this Agreement, any reference to the “knowledge of” a party means:

- (a) in respect of Libro, the actual knowledge or awareness, after due inquiry, of Shawn Good, the President and Chief Executive Officer and Janet Johnson, the Chief Financial Officer, without personal liability to either of them; and

- (b) in respect of Kawartha, the actual knowledge or awareness, after due inquiry, of Norah McCarthy, the President and Chief Executive Officer and Mark Oakes, the Chief Financial Officer and Chief Risk Officer, without personal liability to either of them.

### **1.7 Disclosure in Writing**

Where used in this Agreement, the phrase “disclosed in writing” refers to disclosure made by each party to the other party as of the Closing Date and in accordance with the party’s due diligence process and, after the date of this Agreement, subject to any subsequent amendments or supplements made to such disclosure in accordance with Section 5.3 hereof.

## **ARTICLE 2 THE AMALGAMATION**

### **2.1 Amalgamation**

Libro and Kawartha agree to amalgamate and to continue as one credit union under the Act, on the terms and subject to the conditions precedent set out in this Agreement. The Amalgamation shall take effect at 12:01 a.m. on the Closing Date.

### **2.2 Name**

- (a) The name of the Amalgamated Credit Union shall be “Libro Credit Union Limited”.
- (b) Libro and Kawartha acknowledge and agree that, until such time that the board of directors and management of the Amalgamated Credit Union deem it to be appropriate to amend the legal name of the Amalgamated Credit Union in accordance with the Act, the Amalgamated Credit Union shall use the current names of Libro and Kawartha (or derivatives thereof) as trade names of the Amalgamated Credit Union, subject to compliance with the Act. The parties acknowledge that their current intention is to utilize the current names of Libro and Kawartha (or derivatives thereof) as trade names of the Amalgamated Credit Union for at least the first three years of the Amalgamated Credit Union’s operations.

### **2.3 Head Office**

The head office of the Amalgamated Credit Union shall be the current head office of Libro.

### **2.4 Members/Owners**

On the Closing Date, each owner of Libro and each member of Kawartha shall become a member/owner of the Amalgamated Credit Union. In the event that a Person is both an owner of Libro and a member of Kawartha, any such member/owner shall be entitled to only one vote at any meeting of the members/owners of the Amalgamated Credit Union.

## **2.5 Membership/Ownership**

Membership/Ownership in the Amalgamated Credit Union shall be limited to:

- (a) persons who reside or work in the province of Ontario, subject to any conditions that may be imposed by the Act of any regulation passed thereunder;
- (b) employees of the Amalgamated Credit Union;
- (c) related persons or entities of such members/owners qualifying under subsections 2.5(a) and (b) above and under the Act;
- (d) persons not otherwise qualifying for membership/ownership, as long as the aggregate number of such members/owners does not exceed 3% of the number of members/owners of the Amalgamated Credit Union;
- (e) a Person who originally qualified for and became a member/owner under subsections 2.5(a), (b) or (c) above or who originally qualified for and became a member/owner of the Amalgamated Credit Union under an earlier by-law of the Amalgamated Credit Union (or a predecessor credit union) and who no longer qualifies under subsections 2.5(a), (b) or (c) above; and
- (f) any other Person that is eligible to acquire membership shares of the Amalgamated Credit Union under the Act.

## **2.6 Directors**

- (a) The directors of the Amalgamated Credit Union shall be the individuals whose names, place of ordinary residence, occupation/calling and terms appear in Schedule A. Libro and Kawartha may, in writing, amend Schedule A before the Closing Date, with notice to FSRA.
- (b) The first directors shall be appointed with effect from the Closing Date and shall hold office until the end of the annual general meeting of Amalgamated Credit Union in the year indicated in Schedule A under the heading Initial Term Expires or until their successor in office is elected by the membership/ownership of Amalgamated Credit Union, whichever is later.

## **2.7 Authorized Capital**

The classes and number of shares that the Amalgamated Credit Union is authorized to issue, along with the attendant rights, privileges, restrictions and conditions, shall be as set out in the Articles of Amalgamation attached hereto as Schedule B, subject to any restrictions contained in the Act.

## **2.8 Conversion**

- (a) On the Closing Date, the issued and outstanding shares of Libro and Kawartha shall be converted as follows:

- (i) Each Libro Membership Share issued and outstanding immediately prior to the Closing Date shall be converted into one (1) membership share of the Amalgamated Credit Union;
  - (ii) Each Kawartha Membership Share issued and outstanding immediately prior to the Closing Date shall be converted into five (5) membership shares of the Amalgamated Credit Union;
  - (iii) Each Libro Class P Share issued and outstanding immediately prior to the Closing Date shall be converted into one Class P Share of the Amalgamated Credit Union;
  - (iv) Each Libro Class I Series 1 Share issued and outstanding immediately prior to the Closing Date shall be converted into one Class I Series 1 Share of the Amalgamated Credit Union;
  - (v) Each Libro Class I Series 2 Share issued and outstanding immediately prior to the Closing Date shall be converted into one Class I Series 2 Share of the Amalgamated Credit Union;
  - (vi) Each Libro Class I Series 3 Share issued and outstanding immediately prior to the Closing Date shall be converted into one Class I Series 3 Share of the Amalgamated Credit Union;
  - (vii) Each Libro Class I Series 4 Share issued and outstanding immediately prior to the Closing Date shall be converted into one Class I Series 4 Share of the Amalgamated Credit Union;
  - (viii) Each Libro Class I Prosperity Series 5 Share issued and outstanding immediately prior to the Closing Date shall be converted into one Class I Series 5 Share of the Amalgamated Credit Union;
  - (ix) Each Libro Class I Series 6 Share issued and outstanding immediately prior to the Closing Date shall be converted into one Class I Series 6 Share of the Amalgamated Credit Union;
  - (x) Each Kawartha Class A Share, Series 1 issued and outstanding immediately prior to the Closing Date shall be converted into one Class I Series 7 Share of the Amalgamated Credit Union; and
  - (xi) Each Kawartha Class B Share, Series 1 issued and outstanding immediately prior to the Closing Date shall be converted into one Class P Share of the Amalgamated Credit Union.
- (b) No fractional shares will be issued pursuant to the Amalgamation.
- (c) Upon Amalgamation, the shareholders of Libro and Kawartha shall, when requested by the Amalgamated Credit Union, surrender any share certificates, or written acknowledgements of their right to request a share certificate, held by them representing shares in Libro or Kawartha, as applicable, and shall be entitled to

receive, in accordance with the Bylaws, certificates for the shares they hold in the capital of the Amalgamated Credit Union or a written acknowledgement of their right to obtain a share certificate.

## 2.9 Stated Capital

- (a) The stated capital addition for each class of shares of the Amalgamated Credit Union shall be the “paid up capital” (within the meaning of the Tax Act) (“PUC”) of the relevant class(es) of shares of the predecessor credit unions, as follows:
  - (i) the stated capital addition for the membership shares of the Amalgamated Credit Union shall be the aggregate PUC of the Libro Membership Shares and the Kawartha Membership Shares;
  - (ii) the stated capital addition for the Class P Shares of the Amalgamated Credit Union shall be the aggregate PUC of the Libro Class P Shares and Kawartha Class B Shares, Series 1 issued and outstanding immediately prior to the Closing Date;
  - (iii) the stated capital for the Class I Series 1 Shares of the Amalgamated Credit Union shall be the aggregate PUC of the Libro Class I Series 1 Shares issued and outstanding immediately prior to the Closing Date;
  - (iv) the stated capital for the Class I Series 2 Shares of the Amalgamated Credit Union shall be the aggregate PUC of the Libro Class I Series 2 Shares issued and outstanding immediately prior to the Closing Date;
  - (v) the stated capital for the Class I Series 3 Shares of the Amalgamated Credit Union shall be the aggregate PUC of the Libro Class I Series 3 Shares issued and outstanding immediately prior to the Closing Date;
  - (vi) the stated capital for the Class I Series 4 Shares of the Amalgamated Credit Union shall be the aggregate PUC of the Libro Class I Series 4 Shares issued and outstanding immediately prior to the Closing Date;
  - (vii) the stated capital for the Class I Series 5 Shares of the Amalgamated Credit Union shall be the aggregate PUC of the Libro Class I Prosperity Series 5 Shares issued and outstanding immediately prior to the Closing;
  - (viii) the stated capital for the Class I Series 6 Shares of the Amalgamated Credit Union shall be the aggregate PUC of the Libro Class I Series 6 Shares issued and outstanding immediately prior to the Closing Date; and
  - (ix) the stated capital of the Class I Series 7 Shares of the Amalgamated Credit Union shall be the aggregate PUC of the Kawartha Class A Shares, Series 1 issued and outstanding immediately prior to the Closing Date.

## 2.10 Bylaws

The Bylaws of the Amalgamated Credit Union, until repealed or amended in accordance with the Act, shall be the bylaws as set out in the attached Schedule C. The Bylaws shall come into effect upon the Amalgamation on the Closing Date.

### ARTICLE 3 REPRESENTATIONS AND WARRANTIES

#### 3.1 Mutual Representations and Warranties

Each party, on a several basis, makes the following representations and warranties to the other party, acknowledging that the other party is entering into this Agreement in reliance upon such representations and warranties:

- (a) Organization and Qualification. The party is a credit union duly created, amalgamated or continued, validly existing and is in good standing under the laws of its governing jurisdiction and has the requisite corporate power and authority to own its properties as now owned and to carry on its business as it is being conducted as at the Closing Date. The party is duly registered to do business and is in good standing in each jurisdiction in which the character of its assets, owned or leased, or the nature of its activities makes such registration necessary. Copies of the Constatting Documents of the party together with all amendments to date have been provided to the other party and are accurate and complete as of the Closing Date.
- (b) Authority Relative to this Agreement. Subject to any Required Approvals, the party has the requisite corporate authority to enter into this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement and the participation by the party in the transactions contemplated hereby have been duly authorized by the party's board of directors and, subject to applicable member/owner and shareholder approvals, no other corporate proceedings on the part of the party are necessary to authorize this Agreement or the commitments contemplated hereby. This Agreement has been duly executed and delivered by the party and constitutes a legal, valid and binding obligation of the party enforceable against the party in accordance with its terms, subject to the Enforcement Limitation.
- (c) No Violations; Absence of Defaults and Conflicts.
  - (i) The party is not in material violation of its Constatting Documents or in material default in the performance or observance of any obligation, agreement, covenant or condition contained in any contract, Encumbrance or in respect of any Liability to which the party is a party or to which it or its assets, may be subject or by which the party is bound.
  - (ii) Neither the execution and delivery of this Agreement by the party nor the consummation of the transactions contemplated by this Agreement nor compliance by the party with any of the provisions hereof will violate, conflict with, or result in a breach of any provision of, require any approval

(other than the Required Approvals) or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) or result in a right of termination or acceleration under or in respect of, or, to the knowledge of the party, result in the creation of any Encumbrance upon any of the assets of the party or cause any Liability to come due before its stated maturity or cause any credit to cease to be available, under any of the terms, conditions or provisions of:

- (A) its Constatng Documents; or
  - (B) any contract, Encumbrance or Liability to which the party is a party or to which it may be subject or by which it is bound;
- (iii) Other than in connection with or in compliance with the provisions of Applicable Law (including those relating to the Required Approvals):
- (A) there is no material legal impediment to the party's consummation of the transactions contemplated hereby; and
  - (B) no filing or registration with, or approval of, any Governmental Authority is required of the party in connection with the consummation of the transactions contemplated hereunder.
- (d) Guarantees. Other than in the Ordinary Course of Business, the party has no guarantees, indemnities or contingent or indirect obligations with respect to the liabilities or obligations of any other Person (including any obligation to service the debt of or otherwise acquire an obligation of another Person or to supply funds to, or otherwise maintain any working capital or other balance sheet condition of, any other Person).
- (e) Litigation. Except as disclosed in writing to the other party, there are no actions, suits, proceedings or investigations by any Person pending or, to the knowledge of the party, threatened, affecting or that would reasonably be expected to affect the party or that would reasonably be expected to affect any of its assets at law or equity or before or by any Governmental Authorities which in each case involves a possibility of any judgment, order or decision of a Governmental Authority against or Liability of the party which, if successful, would be material to the business, operation or financial condition of the party, taken as a whole or would significantly impede the ability of the party to consummate the transactions contemplated herein.
- (f) No Orders and Bankruptcy. Since September 30, 2015, there have been no bankruptcy, liquidation, winding up, resolution, supervisory intervention, or other similar proceedings pending or in progress or threatened against the party before any Governmental Authority. None of the party nor its directors and officers, in their capacities as such, or any of their respective assets or properties, is subject to any outstanding judgment, order, writ, injunction or decree which would be material to the business, operation or financial condition of the party, taken as a whole or would significantly impede the ability of the party to consummate the transactions contemplated herein.

(g) Capitalization.

- (i) Schedule 3.1(g) of the Libro Disclosure Letter sets out: (i) the authorized shares and membership shares of Libro and (ii) all of the issued and outstanding shares and membership shares in the capital of Libro, in each case as of the date hereof.
- (ii) Schedule 3.1(g) of the Kawartha Disclosure Letter sets out: (i) the authorized shares and membership shares of Kawartha and (ii) all of the issued and outstanding shares and membership shares in the capital of Kawartha, in each case as of the date hereof.
- (iii) All outstanding shares and membership shares of the party have been duly authorized and validly issued, are fully paid and non-assessable and are not subject to, nor were they issued in violation of, any pre-emptive rights.

(h) Filings. Other than the filings contemplated by the Required Approvals, the party has filed all documents required to be filed by it with applicable Governmental Authorities.

(i) Tax Matters.

- (i) Each party has timely filed all material Tax Returns required to be filed by them and all such Tax Returns are complete and correct in all material respects.
- (ii) Each party has paid or caused to be paid on a timely basis all material Taxes which are due and payable, all material assessments and reassessments, and all other material Taxes due and payable by them, including instalments on account of Taxes for the current year, whether or not shown as being due on any Tax Returns or assessed by the appropriate Governmental Authority, other than those which are being or have been contested in good faith and in respect of which reserves have been provided in the most recently published Financial Statements of the such party if required in accordance with applicable accounting principles. Each party has provided adequate accruals in accordance with applicable accounting principles in the most recently published consolidated Financial Statements of such party for any material Taxes of such party for the period covered by such Financial Statements that have not been paid whether or not shown as being due on any Tax Returns, and since such publication date, no liability in respect of material Taxes not reflected in such statements or otherwise provided for has been assessed, proposed to be assessed, incurred or accrued, other than in the Ordinary Course of Business. Neither party has received a refund of Taxes to which it was not entitled.
- (iii) Neither party is a party to any material claims, suits, audits, action or proceeding for assessment, reassessment, deficiencies or collection of Taxes and no such event has been asserted in writing or, to the knowledge of the party, threatened against such party or any of its respective assets.

- (iv) There are no material Encumbrances (other than Permitted Encumbrances) with respect to Taxes upon any of the assets of either party.
- (v) Each party has in all material respects withheld or collected all amounts required to be withheld or collected by it on account of Taxes and has remitted all such amounts to the appropriate Governmental Authority when required by Applicable Laws to do so.
- (vi) Neither party has extended or provided any agreement, arrangement or waiver extending the statutory period for the assessment, reassessment or collection of Taxes.
- (vii) No Governmental Authority of a jurisdiction where a party does not file a Tax Return has made a claim that such party is subject to Tax in such jurisdiction. Neither party is subject to Tax in any country other than its country of incorporation or formation by virtue of having a permanent establishment or other place of business.
- (viii) Neither party has engaged in any “reportable transaction” as defined in subsection 237.3(1) of the Tax Act (or any comparable provision of any other Applicable Laws) or any “notifiable transaction” as defined in subsection 237.4(1) of the Tax Act (or any comparable provision of any other Applicable Laws).
- (ix) Each party is a “taxable Canadian corporation” as defined in subsection 89(1) of the Tax Act.
- (j) Financial Statements. As of their respective dates, the Financial Statements of the party:
  - (i) do not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, were not misleading;
  - (ii) comply in all material respects with all Applicable Laws;
  - (iii) fairly present the financial position, results of operations and changes in financial position of the party for the periods indicated therein (subject, in the case of any unaudited interim financial statements, to normal year-end audit adjustments); and
  - (iv) reflect appropriate and adequate reserves in respect of contingent Liabilities, if any, of the party.
- (k) Absence of Certain Changes or Events. Except as required by Applicable Law and as it relates to the transactions contemplated by this Agreement, since December 31, 2024, the business of the party has been conducted in the Ordinary Course of Business and the party has not:

- (i) amended or otherwise modified its Constatng Documents;
  - (ii) adjusted, split, combined, reclassified or amended the terms of any of its shares;
  - (iii) redeemed, repurchased or otherwise acquired or offered to redeem, repurchase or otherwise acquired any of its shares;
  - (iv) made, declared, set aside or paid any dividend or other distribution (whether in cash, securities or property, or any combination thereof) on any of its shares;
  - (v) made any capital expenditure or commitment to do so which individually is in excess of \$1,000,000 or \$2,000,000 in the aggregate;
  - (vi) made any changes to existing accounting practices, except as required by Applicable Laws or a Governmental Authority or required by applicable generally accepted accounting principles, or made a tax election other than, in either case, those that would not have had a significant impact on its financial statements;
  - (vii) amalgamated, merged or consolidated with, or agreed to amalgamate, merge or consolidate with, or purchased or agreed to purchase substantially all of the assets of, or otherwise acquired, any corporation, partnership or other business organization or division thereof;
  - (viii) waived, released, assigned, settled or compromised any Legal Proceeding in a manner that could require a payment by, or release another Person of an obligation in excess of \$1,000,000 individually or \$2,000,000 in the aggregate, or which could reasonably be expected to have a Material Adverse Effect;
  - (ix) entered into any new line of business or discontinued any existing line of business;
  - (x) taken any action which may result in a Material Adverse Effect; or
  - (xi) authorized, agreed, resolved or otherwise committed to do any of the foregoing.
- (l) Absence of Undisclosed Liabilities. Except as disclosed in its Financial Statements, the party has no material Liabilities of any nature, other than Liabilities incurred since the dates of such Financial Statements, as applicable, in the Ordinary Course of Business.
- (m) Records. The corporate minute books of the party have been maintained in accordance with Applicable Laws and are complete and accurate in all material respects. True, correct and complete copies of the minute books of the party have been disclosed to by the party.

- (n) Title to and Sufficiency of Assets. The party, in all material respects, has good and sufficient title to its assets, free and clear of any Encumbrances other than Permitted Encumbrances. The property and assets owned and leased by the party constitute all of the property and assets used or held for use in connection with its business and are sufficient to permit the continued operation of its business in substantially the same manner as conducted as of the date hereof and during the year ended on the date of the most recent annual Financial Statements. There is no agreement, option or other right or privilege, whether by law, pre-emptive or contractual, outstanding in favour of any Person capable of becoming an agreement or option for the purchase from the party of the business or any part thereof or of any of the property or assets of the party other than pursuant to the provisions of this Agreement or in the Ordinary Course of Business.
- (o) Material Contracts. All Material Contracts are in full force and effect and constitute valid and binding obligations of all parties thereto, subject to the Enforcement Limitation. Except as otherwise disclosed in writing to the other party, the party has in all material respects performed the obligations required to be performed by it and is not in material default or alleged to be in material default under any Material Contract. Except as otherwise disclosed in writing to the other party, there exists no event or condition which, after notice or lapse of time, or both, could constitute a material default by the party to any Material Contract. The party has not received any notice terminating or threatening to terminate any Material Contract.
- (p) Intellectual Property. The party, in all material respects, owns or has the right to use all Intellectual Property used in its business, free and clear of all Encumbrances (except for Permitted Encumbrances). The conduct of the party's business does not, in any material respect, infringe, violate or misappropriate the Intellectual Property of any third party, and no claims or proceedings have been asserted or, to the knowledge of the party, threatened, against the party alleging such infringement, violation or misappropriation. To the knowledge of the party, no third party is, in any material manner, infringing, violating or misappropriating any Intellectual Property owned by the party. The party has taken commercially reasonable measures to protect and maintain in confidence all material source code to Software, trade secrets, proprietary information and know-how owned by the party.
- (q) Anti-Spam. The party has complied, in all material respects, with CASL.
- (r) Employment, Labour & Benefit Plans.
  - (i) The party (A) is not a party to a Collective Agreement nor has made commitments to or conducted negotiations with any labour union or employee association with respect to any similar future arrangements (or is party to any certification of any such union with regards to a bargaining unit), and (B) is in compliance with all Applicable Laws relating to employment and labour matters in all material respects (including provisions thereof relating to employment standards, human rights, workers' compensation, occupational health and safety, pay equity, classification of workers, wages, hours of work, overtime, vacation,

workplace health and safety, unfair labour practices and collective bargaining).

- (ii) To the knowledge of the party, there are no ongoing union drives in respect of the employees of such party. No trade union, council of trade unions, employee bargaining agency or affiliated bargaining agent (A) holds bargaining rights with respect to any of the employees of the party by way of certification, interim certification, voluntary recognition, designation or successor rights; (B) has applied to be certified as the bargaining agent of any of the employees of the party; or (C) has applied to have the party declared a related employer pursuant to the provisions of Applicable Laws.
- (iii) Since September 30, 2023, (A) the party has not (and is currently not) engaged in any unfair labour practice and no unfair labour practice complaint, grievance or arbitration proceeding is pending or, to the knowledge of the party, threatened against such party, and (B) there has not been (nor is there currently) any strike, slowdown, picketing or work stoppage with respect to the employees of the party (nor, to the knowledge of the party, is any such activity threatened).
- (iv) Except as disclosed in writing to the other party on or before the Closing Date, there are no change of control payments, golden parachutes, retention payments, contracts or other agreements or arrangements with current or former employees of the party providing for cash or other compensation or benefits upon the consummation of, or relating to, the transactions contemplated hereby, including a change of control of the party.
- (v) Except as disclosed in writing to the other party on or before the Closing Date: (A) there are no Benefit Plans; (B) each Benefit Plan has been administered, established, registered, funded and invested in all material respects according to its terms, including the terms of the material documents that support such Benefit Plans and Applicable Laws and there are no material outstanding violations or defaults thereunder nor any actions, suits, proceedings or investigations pending or, to the knowledge of the party, threatened with respect to any Benefit Plan (or its assets or any employee of the party); (C) no promise or commitment to increase benefits under any Benefit Plan or to adopt any additional Benefit Plan has been made by the party except as required by Applicable Law; (D) the party has paid all contributions and all premiums in respect of each Benefit Plan in a timely fashion in accordance with the terms of each Benefit Plan and Applicable Laws, except as would not be material; and (E) the transactions contemplated hereby will not increase or accelerate any entitlement under any Benefit Plan.
- (vi) Since September 30, 2023, no event has occurred respecting any Benefit Plan which would result in the revocation of the registration of such Benefit Plan or entitle any person or entity (without consent of the party maintaining such Benefit Plan) to wind up or terminate any Benefit Plan, in whole or in

part, or which could otherwise reasonably be expected to adversely affect the tax status of any such Benefit Plan.

- (vii) Except as set forth in Section 3.1(r)(vii) of the Libro Disclosure Letter and Section 3.1(r)(vii) of the Kawartha Disclosure Letter, as applicable, none of the Benefit Plans (A) provide benefits beyond retirement or other termination of service to employees or former employees or to the beneficiaries or dependents of such employees, (B) which are funded or administered through an insurance contract require or permit retroactive increases or assessments in premiums or payments; (C) are defined benefit pension plans as defined under Applicable Laws, including applicable pension and tax legislation, or (D) are self-insured by the party.
- (s) Compliance with Laws. Except as set forth in Section 3.1(s) of the Libro Disclosure Letter and Section 3.1(s) of the Kawartha Disclosure Letter, as applicable, the party is conducting and has at all times since September 30, 2023 conducted, its business in material compliance with all Applicable Laws in each jurisdiction in which it carries on business. Since September 30, 2023, the party has not received any written or oral notice from, or has had any other communication with, any Governmental Authority that alleges, or is with respect to, any material noncompliance with any Applicable Laws and no such allegations or notices of any such material violations are threatened.
- (t) Licenses. The party holds all authorizations, approvals, orders, licenses, permits or consents issued by any Governmental Authority which are material and necessary in connection with the conduct and operation of its business and the ownership, leasing or use of its assets as the same are now owned, leased, used, conducted or operated, and the party is not in material breach of or in material default under the terms or conditions thereof.
- (u) Subsidiaries. Except as set forth in Section 3.1(u) of the Libro Disclosure Letter and Section 3.1(u) of the Kawartha Disclosure Letter, as applicable, the party does not own, directly or indirectly, shares or other equity interests of any other entity.
- (v) No Options, etc. No Person has any written or oral agreement, option, understanding or commitment, or any right or privilege (whether by law, contractual or otherwise) capable of becoming such, for the purchase or other acquisition from the party of any of its assets.
- (w) Real Property.
  - (i) Schedule 3.1(w)(i) of the Libro Disclosure Letter lists each real property and/or premises currently leased by Libro and sets forth the name of the entity holding such leasehold interest (collectively, the “**Libro Leased Properties**”) and Schedule 3.1(w)(i) of the Kawartha Disclosure Letter lists each real property and/or premises currently leased by Kawartha and sets forth the name of the entity holding such leasehold interest (collectively, the “**Kawartha Leased Properties**”) and together with the Libro Leased

Properties, the “**Leased Real Property**” with such leases of Leased Real Property being collectively, the “**Real Property Leases**”).

- (ii) Schedule 3.1(w)(ii) of the Libro Disclosure Letter lists all freehold interests in real property legally and/or beneficially owned by Libro (collectively, the “**Libro Owned Properties**”) and Schedule 3.1(w)(ii) of the Kawartha Disclosure Letter lists all freehold interests in real property legally and/or beneficially owned by Kawartha (collectively, the “**Kawartha Owned Properties**”) and together with the Libro Owned Properties, the “**Owned Real Property**”).
  - (iii) Each party, in all material respects, has good, valid and marketable title to its Owned Real Property and Leased Real Property, free and clear of any Encumbrances other than Permitted Encumbrances. The Owned Real Property and Leased Real Property held by a party constitute all of the real property rights and interests used in connection with such party’s business and is sufficient to permit the continued operation of its business following Closing in substantially the same manner as conducted as of the date hereof. No party has received notice of material violation of any Applicable Laws or of any covenant, restriction or easement affecting the Owned Real Property or Leased Real Property or any part thereof or with respect to the use or occupancy of such real property. None of the parties is a party to, or under any agreement to become a party to, any contract, option to purchase, option to lease, lease, sublease or license with respect to any real property interests, other than the Real Property Leases. Each Real Property Lease held by a party is (i) in good standing; (ii) in full force and effect in accordance with its terms in all material respects; and (iii) constitutes a legal, valid and binding agreement of the party thereto, enforceable in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium or similar laws now or hereinafter in effect relating to creditors’ rights generally and to the application of equitable principles. There are no disputes between any party with respect to any Real Property Lease and none of the parties are in default in payment of rent or in performance of any material obligations under any Real Property Lease. Each party has disclosed or made available to the other party, true, correct and complete copies of all Real Property Leases (including all amendments, extensions, modifications and ancillary agreements relating thereto) and a complete list of all Owned Real Property held by such party.
- (x) Environmental Matters.
- (i) The party is, and has since September 30, 2023 been, conducting the business in compliance with all applicable Environmental Laws, except where failure to do so would not be material to the business, taken as a whole.
  - (ii) To the knowledge of each party, there are no Hazardous Materials located in the ground or in groundwater under any of the Leased Real Property and

Owned Real Property of such party that would reasonably be expected to result in a material liability to such party under Environmental Laws.

- (iii) The party has not received any written notice, or other notice, or order from any Governmental Authority to (A) alter any of its Leased Real Property and Owned Real Property in a material way in order to be in compliance with Environmental Laws, or (B) perform any material environmental closure, decommissioning, rehabilitation, restoration or post-remedial investigations, on, about, or in connection with its Leased Real Property and Owned Real Property.
- (iv) The party has not received, since September 30, 2023, any written communication, or other communication or notice, from any Governmental Authority or any other Person alleging that the party is in material violation of, or subject to material liability under or relating to, any Environmental Law or Hazardous Material and there are no actions pending or threatened in writing against the party arising under Environmental Laws or related to Hazardous Materials.
- (v) Each party has disclosed or made available to the other party, true, correct and complete copies of all copies of all material reports prepared by environmental consultants since September 30, 2023 relating to the environmental condition of the Owned Real Property.
- (y) Dividends. Except as disclosed in writing to the other party on or before the Closing Date, there are no declared and unpaid dividends on any of the party's membership shares or shares and there are no unpaid bonuses, interest refunds or patronage allocations or refunds owing to holders of any of the party's membership shares or shares.
- (z) Insurance.
  - (i) The party is, and has been continuously since September 30, 2023, insured by reputable and financially responsible third-party insurers in respect of the operations and assets of the party with policies issued. The insurance policies of the party are in full force and effect in accordance with their terms and the party is not in material default under the terms of any such policy. To the knowledge of the party, there is no threatened termination of or material premium increase with respect to any of such policies. All premiums due and payable on each such policies have been paid in full. All applications submitted by the party in respect of such policies have been true and correct in all material respects.
  - (ii) There is no material claim pending under any insurance policy of the party that has been denied, rejected, questioned or disputed by any insurer or as to which any insurer has made any reservation of rights or refused to cover all or any portion of such claims. All Legal Proceedings covered by any of the insurance policies have been properly reported to the applicable insurer.

- (aa) Privacy, IT Systems and Data Security.
- (i) The party has complied, in all material respects, with all applicable Privacy Requirements. No material written notices, letters, regulatory inquiries, or complaints have been received, and no material claims are pending (whether by a Governmental Authority or other person) or, to the knowledge of the party, threatened against the party alleging a violation of any applicable Privacy Requirements.
  - (ii) The party has and maintains reasonable physical, technical security measures to protect against any Security Breaches and to safeguard the security, integrity and confidentiality of the IT Systems and all data (including Personal Information) within the custody or control of the party (the “**Information Security Program**”). The Information Security Program includes all safeguards required for material compliance with applicable Privacy Requirements.
  - (iii) Since September 30, 2023, there have not been any material Security Breaches affecting Personal Information within the party’s custody or control, and the party has not been required to notify any Person of any material Security Breach.
  - (iv) The IT Systems adequately meet, in all material respects, the data processing and other computing needs of the operations of the party as presently conducted. The IT Systems operate and perform in all material respects in accordance with their documentation and functional specifications. There are no material deficiencies or defects in the IT Systems.
- (bb) Brokers. No broker, finder or investment banker or other Person is directly or indirectly entitled to receive any brokerage, finder’s or other similar fee, charge or commission in connection with the transactions contemplated by this Agreement.
- (cc) Disclosure. To the knowledge of the party, the party has not withheld from the other party any material information or documents concerning the party or its material assets or Liabilities during the course of the other party’s due diligence review of the party and its assets. No representation or warranty contained in this Agreement or other disclosure document provided or to be provided to the other party pursuant to this Agreement contains or will contain any untrue statement of a material fact or omits to state a material fact which is necessary in order to make the statements herein or therein not misleading.

### **3.2 Survival of Representations and Warranties**

The representations and warranties contained in this Agreement shall not survive the completion of the Amalgamation and shall expire and terminate on the earlier of the Effective Date and the termination of this Agreement in accordance with the provisions hereof.

**ARTICLE 4**  
**AMALGAMATED CREDIT UNION**

**4.1 Post-Amalgamation Employment Matters**

- (a) On the Closing Date, all obligations and liabilities of Libro and Kawartha under any employment agreements existing as of the Closing Date shall continue to be obligations and liabilities of the Amalgamated Credit Union.
- (b) On and after the Closing Date, the Amalgamated Credit Union will:
  - (i) Use its commercially reasonable efforts to integrate most (but not necessarily all) of the employees of Libro and Kawartha as of the Closing Date into the business of the Amalgamated Credit Union and, in connection with the foregoing, offer (or otherwise make available) to such individuals (A) positions with the Amalgamated Credit Union that are consistent with such applicable employee's skills, expertise, and qualifications, and (B) compensation and benefits that are substantially similar in the aggregate to the compensation and benefits that such employees were entitled to prior to the Amalgamation (as applicable); and
  - (ii) Recognize the length of past service with Libro or Kawartha (as applicable) prior to the Closing Date for all employees of the Amalgamated Credit Union for all matters which such length of service is applicable; provided, however, that the foregoing shall not apply to the extent it results in the duplication of benefits, compensation or coverage for the same period of service nor if such service does not affect the provision of benefits under the applicable employee benefit plan of the Amalgamated Credit Union.
- (c) In the event that the Amalgamated Credit Union elects to terminate the employment of an employee of Amalgamated Credit Union, Kawartha or Libro (other than for cause) as a direct result of the Amalgamation, the Amalgamated Credit Union shall provide such employee with (i) either (A) notice or pay in lieu of notice of termination of employment in accordance with the employee's employment agreement or, (B) in the absence of an employment agreement or if such agreement does not contain termination or severance provisions, an offer of termination of employment containing a reasonable amount of reasonable notice of termination of employment at common law (taking into account, among other factors, the length of service of such employee) or a payment in lieu thereof, and (ii) outplacement counselling.
- (d) Notwithstanding anything in this Agreement to the contrary, this Section 4.1 shall not (i) give any employees of Libro, Kawartha or Amalgamated Credit Union any right to continued employment; (ii) be construed as a commitment on the part of the Amalgamated Credit Union, following the Amalgamation, to continue the employment of any employee of Kawartha, Libro or the Amalgamated Credit Union, nor (iii) impair in any way the right of the Amalgamated Credit Union to terminate the employment of any employee following the Closing Date.

- (e) The provisions of this Section 4.1 are solely for the benefit of the parties to this Agreement, and no provision of this Section 4.1 is intended to, or shall, constitute the establishment or adoption of or an amendment to any Benefit Plan. Except as otherwise explicitly provided for in this Agreement, no current or former employee or any other individual associated therewith shall be regarded for any purpose as a third party beneficiary of this Agreement or have the right to enforce the provisions hereof.

## **ARTICLE 5 COVENANTS**

### **5.1 Conduct of Business.**

- (a) Each of the parties hereto agrees that, during the Interim Period, unless otherwise approved in writing by the other party (such approval not to be unreasonably withheld or delayed) or as contemplated by this Agreement and any agreement contemplated herein or otherwise in connection with carrying out the transactions contemplated by this Agreement, and except as required by Applicable Laws or a Governmental Authority or as set out in Schedule 5.1 of the Libro Disclosure Letter and Schedule 5.1 of the Kawartha Disclosure Letter, as applicable, that it shall conduct its business in the Ordinary Course of Business, but without limiting the generality of the foregoing, shall not, directly or indirectly:
  - (i) amend or otherwise modify its Constatng Documents as they exist at the date of this Agreement;
  - (ii) adjust, split, combine, reclassify or amend the terms of any of its shares;
  - (iii) redeem, repurchase or otherwise acquire or offer to redeem, repurchase or otherwise acquire any of its shares;
  - (iv) make, declare, set aside or pay any dividend or other distribution (whether in cash, securities or property, or any combination thereof) on any of its shares;
  - (v) make any capital expenditure or commitment to do so which individually is in excess of \$1,000,000 or \$2,000,000 in the aggregate;
  - (vi) make any changes to existing accounting practices, except as required by Applicable Laws or a Governmental Authority or required by applicable generally accepted accounting principles, or make a tax election other than, in either case, those that would not have a significant impact on its financial statements;
  - (vii) amalgamate, merge or consolidate with, or agree to amalgamate, merge or consolidate with, or purchase or agree to purchase substantially all of the assets of, or otherwise acquire, any corporation, partnership or other business organization or division thereof;

- (viii) waive, release, assign, settle or compromise any Legal Proceeding in a manner that could require a payment by, or release another Person of an obligation in excess of \$1,000,000 individually or \$2,000,000 in the aggregate, or which could reasonably be expected to have a Material Adverse Effect;
- (ix) enter into any new line of business or discontinue any existing line of business;
- (x) take any action which may result in a Material Adverse Effect; or
- (xi) authorize, agree, resolve or otherwise commit to do any of the foregoing.

## **5.2 Cooperation**

- (a) Neither Libro nor Kawartha shall undertake any acquisition or divestment or enter into any agreement to do the same where such acquisition, divestment or entry into of an agreement is reasonably likely to materially delay or prejudice the obtaining of the FSRA Approvals.
- (b) Subject to Applicable Laws relating to the sharing of information, Libro and Kawartha shall each have the right to review in advance (other than any sensitive information), and to the extent practicable, each will consult the other in advance on, all the information that is included in any filing made with, or written materials submitted to, FSRA in connection with the FSRA Approvals, and the parties agree that all requests and enquiries from FSRA shall be dealt with by the parties promptly, where appropriate, and in consultation with each other, in each case; provided, however, that any such information or documents may be provided subject to appropriate redaction if providing such information or documents could:
  - (i) prejudice or waive any legal or litigation privilege; or
  - (ii) result in the disclosure of business sensitive or confidential information.
- (c) Subject to Applicable Laws, Libro and Kawartha shall cooperate with each other in obtaining the FSRA Approvals, including by:
  - (i) providing such assistance to one another as may reasonably be requested by the other to prepare filings and submissions to FSRA;
  - (ii) exchanging advance drafts of all proposed submissions, filings, applications, correspondence and other documents to be filed with FSRA sufficiently in advance to allow the other party reasonable time prior to filing of the document to review the relevant document and provide comments on sections of the document relating to (i) that party; or (ii) the Amalgamation;
  - (iii) considering in good faith any suggestions and comments made in relation thereto by the other party; and

- (iv) keeping each other fully apprised of all communications with FSRA in respect of the FSRA Approvals, including providing copies to each other on a timely basis of all communications that are received from or sent to FSRA (and where such communications are verbal, by providing a written summary of the communication to the other party within a reasonable time thereafter) and will not participate in such communications or meetings with FSRA without giving the other party the opportunity to participate therein, except to the extent that competitively sensitive information is discussed

provided that the parties agree and acknowledge that immaterial and administrative correspondence, as well as correspondence in the ordinary course of FSRA's ongoing supervision of Libro and Kawartha, shall not be required to be provided pursuant to the foregoing.

- (d) The parties will exercise their reasonable best endeavours to promptly provide all information and documentation to FSRA as may be requested, required or ordered pursuant to statutory and non-statutory requests for information, supplemental information requests and any court orders in connection with the FSRA Approvals.

### **5.3 Updates to Information.**

During the Interim Period, each party shall promptly upon becoming aware of any of the following, provide written notice to the other party of: (a) the occurrence of any event that causes any representation and warranty of such party contained in this Agreement to be untrue or inaccurate in any material respects, and (b) any failure of such party to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by it hereunder.

### **5.4 Confidentiality**

The parties acknowledge and agree that the Confidentiality Agreement remains in full force and effect and, in addition, covenants and agrees to keep confidential, in accordance with the provisions of the Confidentiality Agreement, information provided by each party pursuant to this Agreement, except where disclosure is required by law and provided that the parties may disclose such information to their respective agents, employees, advisors and consultants who reasonably need such disclosure and who are bound to maintain such information in confidence and are informed of their obligation to do so. If this Agreement is, for any reason, terminated before the Closing, the Confidentiality Agreement and the provisions of this Section 5.4 shall nonetheless continue in full force and effect.

### **5.5 Access to Books and Records.**

During the Interim Period, each party shall (i) afford the other party and its representatives reasonable access to, and the right to inspect, such party's business and its assets, including the books and records of such party and the contracts relating to its business; (ii) furnish the other party and its representatives with such financial, operating and other data and information related to such party's business and its assets as the other party or any of its representatives may reasonably request, in each case, in connection with the consummation of the transactions contemplated by this Agreement; and (iii) instruct its own representatives to cooperate with the other party in its investigation of such party's business and its assets; provided that any such investigation shall be

conducted during normal business hours upon reasonable advance notice to the other party, under the supervision of the other party's personnel and in such a manner as not to interfere with the operation of such party's business. All requests for access under this Section 5.5 (i) by Libro shall be submitted or directed exclusively to Mark Oakes or such other individuals as Kawartha may designate in writing from time to time and (ii) by Kawartha shall be submitted or directed exclusively to Janet Johnson or such other individuals as Libro may designate in writing from time to time. Notwithstanding anything to the contrary in this Agreement, neither party be required to disclose any information to the other party if such disclosure would, in such party's sole discretion: (a) cause significant competitive harm to the party and its businesses, if the transactions contemplated by this Agreement are not consummated; (b) jeopardize any solicitor-client, litigation or other privilege; or (c) contravene any Applicable Law, fiduciary duty or binding agreement entered into before the date of this Agreement. Each party shall, and shall cause its representatives to, abide by the terms of the Confidentiality Agreement with respect to any access or information provided under this Section 5.5.

### **5.6 Transaction Personal Information.**

The parties acknowledge that each party has collected Transaction Personal Information prior to Closing only as necessary for purposes related to the performance of this Agreement and the completion of the Amalgamation. Following Closing, the parties shall not use the Transaction Personal Information for any purposes other than those for which it was used prior to Closing or as permitted by applicable law and shall give effect to any withdrawal of consent made in accordance with Privacy Laws. The parties shall ensure that access to the Transaction Personal Information shall be restricted to those employees or advisors of the respective party who have a bona fide need to access to such information for these purposes.

The parties shall protect and safeguard the Transaction Personal Information against unauthorized collection, use or disclose as provided by Privacy Laws. If either party terminates this Agreement as provided herein, each party shall promptly deliver to the disclosing party or destroy all Transaction Personal Information in its possession, including all copies, reproductions, summaries or extracts thereof.

### **5.7 Competition Act.**

The Competition Act Approval was obtained on August 8, 2025.

### **5.8 Member/Owner and Shareholder Approvals**

- (a) Subject to the terms of this Agreement and the receipt of the FSRA Approvals, and provided that this Agreement has not been terminated in accordance with its terms, each party shall:
  - (i) convene and conduct the Meetings in accordance with the respective party's Constatng Documents and Applicable Laws as soon as reasonably possible;
  - (ii) take all commercially reasonable steps to hold the Meeting and to cause the Amalgamation to be voted on at the applicable Meetings and shall not

propose to adjourn or postpone such Meetings other than as contemplated by this Section 5.8; and

- (iii) consult with the other party in fixing the record date and meeting date for the Meetings, give notice to the other party of the Meetings and allow their representatives to attend the Meetings.
- (b) If, at any time, a party becomes aware of a fact, matter or circumstance that could reasonably prevent or materially delay the party's Meetings or the authorization of the Required Approvals, it shall promptly inform the other party in writing and in reasonable detail.

## **5.9 Public Announcements.**

The content and timing of any public announcements or communications with any news media in respect of this Agreement or the transactions contemplated hereby must be consented to in writing by both parties (which consent shall not be unreasonably withheld or delayed), and the parties shall cooperate as to the timing and contents of any such announcement.

## **5.10 Exclusivity**

From the Effective Date until the Closing or the termination of this Agreement in accordance with Article 7, neither party will formally, directly or indirectly initiate, participate in or engage with other credit unions in merger or combination discussions.

## **5.11 Overlap Contracts**

In the event that both parties maintain separate contractual relationships with the same third-party provider, the parties agree to cooperate in good faith during the Interim Period to evaluate such arrangements. The parties shall confer and jointly determine, based on mutual agreement and in consideration of operational efficiency, cost-effectiveness, and continuity of service, which of the existing contracts shall be retained, consolidated, or terminated. Any resulting changes to contractual relationships with the third-party provider shall be implemented in a coordinated manner to minimize disruption and ensure a seamless transition, where applicable.

## **5.12 Consents**

During the Interim Period, Libro shall use commercially reasonable efforts to obtain the consents listed in Schedule 5.12 of the Libro Disclosure Letter and Kawartha shall use commercially reasonable efforts to obtain the consents listed in Schedule 5.12 of the Kawartha Disclosure Letter.

## ARTICLE 6 CONDITIONS PRECEDENT

### 6.1 Conditions to Closing

The obligations of Libro and Kawartha pursuant to this Agreement are subject to the fulfillment or waiver of the following conditions precedent on or before the Closing:

- (a) Representations and Warranties. The representations and warranties set forth in Section 3.1 herein shall be true and correct in all material respects as of the Closing Date (except for the representations and warranties made as of a specified date, the accuracy of which shall be determined as of such date);
- (b) Compliance and Deliverables. Each of Libro and Kawartha shall have performed and complied in all material respects with all of its covenants and obligations set forth in this Agreement;
- (c) Approvals. Each Required Approval shall have been obtained;
- (d) No Adverse Litigation or Objection. During the Interim Period, there shall have been no act, action, suit, proceeding, objection or opposition threatened or taken, entered or promulgated before or by any Governmental Authority, and no Applicable Law shall be in effect or have been proposed, enacted, promulgated, amended or applied, which restrains or enjoins or otherwise prohibits the transactions contemplated by this Agreement;
- (e) No Order, Decree or Law Restricting the Transaction. During the Interim Period, there shall not exist any order or decree of any Governmental Authority restraining, prohibiting, or invalidating the transactions contemplated by this Agreement and there shall not exist any prohibition under Applicable Laws against the completion of the transactions contemplated by this Agreement; and
- (f) No Material Adverse Change. During the Interim Period, there shall not have occurred, or failed to occur, any event or series of events, which, singularly, or in the aggregate, could reasonably be expected to have a Material Adverse Effect on the Amalgamated Credit Union or would be expected to cause the Amalgamation to be materially adverse to the interests of the Amalgamated Credit Union, its members/owners or its employees.

### 6.2 Cooperation to satisfy Conditions

Each of Libro and Kawartha shall use their commercially reasonable efforts to cause to be satisfied and fulfilled prior to the Outside Date, each of the conditions set out in Section 6.1, as may be mutually extended by the parties.

## ARTICLE 7 TERMINATION

### 7.1 Grounds for Termination.

This Agreement may be terminated at any time prior to the Closing Date only in accordance with the following:

- (a) by the mutual written consent of Libro and Kawartha;
- (b) by Libro or Kawartha if:
  - (i) there shall be any Applicable Law that makes consummation of the transactions contemplated by this Agreement illegal or otherwise prohibited; or
  - (ii) any Governmental Authority shall have issued a governmental order restraining or enjoining the transactions contemplated by this Agreement, and such governmental order shall have become final and non-appealable.
- (c) by Libro or Kawartha (the “**Terminating Party**”) by written notice to Kawartha or Libro, respectively (the “**Breaching Party**”) if:
  - (i) the Terminating Party is not then in material breach of any provision of this Agreement and there has been a material breach, inaccuracy in or failure to perform any representation, warranty, covenant or agreement made by the Breaching Party under this Agreement that would give rise to the failure of any of the conditions specified in Section 6.1, and such breach, inaccuracy or failure has not been cured by the Breaching Party, as applicable, within 30 days from the date of receipt by the Breaching Party of written notice of the subject violation or breach from the Terminating Party; or
  - (ii) any of the conditions set forth in Section 6.1 shall not have been fulfilled by the Outside Date, unless such failure shall be due to the failure of the Terminating Party to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by it before the Closing.

### 7.2 Effect of Termination

In the event of the termination of this Agreement in accordance with this Article 7, this Agreement shall forthwith become terminated and of no further force and effect and there shall be no liability on the part of any party hereto except:

- (a) as set forth in Section 5.4, Section 5.9, this Article 7 and Section 8.6; and
- (b) that nothing herein shall relieve any party hereto from liability for any intentional breach of any provision hereof.

**ARTICLE 8  
GENERAL**

**8.1 Entire Agreement**

Other than the Confidentiality Agreement, which shall remain in full force and effect in accordance with its terms, this Agreement, including the Libro Disclosure Letter, the Kawartha Disclosure Letter and the schedules attached hereto, constitutes the entire agreement between the parties with respect to the subject matter contemplated hereunder. There are no representations, warranties, terms, conditions, undertakings or collateral agreements or understandings, express or implied, between the parties with respect to the transactions contemplated herein, except as specifically set forth in this Agreement.

**8.2 Notices**

Any notice or other communication required or permitted to be given or made under this Agreement shall be in writing and shall be effectively given and made if (i) delivered personally, (ii) sent by prepaid courier service or mail, or (iii) sent by e-mail (return receipt requested) or other similar means of electronic communication, in each case to the applicable address set out below:

(a) to Libro:

Libro Credit Union Limited  
217 York Street, 4th Floor  
London, ON N6A 5P9

Email: shawn.good@libro.ca  
Attention: Shawn Good, President and CEO

(b) to Kawartha:

Kawartha Credit Union Limited  
14 Hunter Street East, P.O. Box 116  
Peterborough, ON K9J 6Y5

Email: nmccarthy@kawarthacu.com  
Attention: Norah McCarthy, President and CEO

Any such communication so given or made shall be deemed to have been given or made and to have been received on the day of delivery if delivered, or on the day of e-mailing or sending by other means of recorded electronic communication, provided that such day in either event is a Business Day and the communication is so delivered, e-mailed or sent before 4:30 p.m. on such day. Otherwise, such communication shall be deemed to have been given and made and to have been received on the next following Business Day. Any such communication sent by mail shall be deemed to have been given and made and to have been received on the fifth Business Day following the mailing thereof; provided however that no such communication shall be mailed during any actual or apprehended disruption of postal services. Any such communication given or

made in any other manner shall be deemed to have been given or made and to have been received only upon actual receipt.

### **8.3 Assignment**

Neither Libro nor Kawartha may assign this Agreement or any of its rights, interests or obligations under this Agreement (whether by operation of law or otherwise) without the prior written consent of the other party.

### **8.4 Binding Effect**

This Agreement shall be binding upon and shall ensure to the benefit of the parties and their respective successors and permitted assigns.

### **8.5 Amendment and Modification; Waiver**

This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each party. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

### **8.6 Expenses**

The parties will proportionally contribute to fees and expenses incurred in connection with the engagement of any third-party advisors and consultants for the purpose of furthering the Amalgamation as follows:

- (a) Libro shall be responsible for seventy-five percent (75%); and
- (b) Kawartha shall be responsible for twenty-five percent (25%).

Where practicable, the parties shall endeavor to engage the same accounting firm and consultants to perform work that is common to both parties, with the associated costs to be allocated as set forth above. Notwithstanding the foregoing, each party acknowledges that it may, in its sole discretion, determine that independent accounting, consulting, legal, or other third-party advisory services are required. In such instances, the party seeking separate advice shall be solely responsible for the costs and expenses associated with obtaining such independent services.

Seventy-five percent (75%) of all filing fees incurred in connection with the Competition Act Approval will be borne by Libro and twenty-five percent (25%) of such expenses will be borne by Kawartha.

## **8.7 Specific Performance**

Each of the parties hereto agrees that irreparable harm would occur for which money damages would not be an adequate remedy at law in the event that any covenants or obligations are not performed by the parties or their representatives in accordance with their specific terms or are otherwise breached. It is accordingly agreed that each of Libro and Kawartha shall be entitled to an injunction or injunctions and other equitable relief to prevent breaches or threatened breaches of the provisions of this Agreement or to otherwise obtain specific performance of any such provisions, any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief hereby being waived.

## **8.8 Further Assurances**

The parties shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, contracts, transfers, assurances, instruments or documents as may reasonably be required by either of them in order to further document, evidence or perform the transactions or events set out herein and intent of this Agreement.

## **8.9 Time of the Essence**

Time shall be of the essence in this Agreement.

## **8.10 Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

## **8.11 Dispute Resolution**

- (a) Subject to Section 8.11(b) and Section 8.11(d), any and all disputes, disagreements, controversies, questions or claims arising out of or relating to this Agreement including with respect to the formation, execution, validity, application, interpretation, performance, breach, termination or enforcement hereof or thereof (each, a “**Dispute**”), shall be exclusively and finally determined by arbitration.
- (b) Prior to the commencement of any arbitration, the party initiating the arbitration (the “**Claimant**”) will notify the other party (the “**Respondent**”) of the Dispute in detail and in writing (“**Dispute Notice**”).
- (c) Each of the parties will use its commercially reasonable efforts to resolve the Dispute within thirty (30) days from the date on which the Claimant sends the Dispute Notice (the “**Dispute Notice Date**”).
- (d) Nothing in Section 8.11(a), shall prevent any party from applying to a court of competent jurisdiction for equitable relief, including an interim or interlocutory injunction or other order or remedy to preserve the status quo or to prevent irreparable harm pending the appointment of an arbitrator pursuant to this Section 8.11.

- (e) If the parties have not resolved the Dispute within thirty (30) days of the Dispute Notice Date, the Dispute shall be resolved by arbitration. The Claimant may commence arbitration by sending an arbitration notice to the opposite party and advising ADRIC.
- (f) The arbitration of any Dispute shall (except as varied in this Section 8.11(f)) proceed in accordance with the National Arbitration Rules of the ADRIC; *provided that*:
  - (i) the seat of arbitration shall be Toronto, Ontario;
  - (ii) the arbitration shall be held in private in the City of Toronto in the English language;
  - (iii) there shall be one arbitrator, selected as follows:
    - (A) the Claimant shall propose a list of three arbitrators when sending the arbitration notice specified in Section 8.11(f) above;
    - (B) the Respondent may select one person from the list of three arbitrators within ten (10) days of receiving the Dispute Notice, in which case the person chosen shall be the arbitrator;
    - (C) if the Respondent fails to select from the Claimant's list, the Respondent may propose a list of three different arbitrators within fifteen (15) days of receiving the Dispute Notice;
    - (D) if the Respondent provides a list, the Claimant may select from the Respondent's list of arbitrators, in which case the person chose shall be the arbitrator;
    - (E) if the Respondent fails to provide a list, either party may ask ADRIC to appoint an arbitrator with experience in commercial disputes, in which case the person appointed by ADRIC shall be the arbitrator.
  - (iv) The arbitrator(s) may determine all questions of law and jurisdiction (including questions as to whether a Dispute is arbitrable) and all matters of procedure relating to the arbitration. The arbitrator(s) shall have the right to grant any remedy that a judge of the Ontario Superior Court of Justice may grant, including legal and equitable relief (including injunctive relief) and to award costs (including legal fees and the costs of the arbitration) and interest;
  - (v) any award or determination of the arbitrator(s) shall be final and binding on the parties and there shall be no appeal on any ground, including, for greater certainty, any appeal on a question of law, a question of fact, or a question of mixed fact and law;
  - (vi) the arbitrator(s) shall not, without the consent of the parties, retain any expert;

- (vii) the parties shall advise the arbitrator that the written decision and reasons of the arbitrator(s) should be delivered to each of the parties no later than thirty (30) calendar days after the close of argument in the arbitration (or as soon as practicable thereafter). Judgment upon any award rendered by the arbitrator(s) may be entered for homologation in any court having jurisdiction;
- (viii) the arbitrator(s) may apportion the costs of the arbitration, including the reasonable fees and disbursements of the parties, between or among the parties in such manner as the arbitrator(s) consider reasonable;
- (ix) all matters in relation to the arbitration shall be kept confidential to the fullest extent permitted by Applicable Laws, except as otherwise required by Applicable Laws or as may be required in judicial proceedings relating to the arbitration; and
- (x) no individual shall be appointed as an arbitrator unless he or she agrees in writing to be bound by the provisions of this Section 8.11.

## **8.12 Counterparts**

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. This Agreement may be signed by way of associating or otherwise appending an electronic signature or other facsimile signature of the applicable signatory which shall be of the same legal effect as a manually executed signature and a signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

**[Remainder of page left intentionally blank.]**

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement as of the day and year first written above.

**LIBRO CREDIT UNION LIMITED**

Per:



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Name: Shawn Good  
Title: President & CEO

Per:

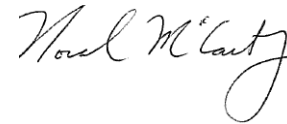


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Name: Janet Johnson:  
Title: Chief Financial Officer

**KAWARTHA CREDIT UNION LIMITED**

Per:



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Name: Norah McCarthy  
Title: President & CEO

Per:



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Name: Mark Oakes  
Title: CFO/CRO

## SCHEDULE A

### Proposed First Directors of the Amalgamated Credit Union

	<b>Name</b>	<b>Municipal Address</b>	<b>Occupation/ Calling</b>	<b>Initial Term Expires</b>
1.	Elizabeth Baldwin	946590 Twp Rd 14, Plattsville, ON N0J 1S0	Small Business Owner	2027
2.	David Billson	718 Notre Dame Dr, London, ON N6J 3B6	Tech Business Owner	2027
3.	Jeff Brown	253 Victoria Street, London, ON N6A 2C3	Retired Investment Management/ Business Owner	2028
4.	Judy Cameron	649 Edison Ave, Ottawa K2A 1V9	Retired/Board Director	2029
5.	Jeff Carter	1745 Myers Cres, Ennismore, K0L 1T0	VP, Neptune Canada	2028
6.	Allison Chenier	2662 Old Norwood Road, Kneene, K9J 0G8	Retired Consultant/Board Director	2029
7.	Alan DeVillaer	368 Harston Road, London, ON N6H 5N3	Retired Public Administrator	2028
8.	Lawrence Davis	21 Glen Cedar Road, Toronto, M6C 3E9	Accountant	2027
9.	Jacque Davison	506 Pall Mall Street, London, ON N5Y 2Z6	Public Sector Leadership	2029
10.	Mary McGee	445 Albertus Avenue, Peterborough, ON K9J 5Z9	Retired/ PT Finance Manager for non-profit	2027
11.	Jacqueline Peterson	225 Tecumseh Ave, London, ON N6C 1S7	Retired Accountant	2027

	<b>Name</b>	<b>Municipal Address</b>	<b>Occupation/ Calling</b>	<b>Initial Term Expires</b>
12.	Jodi Simpson	60 Briscoe St E, London, ON N6C 1W9	Small Business Owner/Real Estate	2028
13.	Garrett Vanderwyst	154 Ridge Street, Dutton, ON N0L 1J0	AG Business Owner	2029

**ARTICLES OF AMALGAMATION**  
**under section 250(13) of the**  
*Credit Unions and Caisses Populaires Act, 2020 as amended*

1. Name:

The name of the amalgamated credit union (the “**Credit Union**”), is Libro Credit Union Limited.

2. Effective Date:

The effective date of amalgamation is **January 1, 2026**.

3. Head Office:

The address of the head office of the Credit Union is 217 York Street, 4<sup>th</sup> Floor, London, Ontario N6A 5P9.

4. Number of Directors:

The Credit Union shall have a minimum of seven (7) and a maximum of seventeen (17) directors. As at the effective date of amalgamation (and until changed as provided for in the By-laws of the Credit Union or as provided for in the Act), the number of directors of the Credit Union, within such minimum and maximum numbers, shall be 13.

5. First Directors<sup>1</sup>:

The first directors of the Credit Union, who are all Canadian citizens or persons lawfully admitted to Canada for permanent residency who are ordinarily resident in Canada, are:

<b>Name</b>	<b>Municipal Address and Citizenship</b>	<b>Occupation</b>	<b>Initial Term Expires*</b>	<b>Date of Birth</b>
Elizabeth Baldwin	946590 Twp Rd 14 Plattsville, ON N6J 3BC, Canadian	Small Business Owner	2027	Mar 20, 1968
David Billson	718 Notre Dame Dr, London, N6A 2C3, Canadian	Tech Business Owner	2027	April 14, 1977
Jeff Brown	253 Victoria St, London N6A 2C3, Canadian	Retiree from Investment management	2028	May 25, 1961
Judy Cameron	649 Edison Ave, Ottawa, K2A 1V9, Canadian	Retired/Board Director	2029	Jul 17, 1957

<sup>1</sup> **Note to Draft:** List of directors to be confirmed.

<b>Name</b>	<b>Municipal Address and Citizenship</b>	<b>Occupation</b>	<b>Initial Term Expires*</b>	<b>Date of Birth</b>
Jeff Carter	1745 Myers Cres, Ennismore, K0L 1T0, Canadian	VP, Neptune Canada	2028	Sept 29, 1982
Allison Chenier	2662 Old Norwood Road, Keene, K9J 0G8, Canadian	Retired Consultant/Board Director	2029	Apr 4, 1965
Alan DeVillaer	368 Harston Rd, London N6H 5N3, Canadian	Retired Public Administrator	2028	July 1, 1961
Lawrence Davis	21 Glen Cedar Road, Toronto, M6C 3E9, Canadian	Accountant	2027	Nov 26, 1962
Jacquie Davison	506 Pall Mall St, London N5Y 2Z6, Canadian	Public Sector Leadership	2029	Mar 23, 1967
Mary McGee	445 Albertus Ave, Peterborough, K9J 5Z9, Canadian	Retired/PT Finance Mgr for non-profit	2027	Dec 21, 1964
Jacqueline Peterson	225 Tecumseh Ave, London N6C 1S7, Canadian	Retired Accountant	2027	Dec 10, 1968
Jodi Simpson	60 Briscoe St E, London N6C 1W9, Canadian	Small Business Owner	2028	Jan 13, 1971
Garrett Vanderwyst	154 Ridge Street, Dutton N0L 1J0, Canadian	AG Business Owner	2029	Sept 8, 1994

\*“**Initial Term Expires**” means that the named person’s initial term of office expires at the annual general meeting of the Credit Union held in the financial year listed.

6. Authorized Capital:

The classes and numbers of shares which the Credit Union is authorized to issue are:

- (a) an unlimited number of membership shares (“**Membership Shares**”);
- (b) an unlimited number of patronage Class P Special Shares (“**Class P Shares**”); and
- (c) an unlimited number of investment Class I Special Shares (“**Class I Shares**”), issuable in series, of which the initial series shall be:
  - (i) an unlimited number of Series 1 Shares (the “**Class I Series 1 Shares**” and which were first issued by the Credit Union’s predecessor Woodslee Credit Union Limited);
  - (ii) an unlimited number of Series 2 Shares (the “**Class I Series 2 Shares**” and which were first issued by the Credit Union’s predecessor Heartland Community Credit Union Limited);
  - (iii) an unlimited number of Series 3 Shares (the “**Class I Series 3 Shares**”, and when first issued were known as the Series 95 Shares);
  - (iv) an unlimited number of Series 4 Shares (the “**Class I Series 4 Shares**”, and when first issued were known as the Series 2004 Shares);
  - (v) an unlimited number of Series 5 Shares (the “**Class I Series 5 Shares**”, and when first issued were known as the Prosperity Series 5 Shares);
  - (vi) an unlimited number of Series 6 Shares (the “**Class I Series 6 Shares**”); and
  - (vii) an unlimited number of Series 7 Shares (the “**Class I Series 7 Shares**” and which were first issued by the Credit Union’s predecessor Kawartha Credit Union Limited).

7. Interpretation:

(a) Definitions:

In these articles, unless there is something in the subject matter or context inconsistent therewith, the following words and phrases shall have the following meanings:

“**Act**” means the *Credit Unions and Caisses Populaires Act, 2020* and the regulations and guidelines (including FSRA Rules) made pursuant thereto, as from time to time amended, and every statute that may be substituted therefore.

“**Authority**” means the Financial Services Regulatory Authority of Ontario continued under subsection 2 (1) of the *Financial Services Regulatory Authority of Ontario Act, 2016*.

“**Board**” means the board of directors of the Credit Union.

“**Business Day**” means a day other than a Saturday, a Sunday or any other day that is a statutory holiday in Ontario.

“**By-laws**” means the by-laws of the Credit Union, as amended from time to time.

“**FSRA Rules**” means the rules published by the Authority, pursuant to the Act.

“**Head Office**” means the head office of the Credit Union as specified in its articles, from time to time.

“**Redemption Amount**” means the Redemption Price for a share of the Credit Union, plus all declared and unpaid dividends thereon.

“**Redemption Date**” means, in respect of any particular redemption (retraction) request, the next occurring date established by the Board for the redemption of shares by the holders of such shares, after the receipt of such particular redemption request and the approval thereof by the Board.

“**Redemption Price**” means an amount for a share of a particular class or series of shares of the Credit Union, equal to the amount paid up thereon.

(b) Other Defined Terms

Any words or phrases used in these articles which are not specifically defined in these articles shall have the meaning given to such words or phrases in the Act.

(c) Business Day

In the event that any date on or by which any action is required to be taken by the Credit Union hereunder is not a Business Day, then such action shall be required to be taken on or by the next occurring date that is a Business Day.

8. Membership Shares:

The rights, privileges, restrictions, and conditions attaching to the Membership Shares are as follows:

(a) Payment of Dividends:

The holders of the Membership Shares shall be entitled to receive dividends, in cash or in the form of Class P Shares, as and when declared by the Board out of the assets of the Credit Union properly applicable to the payment of dividends, in such amounts and payable at such times and at such place or places in Canada as the Board may from time to time determine. Subject to the rights of the holders of Class P Shares and Class I Shares, which are entitled to receive dividends in priority to the Membership Shares, the Board may in their sole discretion declare dividends on the Membership Shares.

(b) Participation upon Liquidation, Dissolution or Winding-up:

In the event of liquidation, dissolution or winding-up of the Credit Union or other distribution of assets or property of the Credit Union among its members or shareholders for the purpose of winding-up its affairs, the holders of the Membership Shares shall each be entitled to receive an amount representing equal portions of the assets or property of the Credit Union remaining after payment of all the Credit Union's debts and obligations, including the purchase for cancellation or redemption of all senior classes of shares (including, firstly, Class I Shares and, secondly, Class P Shares), and the payment of all declared but unpaid Class I and Class P dividends. Such remaining property of the Credit Union shall be distributed or disposed of among the members at the time of dissolution equally, irrespective of the length of time each member has been a member.

(c) Voting Rights:

Subject to the By-laws, the holders of Membership Shares shall be entitled to receive notice of and to attend annual and special meetings of the members of the Credit Union, and to one vote at such meeting, regardless of the number of Membership Shares held by the member.

(d) Redemption:

Subject to the Act and the By-laws, the Credit Union shall redeem the Membership Shares held by a member when that member withdraws or is expelled from the Credit Union. Subject to the Act, upon expulsion or withdrawal from membership, the Credit Union shall, after deduction of all amounts due from the member, pay to anyone so expelled or who withdraws from membership, in cash or by cheque or electronic payment, the Redemption Amount for each such share redeemed, as provided for in the Act and the By-laws.

(e) Transfer:

No Membership Share may be transferred to any person, other than to the Credit Union or another credit union and then only with the consent of the Board, expressed by a majority vote of the directors at a meeting of the Board or by an instrument or instruments in writing signed by a majority of the members of the Board.

9. Class P Shares

The rights, privileges, restrictions, terms and conditions attaching to Class P Shares are as follows:

(a)  Holders:

Class P Shares may only be held by members of the Credit Union pursuant to the terms and conditions of the By-laws.

(b) Issue:

- (i) Subject to the By-laws, the Board may declare and the Credit Union may pay a patronage return to its members in proportion to the business done by each member with or through the Credit Union which may include rebates of interest paid by members in respect of loans during that financial year. Such patronage return may be paid in cash or by issuing fully paid Class P Shares. Patronage returns will be paid from the undivided earnings of each applicable financial year of the Credit Union after sufficient provision has been made for dividend obligations of the Credit Union and for any other surplus and capital requirements prescribed by the Act and/or determined by the Board.
- (ii) Class P Shares may also be issued in payment of dividends declared by the Board on shares of the Credit Union.
- (iii) Class P Shares, both those issued as patronage returns and those issued as dividends on shares of the Credit Union, will be issued in whole dollar amounts only, one dollar (\$1.00) per share. No fractional shares will be issued.
- (iv) Issuances of Class P Shares will be recorded on the register of shareholders maintained in respect of the Class P Shares (the “**Class P Share Register**”), and a statement of the Class P Shares held by a holder, from time to time, will be sent, by personal delivery, by mail or by electronic means (or by any combination thereof), to the respective holders of Class P Shares at least annually.

(c) Non-Cumulative Dividends:

- (i) The holders of Class P Shares shall be entitled to receive and the Credit Union shall pay thereon, as and when declared by the Board, noncumulative dividends.
- (ii) Dividends on Class P Shares shall be declared by the Board at a rate determined by the Board from time to time on the Redemption Price per share.
- (iii) Dividends on Class P Shares shall be paid out of assets of the Credit Union properly applicable to the payment of dividends.
- (iv) Dividends on Class P Shares may be paid in the form of additional Class P Shares, in the form of cash (which may be by credit to an account maintained by the respective holder of Class P Shares with the Credit Union), or partly in additional Class P Shares and partly in cash, as may be determined by the Board.

- (v) The Board shall be entitled to declare part of the said preferential non-cumulative dividend for any financial year notwithstanding that such dividend for such financial year shall not be declared in full.
  - (vi) If, within four months after the expiration of any financial year of the Credit Union, the Board, in its discretion, shall not declare a dividend or any part thereof on the Class P Shares for that financial year, then the rights of the holders of the Class P Shares to any dividend or to any undeclared part thereof for such financial year shall be forever extinguished.
- (d) Priority of Dividends:
- (i) Dividends on Class P Shares shall be in priority to dividends on the Membership Shares, but ranking subordinate (junior) to dividends on the Class I Shares.
  - (ii) Except with the consent of the holders of the Class P Shares outstanding, no dividend shall at any time be declared and paid or set apart for payment on the Membership Shares or any other shares ranking subordinate (junior) to the Class P Shares in any financial year, unless and until the non-cumulative dividend on all the Class P Shares outstanding in respect of such financial year has been declared and paid or set apart for payment. Such consent of the holders of Class P Shares will be expressed by a simple majority vote at a meeting of the holders of the Class P Shares, called and held according to the By-laws.
- (e) Participation upon Liquidation, Dissolution or Winding-Up:
- (i) In the event of the liquidation, dissolution or winding-up of the Credit Union or other distribution of assets or property of the Credit Union among its members or shareholders for the purpose of winding-up its affairs, the holders of the Class P Shares shall be entitled to receive from the assets and property of the Credit Union a sum equivalent to the Redemption Amount of the Class P Shares held by them respectively, before any amount shall be paid or any property or assets of the Credit Union distributed to holders of any shares of any other class of shares of the Credit Union ranking subordinate (junior) to the Class P Shares, namely the Membership Shares.
  - (ii) Such payment shall be made after provision has been made for payment of all of the Credit Union's other debts and obligations, including the Redemption Amount for all outstanding Class I Shares and other classes of shares and any other Credit Union securities ranking ahead of Class P Shares.
  - (iii) After payment to the holders of the Class P Shares of the amount so payable to them as above provided, they shall not be entitled to share in any further distributions of assets or property of the Credit Union.

(f) Redemption at Limited Option of Holder:

- (i) A holder of Class P Shares (or the personal representative, estate trustee or other lawful representative of the estate of a deceased holder of Class P Shares), shall be entitled to request the Credit Union to redeem all or any of the Class P Shares registered in the name of such holder in the Class P Share Register, subject to the following conditions. Approval of any redemption request is in the sole and absolute discretion of the Board. The Board may not approve a request if, in the opinion of the Board, honouring such a redemption request will cause the Credit Union to be unable to comply with the capital and liquidity requirements of the Act.
- (ii) A holder of Class P Shares may only request the Credit Union to redeem Class P Shares which have been issued and outstanding for at least five (5) years as at the time of such request. For purposes of same, the date of issue of any shares converted to Class P Shares as part of an amalgamation, shall be the date on which such shares were first issued by the first predecessor credit union of the Credit Union to have issued same.
- (iii) Class Share Redemption Requests for all the Class P Shares held by a holder may be made:
  - (A) At any time on or after the holder reaches the age of 65 years; or
  - (B) Upon termination of their membership in the Credit Union; or
  - (C) At any time after the death of the holder.
- (iv) A request to redeem Class P Shares shall be made in writing (a “**Class P Share Redemption Request**”), specifying the number of Class P Shares the registered holder desires to have the Credit Union redeem.
- (v) Class P Share Redemption Requests are subject to the requirements of and restrictions under the Act.
- (vi) Class P Share Redemption Requests may be tendered at any branch of the Credit Union or any other location designated by the Credit Union.
- (vii) In no circumstance shall the aggregate of all redemptions approved for Class P Shares in any financial year exceed 10% of the total number of Class P Shares outstanding at the end of the previous financial year.
- (viii) Subject to the requirements and restrictions of the Act and these articles, Class P Shares which are the subject of a Class P Redemption Request will be considered for redemption within ninety (90) days after the date on which the respective request is received.

- (ix) The Credit Union shall redeem the subject Class P Shares by paying to the registered holder the Redemption Amount for each share to be redeemed (which payment may be made in cash or by cheque or electronic payment, including by credit to an account maintained by the holder with the Credit Union).
  - (x) Any Class P Shares which are the subject of a Class P Share Redemption Request shall: be redeemed; cease to be entitled to receive any dividends declared on such Class P Shares; and, the holder of such shares shall not be entitled to exercise any of the rights of holders of Class P Shares in respect thereof, upon payment of the Redemption Amount for the shares requested to be redeemed as provided for above.
- (g) Redemption at Option of Credit Union:
- (i) Subject to the conditions which follow, the Credit Union may redeem the whole or, from time to time, any part of the then outstanding Class P Shares on payment of the Redemption Amount for each share to be redeemed.
  - (ii) Redemption of Class P Shares by the Credit Union may take place at any time after the passage of five (5) years following the date of issuance of such Class P Shares. For purposes of the foregoing, the date of issuance of any shares converted into Class P Shares as part of an amalgamation, shall be the date on which such shares were first issued by the first predecessor credit union of the Credit Union to have issued same.
  - (iii) In the event of a proposed redemption of Class P Shares by the Credit Union, the Credit Union shall send a notice thereof (a “**Class P Share Redemption Notice**”), to each person who, on the date such notice is sent, appears in the Class P Share Register as a holder of Class P Shares.
  - (iv) A Class P Share Redemption Notice will be in writing and will inform the holders of the Class P Shares of the intention of the Credit Union to redeem Class P Shares and shall set out the Redemption Amount for each share, the date on which such redemption is to take place and, if only a part of the shares are to be redeemed, the number of Class P Shares to be redeemed.
  - (v) A Class P Share Redemption Notice shall be sent at least 21 days before the date specified for redemption by the Credit Union.
  - (vi) Class P Share Redemption Notices may be sent, by personal delivery, by mail or by electronic means (or any combination thereof), to each holder at their address according to the records of the Credit Union.
  - (vii) Accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption.

- (viii) On such a redemption, payment of the respective Redemption Amount shall be made in cash or by cheque or electronic payment, including by credit to an account maintained by the holder with the Credit Union.
- (ix) From and after the respective Class P Redemption Date, the Class P Shares called for redemption shall cease to be entitled to dividends and the holders thereof shall not be entitled to exercise any of the rights in respect thereof; provided that, if payment of the Redemption Amount for any Class P Shares called for redemption shall not be made in accordance with the foregoing provisions, the rights in respect of any shares for which payment has not been made shall remain unaffected unless and until such payment is properly made.
- (x) The Credit Union shall have the right, at any time after sending a Class P Share Redemption Notice, to deposit the respective Redemption Amount for the shares called for redemption to an account maintained by the respective holder with the Credit Union.
- (xi) Upon the Credit Union depositing the Redemption Amount for any Class P Shares to be redeemed in an account maintained by a holder with the Credit Union, the Class P Shares in respect of which such deposit is made shall be redeemed.

(h) Voting Rights:

Subject to the By-laws, the holders of the Class P Shares, in their capacity as holders of the Class P Shares, shall neither be entitled to receive notice of, nor to attend, any meetings of the members of the Credit Union, and shall not be entitled to vote at any such meeting. The holders of the Class P Shares shall, however, be entitled to notice of meetings of the shareholders called for the purpose of authorizing: the dissolution or winding up of the Credit Union; a sale or purchase of assets by the Credit Union as described in the Act; the Credit Union taking any of the actions specified in respect of a continuance as contemplated in the Act and which each give rise to the need for the approval by way of special resolution of the holders of each class of shares of the Credit Union; the amalgamation of the Credit Union with another credit union; or, an amendment to the articles of the Credit Union which will have a direct effect on the terms and conditions of the Class P Shares, and each Class P Share shall entitle the holder thereof to one (1) vote at any such meeting. Meetings of the holders of Class P Shares shall be conducted according to the Act and the By-laws, as applicable.

(i) Issue, Transfer, and Ownership Restrictions:

- (i) No Class P Shares shall be issued to any person other than a person who is a member on the register of members of the Credit Union.
- (ii) Transfer of Class P Shares, other than to the Credit Union or another credit union in circumstances permitted by the Act, is prohibited.

- (iii) Any transfer of Class P Shares permitted above shall, in all circumstances, be subject to the consent of the Board, expressed by a majority vote of the directors at a meeting of the Board or by an instrument or instruments in writing signed by a majority of the members of the Board.
- (iv) Class P Shares are not available for subscription. There will be no invitations to members or to the public to subscribe for Class P Shares.

10. Class I Shares:

The rights, privileges, restrictions, terms and conditions attaching to the Class I Shares, as a class, are as follows:

(a) Directors' Authority to issue Shares in Series:

The Board may issue Class I Shares at any time and from time to time in one or more series. Before the first shares of a particular series are issued, the Board shall fix the number of shares in such series, and shall determine, subject to the limitations set out in these articles and the Act, the designation, rights, privileges, restrictions, terms and conditions to attach to the shares of such series. Before the issue of the first shares of a series, the Board shall send to the Authority articles of amendment in the prescribed form, containing a description of such series, including the designation, rights, privileges, restrictions, terms and conditions determined by the Board.

(b) Ranking of Class I Shares:

No rights, privileges, restrictions or conditions attached to a series of Class I Shares shall confer upon a series a priority in respect of dividends or return of capital in the event of the liquidation, dissolution or winding-up of the Credit Union over any other series of Class I Shares. The Class I Shares of each series shall rate on a parity with the Class I Shares of every other series with respect to priority in the payment of dividends and the return of capital and the distribution of assets of the Credit Union in the event of the liquidation, dissolution or winding-up of the Credit Union, whether voluntary or involuntary, or any other distribution of the assets of the Credit Union among its members or shareholders for the purpose of winding up its affairs.

(c) Issuance:

Class I Shares may only be issued to persons who are members of the Credit Union pursuant to the terms and conditions prescribed in the By-laws, and who, if they are natural persons, have attained the age of eighteen years. Any invitation to the public to subscribe for Class I Shares in the Credit Union is prohibited.

(d) Dividends Preferential:

Except with the consent of the holders of all the Class I Shares outstanding, expressed by a majority vote of the holders of the Class I Shares at a meeting called for that purpose, no dividend shall at any time be declared and paid on or set apart for payment on the Class P Shares, the Membership Shares, or any class of shares which by its terms ranks subordinate (junior) to the Class I Shares, in any financial year, unless and until the preferential dividend on all the Class I Shares outstanding in respect of such financial year has been declared, and paid or set apart for payment.

(e) Participation Upon Liquidation, Dissolution or Winding-up:

In the event of the liquidation, dissolution or winding-up of the Credit Union or other distribution of assets or property of the Credit Union among its members and shareholders for the purpose of winding-up its affairs, the holders of the Class I Shares shall be entitled to receive, from the assets and property of the Credit Union, a sum equivalent to the aggregate Redemption Amount of all Class I Shares held by them respectively, before any amount shall be paid or any property or assets of the Credit Union distributed to the holders of any Class P Shares, Membership Shares, or class of shares which by its terms ranks subordinate (junior) to the Class I Shares. Such payment should be made after provision has been made for payment of all of the Credit Union's other debts and obligations, including any other classes of shares and any other Credit Union securities ranking ahead of the Class I Shares. After payment to the holders of the Class I Shares of the amount so payable to them as above provided, they shall not be entitled, as holders of Class I Shares, to share in any further distribution of the assets or property of the Credit Union, but retain any rights they may have as holders of other classes of shares in the Credit Union.

(f) Voting Rights:

Subject to the By-laws, the holders of the Class I Shares, in their capacity as holders of Class I Shares, shall neither be entitled to receive notice of nor to attend any annual or special meeting of the members of the Credit Union, and shall not be entitled to vote at any such meeting. The holders of the Class I Shares shall, however be entitled to notice of meetings of the shareholders called for the purpose of authorizing: the dissolution or winding up of the Credit Union; a sale or purchase of assets by the Credit Union as described in the Act; the Credit Union taking any of the actions specified in respect of a continuance as contemplated in the Act and which each give rise to the need for the approval by way of special resolution of the holders of each class of shares of the Credit Union; the amalgamation of the Credit Union with another union; or, an amendment to the articles of the Credit Union which will have a direct effect on the terms and conditions of the Class I Shares, and each Class I Share shall entitle the holder thereof to one (1) vote at any such meeting. Meetings of the holders of Class I Shares shall be conducted according to the Act and the By-laws, as applicable.

(g) Transfer Restriction:

No Class I Share may be transferred to any person, other than to the Credit Union, another credit union in circumstances permitted by the Act or a person who is a member of the Credit Union on the register of the Credit Union, and in any such circumstances only with the consent of the Board, expressed by a majority vote of the directors at a meeting of the Board or by an instrument or instruments in writing signed by a majority of the members of the Board.

11. Class I Series 1 Shares

The rights, privileges, restrictions, terms and conditions attaching to the Class I Series 1 Shares are as follows:

(a) Non-Cumulative Dividends:

- (i) The holders of the Class I Series 1 Shares, in priority to the Membership Shares and to the Class P Shares, but rateably with the holders of all other Class I Shares, shall be entitled to receive, and the Credit Union shall pay thereon, as and when declared by the Board, out of the assets of the Credit Union properly applicable to the payment of dividends, a preferential non-cumulative cash or stock dividend at a rate determined by the Board from time to time on the Redemption Price per share.
- (ii) If, after the expiration of any financial year of the Credit Union, the Board in its discretion shall not declare a dividend on the Class I Series 1 Shares, for the financial year, then the rights of the holders of the Class I Series 1 Shares, to such a dividend or to any undeclared part thereof for such financial year shall be forever extinguished.

(b) Redemption at Option of Holder (Retraction):

- (i) Except as herein provided below and subject to the terms of the Act, a holder of the Class I Shares (or the personal representatives or estate trustees of a deceased holder), may request that the Credit Union redeem the Class I Shares registered in the name of such holder, or any part thereof, on a Redemption Date. Approval of any redemption request is in the sole and absolute discretion of the Board. The Board may not approve a request if, in the opinion of the Board, honouring such a redemption request will cause the Credit Union to be unable to comply with the capital and liquidity requirements of the Act.
- (ii) Such requests may be tendered at any branch of the Credit Union or any other location designated by the Credit Union, together with any certificate(s) issued and representing the Class I Shares which the registered holder (or the personal representatives or estate trustees of a deceased holder), desires to have the Credit Union redeem. Such a request shall be in writing and shall specify:

- (A) The number and series of Class I Shares requested to be redeemed; and
  - (B) The Redemption Date on which the holder (or the personal representative or estate trustee of a deceased holder), desires to have the Credit Union redeem such Class I Shares; provided that, such Redemption Date must be at least five (5) years after the date of the issuance of the shares requested to be redeemed (except for requests made by the personal representatives or estate trustees of a deceased holder, or by a holder who has been expelled from membership in the Credit Union, which may specify a Redemption Date without regard to the amount of time which has elapsed since the date of issuance of the shares requested to be redeemed), and in no circumstances shall the Redemption Date be less than 90 days after the day on which the request in writing is given to the Credit Union.
- (iii) Upon receipt of any share certificate(s) issued and representing the Class I Shares which the registered holder (or the personal representative or estate trustee of a deceased holder), desires to have the Credit Union redeem, together with such a request, the Credit Union shall, subject to the provisions of the Act and the Credit Union's articles, including, the limits detailed below, on the Redemption Date, redeem such Class I Shares, by paying to such registered holder or their estate, as the case may be, the Redemption Amount for each Class I Share to be redeemed.
  - (iv) The said Class I Shares shall be redeemed on the Redemption Date and, from and after the Redemption Date, such shares shall cease to be entitled to dividends, and the holder thereof or their estate, as the case may be, shall not be entitled to exercise any of the rights of the holders of Class I Shares, in respect thereof, unless payment of the Redemption Amount is not made on the Redemption Date, in which event the rights in respect of any Class I Shares for which the Redemption Amount has not been paid shall remain unaffected. The Credit Union may make payment of any such Redemption Amount in cash or by cheque or electronic payment, including by credit to an account maintained by the registered holder with the Credit Union.
  - (v) In any one financial year, the Credit Union shall only redeem a maximum of 10% of the number of all Class I Shares which have been issued and outstanding for five (5) years as at the end of the immediately-preceding financial year of the Credit Union. The Board will consider redemption requests in its sole discretion on a first-come, first-served basis.
- (c) Redemption by the Credit Union:
- The Credit Union may at any time after the date which is five (5) years from the date of issue, upon giving notice as hereinafter provided, redeem the whole, or from time to time any part of the then outstanding Class I Series 1 Shares, on payment

of the Redemption Amount thereof. For purposes of this section 11(c), the date of issue of any shares converted into Class I Series 1 Shares as part of an amalgamation, shall be the date on which such shares were first issued by the first predecessor credit union of the Credit Union to have issued same.

(d) Idem:

(i) Notice:

In the case of redemption of Class I Series 1 Shares, under the provisions of section 11(c) hereof, the Credit Union shall, at least 21 days before the date specified for redemption, send, by personal delivery, by mail or by electronic means (or any combination thereof), to each person who on the date of sending is a registered holder of Class I Series 1 Shares to be redeemed, a notice in writing of the intention of the Credit Union to redeem such Class I Series 1 Shares. Such notice shall be addressed to each such shareholder at their address according to the records of the Credit Union; provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Amount, and the date on which redemption is to take place, and, if only part of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed.

(ii) Payment:

On or after the date so specified for redemption, the Credit Union shall pay, or cause to be paid, to, or to the order of, the registered holders of the Class I Series 1 Shares to be redeemed, the Redemption Amount thereof, on presentation and surrender at the Head Office, or any other place designated in such notice, of any certificate(s) issued and representing the Class I Series 1 Shares called for redemption. Such payment shall be made in cash or by cheque or electronic payment, including by credit to an account maintained by the holder with the Credit Union. If only part of the shares represented by any certificate are to be redeemed, a new certificate for the balance shall be issued, if requested by the respective holder, at the expense of the Credit Union. From and after the date specified for redemption in any such notice, the Class I Series 1 Shares, called for redemption shall cease to be entitled to dividends, and the holders thereof shall not be entitled to exercise any of the rights in respect thereof, unless payment of the Redemption Amount shall not be made in accordance with the foregoing provisions, in which case the rights in respect of any shares for which the Redemption Amount has not been paid shall remain unaffected.

(iii) Failure to Present:

The Credit Union shall have the right, at any time after the sending of notice of its intention to redeem any Class I Series 1 Shares, to deposit the Redemption Amount of the shares so called for redemption, or of such of the said shares represented by any certificate(s) as have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account, to be paid, without interest, to, or to the order of, the respective holders of such Class I Series 1 Shares, called for redemption, upon presentation and surrender of any certificate(s) issued and representing the same, and, upon such deposit being made or upon the date specified for redemption in such notice, whichever is later, the Class I Series 1 Shares, in respect whereof such deposit shall have been made shall be redeemed, and the rights of the holders of such shares shall be limited to receiving, without interest, their proportionate part of the total Redemption Amount so deposited, against presentation and surrender of any certificate(s) held by them respectively, and any interest allowed on such deposit shall belong to the Credit Union.

12. Class I Series 2 Shares

The rights, privileges, restrictions, terms and conditions attaching to the Class I Series 2 Shares are as follows:

(a) Non-Cumulative Dividends:

- (i) The holders of the Class I Series 2 Shares, in priority to the Membership Shares and to the Class P Shares, but rateably with the holders of all other Class I Shares, shall be entitled to receive, and the Credit Union shall pay thereon, as and when declared by the Board, out of the assets of the Credit Union properly applicable to the payment of dividends, a preferential non-cumulative cash or stock dividend at a rate determined by the Board from time to time on the Redemption Price per share.
- (ii) If, after the expiration of any financial year of the Credit Union, the Board in its discretion shall not declare a dividend on the Class I Series 2 Shares, for the financial year, then the rights of the holders of the Class I Series 2 Shares, to such a dividend or to any undeclared part thereof for such financial year shall be forever extinguished.

(b) Redemption at Option of Holder (Retraction):

- (i) Except as herein provided below and subject to the terms of the Act, a holder of the Class I Shares (or the personal representatives or estate trustees of a deceased holder), may request that the Credit Union redeem the Class I Shares registered in the name of such holder, or any part thereof, on a Redemption Date. Approval of any redemption request is in the sole and absolute discretion of the Board. The Board may not approve a request if,

in the opinion of the Board, honouring such a redemption request will cause the Credit Union to be unable to comply with the capital and liquidity requirements of the Act.

- (ii) Such requests may be tendered at any branch of the Credit Union or any other location designated by the Credit Union, together with any certificate(s) issued and representing the Class I Shares which the registered holder (or the personal representatives or estate trustees of a deceased holder), desires to have the Credit Union redeem. Such a request shall be in writing and shall specify:
  - (A) The number and series of Class I Shares requested to be redeemed; and
  - (B) The Redemption Date on which the holder (or the personal representative or estate trustee of a deceased holder), desires to have the Credit Union redeem such Class I Shares; provided that, such Redemption Date must be at least five (5) years after the date of the issuance of the shares requested to be redeemed (except for requests made by the personal representatives or estate trustees of a deceased holder, or by a holder who has been expelled from membership in the Credit Union, which may specify a Redemption Date without regard to the amount of time which has elapsed since the date of issuance of the shares requested to be redeemed), and in no circumstances shall the Redemption Date be less than 90 days after the day on which the request in writing is given to the Credit Union.
- (iii) Upon receipt of any share certificate(s) issued and representing the Class I Shares which the registered holder (or the personal representative or estate trustee of a deceased holder), desires to have the Credit Union redeem, together with such a request, the Credit Union shall, subject to the provisions of the Act and the Credit Union's articles, including, the limits detailed below, on the Redemption Date, redeem such Class I Shares, by paying to such registered holder or their estate, as the case may be, the Redemption Amount for each Class I Share to be redeemed.
- (iv) The said Class I Shares shall be redeemed on the Redemption Date and, from and after the Redemption Date, such shares shall cease to be entitled to dividends, and the holder thereof or their estate, as the case may be, shall not be entitled to exercise any of the rights of the holders of Class I Shares, in respect thereof, unless payment of the Redemption Amount is not made on the Redemption Date, in which event the rights in respect of any Class I Shares for which the Redemption Amount has not been paid shall remain unaffected. The Credit Union may make payment of any such Redemption Amount in cash or by cheque or electronic payment, including by credit to an account maintained by the registered holder with the Credit Union.

- (v) In any one financial year, the Credit Union shall only redeem a maximum of 10% of the number of all Class I Shares which have been issued and outstanding for five (5) years as at the end of the immediately-preceding financial year of the Credit Union. The Board will consider redemption requests in its sole discretion on a first-come, first-served basis.

(c) Redemption by the Credit Union:

The Credit Union may at any time after the date which is five (5) years from the date of issue, upon giving notice as hereinafter provided, redeem the whole, or from time to time any part of the then outstanding Class I Series 2 Shares, on payment of the Redemption Amount thereof. For purposes of this section 12(c), the date of issue of any shares converted into Class I Series 2 Shares as part of an amalgamation, shall be the date on which such shares were first issued by the first predecessor credit union of the Credit Union to have issued same.

(d) Idem:

(i) Notice:

In the case of redemption of Class I Series 2 Shares, under the provisions of section 12(c) hereof, the Credit Union shall, at least 21 days before the date specified for redemption, send, by personal delivery, by mail or by electronic means (or any combination thereof), to each person who on the date of sending is a registered holder of Class I Series 2 Shares to be redeemed, a notice in writing of the intention of the Credit Union to redeem such Class I Series 2 Shares. Such notice shall be addressed to each such shareholder at their address according to the records of the Credit Union; provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Amount, and the date on which redemption is to take place, and, if only part of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed.

(ii) Payment:

On or after the date so specified for redemption, the Credit Union shall pay, or cause to be paid, to, or to the order of, the registered holders of the Class I Series 2 Shares to be redeemed, the Redemption Amount thereof, on presentation and surrender, at the Head Office, or any other place designated in such notice, of any certificate(s) issued and representing the Class I Series 2 Shares called for redemption. Such payment shall be made in cash or by cheque or electronic payment, including by credit to an account maintained by the holder with the Credit Union. If only part of the shares represented by any certificate are to be redeemed, a new certificate for the balance shall be issued, if requested by the respective holder, at the expense of the Credit

Union. From and after the date specified for redemption in any such notice, the Class I Series 2 Shares, called for redemption shall cease to be entitled to dividends, and the holders thereof shall not be entitled to exercise any of the rights in respect thereof, unless payment of the Redemption Amount shall not be made in accordance with the foregoing provisions, in which case the rights in respect of any shares for which the Redemption Amount has not been paid shall remain unaffected.

(iii) Failure to Present:

The Credit Union shall have the right, at any time after the sending of notice of its intention to redeem any Class I Series 2 Shares, to deposit the Redemption Amount of the shares so called for redemption, or of such of the said shares represented by any certificate(s) as have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account, to be paid, without interest, to, or to the order of, the respective holders of such Class I Series 2 Shares, called for redemption, upon presentation and surrender of any certificate(s) issued and representing the same, and, upon such deposit being made or upon the date specified for redemption in such notice, whichever is later, the Class I Series 2 Shares, in respect whereof such deposit shall have been made shall be redeemed, and the rights of the holders of such shares shall be limited to receiving, without interest, their proportionate part of the total Redemption Amount so deposited, against presentation and surrender of any certificate(s) held by them respectively, and any interest allowed on such deposit shall belong to the Credit Union.

13. Class I Series 3 Shares

The rights, privileges, restrictions, terms and conditions attaching to the Class I Series 3 Shares are as follows:

(a) Non-Cumulative Dividends:

- (i) The holders of the Class I Series 3 Shares, in priority to the Membership Shares and to the Class P Shares, but rateably with the holders of all other Class I Shares, shall be entitled to receive, and the Credit Union shall pay thereon, as and when declared by the Board, out of the assets of the Credit Union properly applicable to the payment of dividends, a preferential non-cumulative cash or stock dividend at a rate determined by the Board from time to time on the Redemption Price per share.
- (ii) If, after the expiration of any financial year of the Credit Union, the Board in its discretion shall not declare a dividend on the Class I Series 3 Shares, for the financial year, then the rights of the holders of the Class I Series 3 Shares, to such a dividend or to any undeclared part thereof for such financial year shall be forever extinguished.

- (b) Redemption at Option of Holder (Retraction):
- (i) Except as herein provided below and subject to the terms of the Act, a holder of the Class I Shares (or the personal representatives or estate trustees of a deceased holder), may request that the Credit Union redeem the Class I Shares registered in the name of such holder, or any part thereof, on a Redemption Date. Approval of any redemption request is in the sole and absolute discretion of the Board. The Board may not approve a request if, in the opinion of the Board, honouring such a redemption request will cause the Credit Union to be unable to comply with the capital and liquidity requirements of the Act.
  - (ii) Such requests may be tendered at any branch of the Credit Union or any other location designated by the Credit Union, together with any certificate(s) issued and representing the Class I Shares which the registered holder (or the personal representatives or estate trustees of a deceased holder), desires to have the Credit Union redeem. Such a request shall be in writing and shall specify:
    - (A) The number and series of Class I Shares requested to be redeemed; and
    - (B) The Redemption Date on which the holder (or the personal representative or estate trustee of a deceased holder), desires to have the Credit Union redeem such Class I Shares; provided that, such Redemption Date must be at least five (5) years after the date of the issuance of the shares requested to be redeemed (except for requests made by the personal representatives or estate trustees of a deceased holder, or by a holder who has been expelled from membership in the Credit Union, which may specify a Redemption Date without regard to the amount of time which has elapsed since the date of issuance of the shares requested to be redeemed), and in no circumstances shall the Redemption Date be less than 90 days after the day on which the request in writing is given to the Credit Union.
  - (iii) Upon receipt of any share certificate(s) issued and representing the Class I Shares which the registered holder (or the personal representative or estate trustee of a deceased holder), desires to have the Credit Union redeem, together with such a request, the Credit Union shall, subject to the provisions of the Act and the Credit Union's articles, including, the limits detailed below, on the Redemption Date, redeem such Class I Shares, by paying to such registered holder or their estate, as the case may be, the Redemption Amount for each Class I Share to be redeemed.
  - (iv) The said Class I Shares shall be redeemed on the Redemption Date and, from and after the Redemption Date, such shares shall cease to be entitled to dividends, and the holder thereof or their estate, as the case may be, shall

not be entitled to exercise any of the rights of the holders of Class I Shares, in respect thereof, unless payment of the Redemption Amount is not made on the Redemption Date, in which event the rights in respect of any Class I Shares for which the Redemption Amount has not been paid shall remain unaffected. The Credit Union may make payment of any such Redemption Amount in cash or by cheque or electronic payment, including by credit to an account maintained by the registered holder with the Credit Union.

- (v) In any one financial year, the Credit Union shall only redeem a maximum of 10% of the number of all Class I Shares which have been issued and outstanding for five (5) years as at the end of the immediately-preceding financial year of the Credit Union. The Board will consider redemption requests in its sole discretion on a first-come, first-served basis.

(c) Redemption by the Credit Union:

The Credit Union may at any time after the date which is five (5) years from the date of issue, upon giving notice as hereinafter provided, redeem the whole, or from time to time any part of the then outstanding Class I Series 3 Shares, on payment of the Redemption Amount thereof. For purposes of this section 13(c), the date of issue of any shares converted into Class I Series 3 Shares as part of an amalgamation, shall be the date on which such shares were first issued by the first predecessor credit union of the Credit Union to have issued same.

(d) Idem:

(i) Notice:

In the case of redemption of Class I Series 3 Shares, under the provisions of section 13(c) hereof, the Credit Union shall, at least 21 days before the date specified for redemption, send, by personal delivery, by mail or by electronic means (or any combination thereof), to each person who on the date of sending is a registered holder of Class I Series 3 Shares to be redeemed, a notice in writing of the intention of the Credit Union to redeem such Class I Series 3 Shares. Such notice shall be addressed to each such shareholder at their address according to the records of the Credit Union; provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Amount, and the date on which redemption is to take place, and if only part of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed.

(ii) Payment:

On or after the date so specified for redemption, the Credit Union shall pay, or cause to be paid, to, or to the order of, the registered holders of the Class I Series 3 Shares to be redeemed, the Redemption Amount thereof, on

presentation and surrender at the Head Office, or any other place designated in such notice, of any certificate(s) issued and representing the Class I Series 3 Shares called for redemption. Such payment shall be made in cash or by cheque or electronic payment, including by credit to an account maintained by the holder with the Credit Union. If only part of the shares represented by any certificate are to be redeemed, a new certificate for the balance shall be issued, if requested by the respective holder, at the expense of the Credit Union. From and after the date specified for redemption in any such notice, the Class I Series 3 Shares, called for redemption shall cease to be entitled to dividends, and the holders thereof shall not be entitled to exercise any of the rights in respect thereof, unless payment of the Redemption Amount shall not be made in accordance with the foregoing provisions, in which case the rights in respect of any shares for which the Redemption Amount has not been paid shall remain unaffected.

(iii) Failure to Present:

The Credit Union shall have the right, at any time after the sending of notice of its intention to redeem any Class I Series 3 Shares, to deposit the Redemption Amount of the shares so called for redemption, or of such of the said shares represented by any certificate(s) as have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account, to be paid, without interest, to, or to the order of, the respective holders of such Class I Series 3 Shares, called for redemption, upon presentation and surrender of any certificate(s) issued and representing the same, and, upon such deposit being made or upon the date specified for redemption in such notice, whichever is later, the Class I Series 3 Shares, in respect whereof such deposit shall have been made shall be redeemed, and the rights of the holders of such shares shall be limited to receiving, without interest, their proportionate part of the total Redemption Amount so deposited, against presentation and surrender of any certificate(s) held by them respectively, and any interest allowed on such deposit shall belong to the Credit Union.

14. Class I Series 4 Shares

The rights, privileges, restrictions, terms and conditions attaching to the Class I Series 4 Shares are as follows:

(a) Non-Cumulative Dividends:

- (i) The holders of the Class I Series 4 Shares, in priority to the Membership Shares and to the Class P Shares, but rateably with the holders of all other Class I Shares, shall be entitled to receive, and the Credit Union shall pay thereon, as and when declared by the Board, out of the assets of the Credit Union properly applicable to the payment of dividends, a preferential non-

cumulative cash or stock dividend at a rate determined by the Board from time to time on the Redemption Price per share.

- (ii) If, after the expiration of any financial year of the Credit Union, the Board in its discretion shall not declare a dividend on the Class I Series 4 Shares, for the financial year, then the rights of the holders of the Class I Series 4 Shares, to such a dividend or to any undeclared part thereof for such financial year shall be forever extinguished.

(b) Redemption at Option of Holder (Retraction):

- (i) Except as herein provided below and subject to the terms of the Act, a holder of the Class I Shares (or the personal representatives or estate trustees of a deceased holder), may request that the Credit Union redeem the Class I Shares registered in the name of such holder, or any part thereof, on a Redemption Date. Approval of any redemption request is in the sole and absolute discretion of the Board. The Board may not approve a request if, in the opinion of the Board, honouring such a redemption request will cause the Credit Union to be unable to comply with the capital and liquidity requirements of the Act.
- (ii) Such requests may be tendered at any branch of the Credit Union or any other location designated by the Credit Union, together with any certificate(s) issued and representing the Class I Shares which the registered holder (or the personal representatives or estate trustees of a deceased holder), desires to have the Credit Union redeem. Such a request shall be in writing and shall specify:
  - (A) The number and series of Class I Shares requested to be redeemed; and
  - (B) The Redemption Date on which the holder (or the personal representative or estate trustee of a deceased holder), desires to have the Credit Union redeem such Class I Shares; provided that, such Redemption Date must be at least five (5) years after the date of the issuance of the shares requested to be redeemed (except for requests made by the personal representatives or estate trustees of a deceased holder, or by a holder who has been expelled from membership in the Credit Union, which may specify a Redemption Date without regard to the amount of time which has elapsed since the date of issuance of the shares requested to be redeemed), and in no circumstances shall the Redemption Date be less than 90 days after the day on which the request in writing is given to the Credit Union.
- (iii) Upon receipt of any share certificate(s) issued and representing the Class I Shares which the registered holder (or the personal representative or estate trustee of a deceased holder), desires to have the Credit Union redeem,

together with such a request, the Credit Union shall, subject to the provisions of the Act and the Credit Union's articles, including, the limits detailed below, on the Redemption Date, redeem such Class I Shares, by paying to such registered holder or their estate, as the case may be, the Redemption Amount for each Class I Share to be redeemed.

- (iv) The said Class I Shares shall be redeemed on the Redemption Date and, from and after the Redemption Date, such shares shall cease to be entitled to dividends, and the holder thereof or their estate, as the case may be, shall not be entitled to exercise any of the rights of the holders of Class I Shares, in respect thereof, unless payment of the Redemption Amount is not made on the Redemption Date, in which event the rights in respect of any Class I Shares for which the Redemption Amount has not been paid shall remain unaffected. The Credit Union may make payment of any such Redemption Amount in cash or by cheque or electronic payment, including by credit to an account maintained by the registered holder with the Credit Union.
- (v) In any one financial year, the Credit Union shall only redeem a maximum of 10% of the number of all Class I Shares which have been issued and outstanding for five (5) years as at the end of the immediately-preceding financial year of the Credit Union. The Board will consider redemption requests in its sole discretion on a first-come, first-served basis.

(c) Redemption by the Credit Union:

The Credit Union may at any time after the date which is five (5) years from the date of issue, upon giving notice as hereinafter provided, redeem the whole, or from time to time any part of the then outstanding Class I Series 4 Shares, on payment of the Redemption Amount thereof. For purposes of this section 14(c), the date of issue of any shares converted into Class I Series 4 Shares as part of an amalgamation, shall be the date on which such shares were first issued by the first predecessor credit union of the Credit Union to have issued same.

(d) Idem:

(i) Notice:

In the case of redemption of Class I Series 4 Shares, under the provisions of section 14(c) hereof, the Credit Union shall, at least 21 days before the date specified for redemption, send, by personal delivery, by mail or by electronic means (or any combination thereof), to each person who on the date of sending is a registered holder of Class I Series 4 Shares to be redeemed, a notice in writing of the intention of the Credit Union to redeem such Class I Series 4 Shares. Such notice shall be addressed to each such shareholder at their address according to the records of the Credit Union; provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such

notice shall set out the Redemption Amount, and the date on which redemption is to take place, and if only part of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed.

(ii) Payment:

On or after the date so specified for redemption, the Credit Union shall pay, or cause to be paid, to, or to the order of, the registered holders of the Class I Series 4 Shares to be redeemed, the Redemption Amount thereof, on presentation and surrender at the Head Office, or any other place designated in such notice, of any certificate(s) issued and representing the Class I Series 4 Shares called for redemption. Such payment shall be made in cash or by cheque or electronic payment, including by credit to an account maintained by the holder with the Credit Union. If only part of the shares represented by any certificate are to be redeemed, a new certificate for the balance shall be issued, if requested by the respective holder, at the expense of the Credit Union. From and after the date specified for redemption in any such notice, the Class I Series 4 Shares, called for redemption shall cease to be entitled to dividends, and the holders thereof shall not be entitled to exercise any of the rights in respect thereof, unless payment of the Redemption Amount shall not be made in accordance with the foregoing provisions, in which case the rights in respect of any shares for which the Redemption Amount has not been paid shall remain unaffected.

(iii) Failure to Present:

The Credit Union shall have the right, at any time after the sending of notice of its intention to redeem any Class I Series 4 Shares, to deposit the Redemption Amount of the shares so called for redemption, or of such of the said shares represented by any certificate(s) as have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account, to be paid, without interest, to, or to the order of, the respective holders of such Class I Series 4 Shares, called for redemption, upon presentation and surrender of any certificate(s) issued and representing the same, and, upon such deposit being made or upon the date specified for redemption in such notice, whichever is later, the Class I Series 4 Shares, in respect whereof such deposit shall have been made shall be redeemed, and the rights of the holders of such shares shall be limited to receiving, without interest, their proportionate part of the total Redemption Amount so deposited, against presentation and surrender of any certificate(s) held by them respectively, and any interest allowed on such deposit shall belong to the Credit Union.

15. Class I Series 5 Shares

The rights, privileges, restrictions, terms and conditions attaching to the Class I Series 5 Shares are as follows:

(a) Non-Cumulative Dividends:

- (i) The holders of the Class I Series 5 Shares, in priority to the Membership Shares and to the Class P Shares, but rateably with the holders of all other Class I Shares, shall be entitled to receive, and the Credit Union shall pay thereon, as and when declared by the Board, out of the assets of the Credit Union properly applicable to the payment of dividends, a preferential non-cumulative cash or stock dividend at a rate determined by the Board from time to time on the Redemption Price per share.
- (ii) If, after the expiration of any financial year of the Credit Union, the Board in its discretion shall not declare a dividend on the Class I Series 5 Shares, for the financial year, then the rights of the holders of the Class I Series 5 Shares, to such a dividend or to any undeclared part thereof for such financial year shall be forever extinguished.

(b) Redemption at Option of Holder (Retraction):

- (i) Except as herein provided below and subject to the terms of the Act, a holder of the Class I Shares (or the personal representatives or estate trustees of a deceased holder), may request that the Credit Union redeem the Class I Shares registered in the name of such holder, or any part thereof, on a Redemption Date. Approval of any redemption request is in the sole and absolute discretion of the Board. The Board may not approve a request if, in the opinion of the Board, honouring such a redemption request will cause the Credit Union to be unable to comply with the capital and liquidity requirements of the Act.
- (ii) Such requests may be tendered at any branch of the Credit Union or any other location designated by the Credit Union, together with any certificate(s) issued and representing the Class I Shares which the registered holder (or the personal representatives or estate trustees of a deceased holder), desires to have the Credit Union redeem. Such a request shall be in writing and shall specify:
  - (A) The number and series of Class I Shares requested to be redeemed; and
  - (B) The Redemption Date on which the holder (or the personal representative or estate trustee of a deceased holder), desires to have the Credit Union redeem such Class I Shares; provided that, such Redemption Date must be at least five (5) years after the date of the issuance of the shares requested to be redeemed (except for requests made by the personal representatives or estate trustees of a deceased holder, or by a holder who has been expelled from membership in

the Credit Union, which may specify a Redemption Date without regard to the amount of time which has elapsed since the date of issuance of the shares requested to be redeemed), and in no circumstances shall the Redemption Date be less than 90 days after the day on which the request in writing is given to the Credit Union.

- (iii) Upon receipt of any share certificate(s) issued and representing the Class I Shares which the registered holder (or the personal representative or estate trustee of a deceased holder), desires to have the Credit Union redeem, together with such a request, the Credit Union shall, subject to the provisions of the Act and the Credit Union's articles, including, the limits detailed below, on the Redemption Date, redeem such Class I Shares, by paying to such registered holder or their estate, as the case may be, the Redemption Amount for each Class I Share to be redeemed.
- (iv) The said Class I Shares shall be redeemed on the Redemption Date and, from and after the Redemption Date, such shares shall cease to be entitled to dividends, and the holder thereof or their estate, as the case may be, shall not be entitled to exercise any of the rights of the holders of Class I Shares, in respect thereof, unless payment of the Redemption Amount is not made on the Redemption Date, in which event the rights in respect of any Class I Shares for which the Redemption Amount has not been paid shall remain unaffected. The Credit Union may make payment of any such Redemption Amount in cash or by cheque or electronic payment, including by credit to an account maintained by the registered holder with the Credit Union.
- (v) In any one financial year, the Credit Union shall only redeem a maximum of 10% of the number of all Class I Shares which have been issued and outstanding for five (5) years as at the end of the immediately-preceding financial year of the Credit Union. The Board will consider redemption requests in its sole discretion on a first-come, first-served basis.

(c) Redemption by the Credit Union:

The Credit Union may at any time after the date which is five (5) years from the date of issue, upon giving notice as hereinafter provided, redeem the whole, or from time to time any part of the then outstanding Class I Series 5 Shares, on payment of the Redemption Amount thereof. For purposes of this section 15(c), the date of issue of any shares converted into Class I Series 5 Shares as part of an amalgamation, shall be the date on which such shares were first issued by the first predecessor credit union of the Credit Union to have issued same.

(d) Idem:

(i) Notice:

In the case of redemption of Class I Series 5 Shares, under the provisions of section 15(c) hereof, the Credit Union shall, at least 21 days before the date

specified for redemption, send, by personal delivery, by mail or by electronic means (or any combination thereof), to each person who on the date of sending is a registered holder of Class I Series 5 Shares to be redeemed, a notice in writing of the intention of the Credit Union to redeem such Class I Series 5 Shares. Such notice shall be addressed to each such shareholder at their address according to the records of the Credit Union; provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Amount, and the date on which redemption is to take place, and if only part of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed.

(ii) Payment:

On or after the date so specified for redemption, the Credit Union shall pay, or cause to be paid, to, or to the order of, the registered holders of the Class I Series 5 Shares to be redeemed, the Redemption Amount thereof, on presentation and surrender at the Head Office, or any other place designated in such notice, of any certificate(s) issued and representing the Class I Series 5 Shares called for redemption. Such payment shall be made in cash or by cheque or electronic payment, including by credit to an account maintained by the holder with the Credit Union. If only part of the shares represented by any certificate are to be redeemed, a new certificate for the balance shall be issued, if requested by the respective holder, at the expense of the Credit Union. From and after the date specified for redemption in any such notice, the Class I Series 5 Shares, called for redemption shall cease to be entitled to dividends, and the holders thereof shall not be entitled to exercise any of the rights in respect thereof, unless payment of the Redemption Amount shall not be made in accordance with the foregoing provisions, in which case the rights in respect of any shares for which the Redemption Amount has not been paid shall remain unaffected.

(iii) Failure to Present:

The Credit Union shall have the right, at any time after the sending of notice of its intention to redeem any Class I Series 5 Shares, to deposit the Redemption Amount of the shares so called for redemption, or of such of the said shares represented by any certificate(s) as have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account, to be paid, without interest, to, or to the order of, the respective holders of such Class I Series 5 Shares, called for redemption, upon presentation and surrender of any certificate(s) issued and representing the same, and, upon such deposit being made or upon the date specified for redemption in such notice, whichever is later, the Class I Series 5 Shares, in respect whereof such deposit shall have been made shall be redeemed, and the rights of the holders of such shares shall be limited to

receiving, without interest, their proportionate part of the total Redemption Amount so deposited, against presentation and surrender of any certificate(s) held by them respectively, and any interest allowed on such deposit shall belong to the Credit Union.

16. Class I Series 6 Shares

The rights, privileges, restrictions, terms and conditions attaching to the Class I Series 6 Shares are as follows:

(a) Non-Cumulative Dividends:

- (i) The holders of the Class I Series 6 Shares, in priority to the Membership Shares and to the Class P Shares, but rateably with the holders of all other Class I Shares, shall be entitled to receive, and the Credit Union shall pay thereon, as and when declared by the Board, out of the assets of the Credit Union properly applicable to the payment of dividends, a preferential non-cumulative cash or stock dividend at a rate determined by the Board from time to time on the Redemption Price per share.
- (ii) If, after the expiration of any financial year of the Credit Union, the Board in its discretion shall not declare a dividend on the Class I Series 6 Shares, for the financial year, then the rights of the holders of the Class I Series 6 Shares, to such a dividend or to any undeclared part thereof for such financial year shall be forever extinguished.

(b) Redemption at Option of Holder (Retraction):

- (i) Except as herein provided below and subject to the terms of the Act, a holder of the Class I Shares (or the personal representatives or estate trustees of a deceased holder), may request that the Credit Union redeem the Class I Shares registered in the name of such holder, or any part thereof, on a Redemption Date. Approval of any redemption request is in the sole and absolute discretion of the Board. The Board may not approve a request if, in the opinion of the Board, honouring such a redemption request will cause the Credit Union to be unable to comply with the capital and liquidity requirements of the Act.
- (ii) Such requests may be tendered at any branch of the Credit Union or any other location designated by the Credit Union, together with any certificate(s) issued and representing the Class I Shares which the registered holder (or the personal representatives or estate trustees of a deceased holder), desires to have the Credit Union redeem. Such a request shall be in writing and shall specify:
  - (A) The number and series of Class I Shares requested to be redeemed; and

(B) The Redemption Date on which the holder (or the personal representative or estate trustee of a deceased holder), desires to have the Credit Union redeem such Class I Shares; provided that, such Redemption Date must be at least five (5) years after the date of the issuance of the shares requested to be redeemed (except for requests made by the personal representatives or estate trustees of a deceased holder, or by a holder who has been expelled from membership in the Credit Union, which may specify a Redemption Date without regard to the amount of time which has elapsed since the date of issuance of the shares requested to be redeemed), and in no circumstances shall the Redemption Date be less than 90 days after the day on which the request in writing is given to the Credit Union.

(iii) Upon receipt of any share certificate(s) issued and representing the Class I Shares which the registered holder (or the personal representative or estate trustee of a deceased holder), desires to have the Credit Union redeem, together with such a request, the Credit Union shall, subject to the provisions of the Act and the Credit Union's articles, including, the limits detailed below, on the Redemption Date, redeem such Class I Shares, by paying to such registered holder or their estate, as the case may be, the Redemption Amount for each Class I Share to be redeemed.

(iv) The said Class I Shares shall be redeemed on the Redemption Date and, from and after the Redemption Date, such shares shall cease to be entitled to dividends, and the holder thereof or their estate, as the case may be, shall not be entitled to exercise any of the rights of the holders of Class I Shares, in respect thereof, unless payment of the Redemption Amount is not made on the Redemption Date, in which event the rights in respect of any Class I Shares for which the Redemption Amount has not been paid shall remain unaffected. The Credit Union may make payment of any such Redemption Amount in cash or by cheque or electronic payment, including by credit to an account maintained by the registered holder with the Credit Union.

(v) In any one financial year, the Credit Union shall only redeem a maximum of 10% of the number of all Class I Shares which have been issued and outstanding for five (5) years as at the end of the immediately-preceding financial year of the Credit Union. The Board will consider redemption requests in its sole discretion on a first-come, first-served basis.

(c) Redemption by the Credit Union:

The Credit Union may at any time after the date which is five (5) years from the date of issue, upon giving notice as hereinafter provided, redeem the whole, or from time to time any part of the then outstanding Class I Series 6 Shares, on payment of the Redemption Amount thereof. For purposes of this section 16(c), the date of issue of any shares converted into Class I Series 6 Shares as part of an amalgamation, shall be the date on which such shares were first issued by the first predecessor credit union of the Credit Union to have issued same.

(d) Idem:

(i) Notice:

In the case of redemption of Class I Series 6 Shares, under the provisions of section 16(c) hereof, the Credit Union shall, at least 21 days before the date specified for redemption, send, by personal delivery, by mail or by electronic means (or any combination thereof), to each person who on the date of sending is a registered holder of Class I Series 6 Shares to be redeemed, a notice in writing of the intention of the Credit Union to redeem such Class I Series 6 Shares. Such notice shall be addressed to each such shareholder at their address according to the records of the Credit Union; provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Amount, and the date on which redemption is to take place, and if only part of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed.

(ii) Payment:

On or after the date so specified for redemption, the Credit Union shall pay, or cause to be paid, to, or to the order of, the registered holders of the Class I Series 6 Shares to be redeemed, the Redemption Amount thereof, on presentation and surrender at the Head Office, or any other place designated in such notice, of any certificate(s) issued and representing the Class I Series 6 Shares called for redemption. Such payment shall be made in cash or by cheque or electronic payment, including by credit to an account maintained by the holder with the Credit Union. If only part of the shares represented by any certificate are to be redeemed, a new certificate for the balance shall be issued, if requested by the respective holder, at the expense of the Credit Union. From and after the date specified for redemption in any such notice, the Class I Series 6 Shares, called for redemption shall cease to be entitled to dividends, and the holders thereof shall not be entitled to exercise any of the rights in respect thereof, unless payment of the Redemption Amount shall not be made in accordance with the foregoing provisions, in which case the rights in respect of any shares for which the Redemption Amount has not been paid shall remain unaffected.

(iii) Failure to Present:

The Credit Union shall have the right, at any time after the sending of notice of its intention to redeem any Class I Series 6 Shares, to deposit the Redemption Amount of the shares so called for redemption, or of such of the said shares represented by any certificate(s) as have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account, to be paid, without interest, to, or to

the order of, the respective holders of such Class I Series 6 Shares, called for redemption, upon presentation and surrender of any certificate(s) issued and representing the same, and, upon such deposit being made or upon the date specified for redemption in such notice, whichever is later, the Class I Series 6 Shares, in respect whereof such deposit shall have been made shall be redeemed, and the rights of the holders of such shares shall be limited to receiving, without interest, their proportionate part of the total Redemption Amount so deposited, against presentation and surrender of any certificate(s) held by them respectively, and any interest allowed on such deposit shall belong to the Credit Union.

17. Class I Series 7 Shares

The rights, privileges, restrictions, terms and conditions attaching to the Class I Series 7 Shares are as follows:

(a) Non-Cumulative Dividends:

- (i) The holders of the Class I Series 7 Shares, in priority to the Membership Shares and to the Class P Shares, but rateably with the holders of all other Class I Shares, shall be entitled to receive, and the Credit Union shall pay thereon, as and when declared by the Board, out of the assets of the Credit Union properly applicable to the payment of dividends, a preferential non-cumulative cash or stock dividend at a rate determined by the Board from time to time on the Redemption Price per share.
- (ii) If, after the expiration of any financial year of the Credit Union, the Board in its discretion shall not declare a dividend on the Class I Series 7 Shares, for the financial year, then the rights of the holders of the Class I Series 7 Shares, to such a dividend or to any undeclared part thereof for such financial year shall be forever extinguished.

(b) Redemption at Option of Holder (Retraction):

- (i) Except as herein provided below and subject to the terms of the Act, a holder of the Class I Shares (or the personal representatives or estate trustees of a deceased holder), may request that the Credit Union redeem the Class I Shares registered in the name of such holder, or any part thereof, on a Redemption Date. Approval of any redemption request is in the sole and absolute discretion of the Board. The Board may not approve a request if, in the opinion of the Board, honouring such a redemption request will cause the Credit Union to be unable to comply with the capital and liquidity requirements of the Act.
- (ii) Such requests may be tendered at any branch of the Credit Union or any other location designated by the Credit Union, together with any certificate(s) issued and representing the Class I Shares which the registered holder (or the personal representatives or estate trustees of a deceased

holder), desires to have the Credit Union redeem. Such a request shall be in writing and shall specify:

- (A) The number and series of Class I Shares requested to be redeemed; and
  - (B) The Redemption Date on which the holder (or the personal representative or estate trustee of a deceased holder), desires to have the Credit Union redeem such Class I Shares; provided that, such Redemption Date must be at least five (5) years after the date of the issuance of the shares requested to be redeemed (except for requests made by the personal representatives or estate trustees of a deceased holder, or by a holder who has been expelled from membership in the Credit Union, which may specify a Redemption Date without regard to the amount of time which has elapsed since the date of issuance of the shares requested to be redeemed), and in no circumstances shall the Redemption Date be less than 90 days after the day on which the request in writing is given to the Credit Union.
- (iii) Upon receipt of any share certificate(s) issued and representing the Class I Shares which the registered holder (or the personal representative or estate trustee of a deceased holder), desires to have the Credit Union redeem, together with such a request, the Credit Union shall, subject to the provisions of the Act and the Credit Union's articles, including, the limits detailed below, on the Redemption Date, redeem such Class I Shares, by paying to such registered holder or their estate, as the case may be, the Redemption Amount for each Class I Share to be redeemed.
- (iv) The said Class I Shares shall be redeemed on the Redemption Date and, from and after the Redemption Date, such shares shall cease to be entitled to dividends, and the holder thereof or their estate, as the case may be, shall not be entitled to exercise any of the rights of the holders of Class I Shares, in respect thereof, unless payment of the Redemption Amount is not made on the Redemption Date, in which event the rights in respect of any Class I Shares for which the Redemption Amount has not been paid shall remain unaffected. The Credit Union may make payment of any such Redemption Amount in cash or by cheque or electronic payment, including by credit to an account maintained by the registered holder with the Credit Union.
- (v) In any one financial year, the Credit Union shall only redeem a maximum of 10% of the number of all Class I Shares which have been issued and outstanding for five (5) years as at the end of the immediately-preceding financial year of the Credit Union. The Board will consider redemption requests in its sole discretion on a first-come, first-served basis.

(c) Redemption by the Credit Union:

The Credit Union may at any time after the date which is five (5) years from the date of issue, upon giving notice as hereinafter provided, redeem the whole, or from time to time any part of the then outstanding Class I Series 7 Shares, on payment of the Redemption Amount thereof. For purposes of this section 17(c), the date of issue of any shares converted into Class I Series 7 Shares as part of an amalgamation, shall be the date on which such shares were first issued by the first predecessor credit union of the Credit Union to have issued same.

(d) Idem:

(i) Notice:

In the case of redemption of Class I Series 7 Shares, under the provisions of section 17(c) hereof, the Credit Union shall, at least 21 days before the date specified for redemption, send, by personal delivery, by mail or by electronic means (or any combination thereof), to each person who on the date of sending is a registered holder of Class I Series 7 Shares to be redeemed, a notice in writing of the intention of the Credit Union to redeem such Class I Series 7 Shares. Such notice shall be addressed to each such shareholder at their address according to the records of the Credit Union; provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Amount, and the date on which redemption is to take place, and if only part of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed.

(ii) Payment:

On or after the date so specified for redemption, the Credit Union shall pay, or cause to be paid, to, or to the order of, the registered holders of the Class I Series 7 Shares to be redeemed, the Redemption Amount thereof, on presentation and surrender, at the Head Office, or any other place designated in such notice, of any certificate(s) issued and representing the Class I Series 7 Shares called for redemption. Such payment shall be made in cash or by cheque or electronic payment, including by credit to an account maintained by the holder with the Credit Union. If only part of the shares represented by any certificate are to be redeemed, a new certificate for the balance shall be issued, if requested by the respective holder, at the expense of the Credit Union. From and after the date specified for redemption in any such notice, the Class I Series 7 Shares, called for redemption shall cease to be entitled to dividends, and the holders thereof shall not be entitled to exercise any of the rights in respect thereof, unless payment of the Redemption Amount shall not be made in accordance with the foregoing provisions, in which

case the rights in respect of any shares for which the Redemption Amount has not been paid shall remain unaffected.

(iii) Failure to Present:

The Credit Union shall have the right, at any time after the sending of notice of its intention to redeem any Class I Series 7 Shares, to deposit the Redemption Amount of the shares so called for redemption, or of such of the said shares represented by any certificate(s) as have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, to a special account, to be paid, without interest, to, or to the order of, the respective holders of such Class I Series 7 Shares, called for redemption, upon presentation and surrender of any certificate(s) issued and representing the same, and, upon such deposit being made or upon the date specified for redemption in such notice, whichever is later, the Class I Series 7 Shares, in respect whereof such deposit shall have been made shall be redeemed, and the rights of the holders of such shares shall be limited to receiving, without interest, their proportionate part of the total Redemption Amount so deposited, against presentation and surrender of any certificate(s) held by them respectively, and any interest allowed on such deposit shall belong to the Credit Union.

These articles are signed in duplicate under the Corporate Seal of amalgamating credit unions as of the ■ day of ■, 2026.

**LIBRO CREDIT UNION LIMITED**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**KAWARTHA CREDIT UNION LIMITED**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**LIBRO CREDIT UNION LIMITED**

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**BY-LAW NO. 1**

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Date: August 28, 2025

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## BY-LAW NO. 1

### A by-law relating generally to the conduct of the affairs of Libro Credit Union Limited

**BE IT ENACTED AND IT IS HEREBY ENACTED** as a by-law of Libro Credit Union Limited (hereinafter called the “Credit Union”) as follows:

#### ARTICLE I INTERPRETATION

##### 1.1 Definitions

In this By-law of the Credit Union, unless the context otherwise requires:

- (a) “**Act**” means the *Credit Unions and Caisses Populaires Act, 2020* and the regulations and guidelines (including FSRA Rules) made pursuant thereto, as from time to time amended, and every statute that may be substituted therefore, and, in the case of such substitution, any reference in this By-law to provisions of the Act shall be read as references to the substituted provisions therefore in the new statute or statutes;
- (b) “**appoint**” includes “elect” and *vice versa*;
- (c) “**Articles**” means the articles of amalgamation of the Credit Union dated as of the date of the Credit Union’s certificate of amalgamation and any amendments thereto from time to time;
- (d) “**Audit Committee**” means the committee established, from time to time, pursuant to section 5.4(a);
- (e) “**Audit Committee Chair**” has the meaning given in section 5.4(b);
- (f) “**Authority**” means the Financial Services Regulatory Authority of Ontario continued under subsection 2 (1) of the *Financial Services Regulatory Authority of Ontario Act, 2016*;
- (g) “**Board**” means the board of directors of the Credit Union;
- (h) “**Branch**” means an operational location or office of the Credit Union at which Members/Owners may transact business with the Credit Union and at which a Member/Owner’s membership shares are recorded;
- (i) “**Business Day**” means a day other than a Saturday, a Sunday or any other day that is a statutory holiday observed by the Credit Union;
- (j) “**By-laws**” means this By-law and all other by-laws of the Credit Union from time to time in force and effect;

- (k) “**Chair**” means the Chair of the Board;
- (l) “**committee**” means a committee of the Board;
- (m) “**Credit Union**” means Libro Credit Union Limited;
- (n) “**Director**” means a duly elected director of the Credit Union;
- (o) “**Director Recruitment and Nomination Committee**” means the committee established by the Board to identify, recruit, and evaluate candidates for election or appointment to the Board, in alignment with applicable legislation, and policies;
- (p) “**Document**” as indicated by the context, includes any or all of the following:
  - (i) contracts, agreements, memoranda of understanding, instruments or other papers in writing;
  - (ii) cheques, orders for payment or other negotiable instruments;
  - (iii) promissory notes; deeds; mortgages; hypothecs; charges; conveyances; transfer and assignments of property, real or personal, movable or immovable;
  - (iv) releases, receipts and discharges for the payment of money or other obligations;
  - (v) certificates, conveyances, transfers and assignments of shares, share warrants, stocks, bonds, debentures, promissory notes or other securities;
  - (vi) affidavits, certificates or statements of facts; and
  - (vii) application forms and information returns;
- (q) “**Elections Returning Officer**” has the meaning given in section 4.7;
- (r) “**FSRA Rules**” means the rules published by the Authority, pursuant to the Act;
- (s) “**In Good Standing**” when used in reference to a Member/Owner, means a Member/Owner who at the date on which good standing is determined has purchased, paid for and holds the number of membership shares required under this by-law, is not more than ninety (90) days delinquent in any obligation to the Credit Union and not facing expulsion under section 3.6;
- (t) “**Member/Owner**” means a person who has acquired membership shares of the Credit Union and whose application to acquire membership shares of the Credit Union (“**Membership/Ownership**”) has been approved in accordance with the Act, the Articles and the By-laws;

- (u) “**person**” means and includes individuals, bodies corporate, cooperatives, companies, partnerships, syndicates, trusts, unincorporated organizations, entities; government bodies and any number or aggregate of persons;
- (v) “**Recorded Address**” means, in the case of a Member/Owner or Shareholder, such Member/Owner’s or Shareholder’s address and electronic address (including e-mail address and facsimile contact number) as recorded in the Members/Owners or securities register; and, in the case of joint Members/Owners or Shareholders, the address appearing in the Members/Owners or securities register in respect of such joint holding, or the first address so appearing if there is more than one; and, in the case of a Director, officer, auditor or member of a committee of the Board, such Director’s, officer’s, auditor’s or member of a committee’s latest address and electronic address (including e-mail address and facsimile contact number) as recorded in the records of the Credit Union;
- (w) “**Related Person**” means, when used to indicate a relationship with any natural person: (i) a spouse of the person; (ii) any child of the person; or (iii) any relative by blood, marriage or adoption, of the person or of any person mentioned in (i) and (ii);
- (x) “**Shareholder**” means the holder of any share of the Credit Union, other than membership shares;
- (y) “**Shares**” means membership shares and any other shares issued by the Credit Union, unless a form of share is specifically excluded in this By-law or the context otherwise requires;
- (z) “**Signing Officer**” means, in relation to any Document, any individual authorized to sign the same on behalf of the Credit Union by section 2.4 or by a resolution passed pursuant thereto;
- (aa) “**Vice Chair**” shall mean the Vice Chair of the Board; and

All terms contained in this By-law and which are defined in the Act shall have the meanings given to such terms in the Act.

## 1.2 Gender, Plural, etc.

In this By-law: Where the context requires, the singular shall include the plural, the plural shall include the singular, any gender shall include all other genders; and any reference to the King shall be deemed to include the Queen.

## 1.3 Article, Section and Paragraph References

References in this By-law to an article, section or paragraph, without further qualification, refer to the corresponding article, section and paragraph of this By-law.

## **1.4 Act Governs**

This By-law is in all respects subordinate to the Act and shall not be interpreted as permitting any action that is prohibited by the Act. Whenever the provisions of this By-law are more restrictive than the requirements of the Act, such restrictions shall bind the Credit Union.

## **ARTICLE II BUSINESS OF THE CREDIT UNION**

### **2.1 Purpose of the Credit Union**

The purpose of the Credit Union includes, but is not in any way limited to or restricted by, the creation of a positive impact on society and the environment, taken as a whole, from the business and operations of the Credit Union, which impact is material in view of the size and nature of the Credit Union's business.

The directors shall, in accordance with their applicable statutory and regulatory duties and requirements and in alignment with the co-operative principles of the Credit Union and its purpose, act with a view to the best interests of the Credit Union. In considering the best interests of the Credit Union, the directors shall consider the interests of the Credit Union's Members/Owners, shareholders, employees, suppliers and creditors, as well as the government, the natural environment, and the community and society in which the Credit Union operates (collectively, the "Stakeholders") and the short-term and long-term interests of the Credit Union, to inform their decisions. In discharging their duty to act with a view to the best interests of the Credit Union, the directors shall consider the interests of all of the Credit Union's Stakeholders and shall not be required to consider the interests of any particular Stakeholder as determinative, in exercising their judgment.

### **2.2 Corporate Seal**

The Credit Union may adopt a corporate seal, and may change that seal, by resolution of the Board.

### **2.3 Financial Year**

The financial year of the Credit Union shall end on December 31.

### **2.4 Execution of Instruments**

- (a) Documents requiring the signature of the Credit Union may be signed on behalf of the Credit Union by any two (2) officers or Directors, and instruments in writing so signed shall be binding upon the Credit Union without any further authorization or formality. Notwithstanding the foregoing, the Board shall have the power, from time to time, by resolution to appoint any Director or Directors, officer or officers, or any individual or individuals either to sign Documents generally, or to sign specific Documents on behalf of the Credit Union.
- (b) The seal of the Credit Union may, when required, be affixed to Documents signed as provided in subsection 2.4(a).

- (c) The signature of any Signing Officer may, if specifically authorized by resolution of the Board, be printed, engraved, lithographed or otherwise reproduced upon Documents of the Credit Union, executed or issued by or on behalf of the Credit Union, and all Documents of the Credit Union upon which the signature of any such Signing Officer is so reproduced shall be deemed to have been manually signed by such individuals and shall be as valid to all intents and purposes as if it had been signed manually, notwithstanding that such Signing Officer may have ceased to hold office at the date of the delivery or issue of such Documents of the Credit Union.

## **2.5 Banking arrangements**

Subject to section 2.6 of this By-law and the Act, the banking business of the Credit Union, or any part thereof, including, without limitation, the borrowing of money and, subject to the Act, the giving of security therefore, shall be transacted with such financial institutions, bodies corporate or other organizations as may, from time to time, be designated by or under the authority of the Board. Such banking business, or any part thereof, shall be transacted under such agreements, instructions and delegations of power as the Board may from time to time by resolution prescribe or authorize.

## **2.6 Borrowing**

The Credit Union shall be authorized to borrow money on the credit of the Credit Union at such rates of interest and on such conditions as the Board may determine, provided that the Credit Union shall not borrow in the aggregate an amount that is prohibited by the Act.

# **ARTICLE III MEMBERSHIP/OWNERSHIP**

## **3.1 Membership/Ownership**

Membership/Ownership in the Credit Union shall be limited to:

- (a) persons who reside or work in the province of Ontario, subject to any conditions that may be imposed by the Act or any regulation passed thereunder;
- (b) employees of the Credit Union;
- (c) Related Persons or entities of such Members/Owners qualifying under subsections 3.1(a) and (b) above and under the Act;
- (d) persons not otherwise qualifying for Membership/Ownership, as long as the aggregate number of such Members/Owners does not exceed 3% of the number of Members/Owners of the Credit Union;
- (e) a person who originally qualified for and became a Member/Owner under subsections 3.1(a), (b) or (c) above or who originally qualified for and became a member of the Credit Union under an earlier by-law of the Credit Union (or a

predecessor credit union) and who no longer qualifies under subsections 3.1(a), (b) or (c) above;

- (f) His Majesty the King in right of Ontario or in right of Canada; corporations, including municipalities as defined in the *Municipal Affairs Act*; unincorporated associations; or partnerships registered under the *Business Names Act* or a predecessor thereof, subject to any conditions that may be imposed by the Act or any regulation passed thereunder; and
- (g) any other person that is eligible to acquire membership shares of the Credit Union under the Act.

### **3.2 Membership/Ownership Application**

Application to become a Member/Owner shall be made in writing and the Board may, from time to time, specify the form of such application.

### **3.3 Membership Shares**

- (a) No person shall become a Member/Owner of the Credit Union until:
  - (i) the person has fully paid for five (5) membership shares of the Credit Union; and
  - (ii) that person's application to become a Member/Owner has otherwise been approved by the Board or by a committee or employee of the Credit Union authorized by the Board to approve such applications on the Board's behalf.
- (b) The price of each membership share shall be one dollar (\$1.00).
- (c) The maximum number of membership shares which may be issued to a Member/Owner is five hundred (500).

### **3.4 Suspension**

A Member/Owner that does not hold the minimum number of membership shares required in section 3.3 may not exercise any rights a Member/Owner may exercise under this By-law or the Act.

### **3.5 Voting Rights**

- (a) Each Member/Owner In Good Standing is entitled to one (1) vote, regardless of the number of membership shares held.
- (b) Voting rights may not be exercised by proxy, except as permitted by the Act.
- (c) No Member/Owner of the Credit Union under the age of eighteen (18) years shall be entitled to vote in respect of their membership shares.

### 3.6 Expulsion

- (a) Subject to a successful appeal as outlined below, a Member/Owner may be expelled from Membership/Ownership (which for purposes of interpretation has the same meaning as being expelled from membership as contemplated under the Act) by a resolution passed at a meeting of the Board held not fewer than ninety (90) days before the next occurring annual general meeting of Members/Owners, as a result of the Member/Owner:
  - (i) committing an act of misconduct in the affairs of the Credit Union, as may be determined by the Board in its discretion, including, but not limited to, failing for any reason to hold the required number of membership shares of the Credit Union;
  - (ii) failing to abide by the By-laws, the Articles or the Act;
  - (iii) failing to repay indebtedness to the Credit Union in accordance with the conditions of repayment;
  - (iv) being listed within the meaning of the United Nations suppression of terrorism regulations under the *United Nations Act (Canada)*;
  - (v) being convicted of an offence involving theft or fraud; or
  - (vi) conducting themselves in a manner which is abusive of or offensive to employees of the Credit Union.
- (b) Prior to resolving to expel a Member/Owner, the Credit Union shall provide to the Member/Owner:
  - (i) ten (10) days' advance notice of the Board meeting where such resolution is to be considered, such notice to be provided personally or by prepaid mail addressed to such Member/Owner at such Member/Owner's Recorded Address; and
  - (ii) the right to make submissions, appear and be heard at such Board meeting and to be represented by an individual authorized under the *Law Society Act*.
- (c) The Credit Union shall advise the Member/Owner within five (5) days of the decision of the Board to expel the Member/Owner by registered letter addressed to the Member/Owner at the Member/Owner's Recorded Address. Such Member/Owner may appeal the decision of the Board at the next annual general meeting of Members/Owners and will have the right to be reinstated if, at such meeting, the Members/Owners, by a majority of the votes cast at the meeting (including votes cast by any alternative permitted means approved by the Board), set aside the resolution of the Board expelling the Member/Owner.

- (d) Where a Member/Owner wishes to appeal their expulsion, such Member/Owner must, within twenty-one (21) days of receiving notice of expulsion, give written notice to the Board of their intention to appeal. The Member/Owner may make written representations of no more than 2,000 words in length. Subject to applicable law, the Credit Union shall make available, for its Members'/Owners' review, any such written representations, by: mail; delivery; e-mail; posting same to an internal website or portal to which the Members'/Owners have access; or such other means as may be approved by the Board so long as such means provides the Members'/Owners with notice as to how they may access such written representations.

### **3.7 Withdrawal**

Where a Member/Owner wishes to withdraw from the Credit Union (which for purposes of interpretation has the same meaning as withdrawal as a member as contemplated under the Act), such Member/Owner shall give written notice of their intention to withdraw to the Credit Union. In addition, if a Member/Owner in any manner requests their account(s) with the Credit Union to be closed, or they initiate a process intended to result in the closing of such account(s), and they are credited for their membership shares, they shall be deemed to have surrendered their membership shares and ceased to be a Member/Owner.

### **3.8 Payment upon Withdrawal or Expulsion**

Subject to the Act, the Credit Union shall, after deduction of all amounts due from the withdrawing or expelled Member/Owner to the Credit Union, remit the balance of said Member/Owner's membership shares and deposits to such Member/Owner within ninety (90) days of such Member/Owner giving notice of their intention to withdraw or the date of the Board resolution expelling the Member/Owner, unless the Member/Owner appeals the decision of the Board, then ninety (90) days from the date of the annual general meeting at which such appeal is to be heard, unless the resolution of the Board expelling the Member/Owner is set aside. Payment of the balance of a Member/Owner's membership shares shall constitute evidence of the surrender and transfer of the subject membership shares to the Credit Union.

### **3.9 Language**

The Credit Union's language of operation shall be English.

### **3.10 Records**

Each Member/Owner is entitled to a record specifying the amount paid upon shares, deposits and loans by the Member/Owner. Such record may be in electronic form.

## **ARTICLE IV DIRECTORS**

### **4.1 Number of Directors and Quorum**

- (a) The Board shall not have less than of seven (7) directors or more than seventeen (17) directors, the exact number to be determined by the Board from time to time.
- (b) The quorum for the transaction of business at any meeting of the Board shall be a majority of the Directors or such greater number of Directors as the Board may from time to time by resolution determine.

### **4.2 Directors Term of Office and Maximum Years of Service**

- (a) Except where an election is held or an appointment is made to fill the unexpired portion of a Director's term under 4.5 as applicable, Directors shall be elected or acclaimed to hold office for terms of three (3) years or until their successors are elected or appointed. In the event that a Director is appointed pursuant to section 4.5, at the next occurring annual election of Directors, the position associated with such directorship, for purposes of such annual election, shall be the remainder of the term of office the Director who had vacated office would have otherwise enjoyed. If, for any reason, the terms of the remaining Directors will not allow for the expiry of one-third (1/3) of the Directors' terms at each successive annual general meeting, the remaining Directors may, by resolution, determine the lengths of terms to be served by Directors elected in subsequent elections in such a manner that the Board may return as soon as is practicably possible to the normal cycle of one-third (1/3) of Directors' terms expiring at each successive annual meeting.
- (b) Notwithstanding 4.2(a) above, if an individual has served as a Director of the Credit Union for a period of twelve (12) consecutive years (such period commencing for all Directors January 1, 2026), after that date, the individual shall not stand for re-election as a Director until a period of not less than three (3) years have elapsed from the date the individual ceases to be a Director.
- (c) The Corporate Secretary shall keep records of service for every Director and following each annual general meeting of the Credit Union, shall report on terms of office expiring at the next annual general meeting of the Credit Union and the eligibility of individual Directors for re-election.

### **4.3 Director Eligibility Requirements**

Subject to the Act, a person is eligible for election to the position of director if the person meets the director eligibility requirements that supplement the qualifications and disqualifications prescribed in the Act and that are approved by the Board from time to time.

#### **4.4 Disqualification**

Any individual for or to whom any of the following apply is not eligible, to remain on the Board, to stand for election, or to be elected, as a Director:

- (a) An individual disqualified from becoming or acting as a Director pursuant to the Act;
- (b) An individual who is or becomes an employee, Director, officer or agent of: (i) an organization in a competitive business to the Credit Union including a bank, trust company, loan company, savings and loan association, deposit taking institution, lending institution, mortgage or deposit broker, or any other entity which the Board (or its delegate) determines is engaged in or concerned with or interested in, any business or any part of the business from time to time carried on by the Credit Union, unless the Board determines, in its sole discretion, that the relationship is so remote or insignificant in its nature that it cannot reasonably be regarded as likely to influence the individual when carrying out their duties as a Director; or (ii) another credit union (other than a Director of a central credit union) or their controlled subsidiaries;
- (c) An individual who is, or was at any time during the three (3) year period prior to January 1 of the year in which the election will be held, an employee of the Credit Union or any of its subsidiaries or affiliates;
- (d) An individual who is a Related Person of an individual who is standing for election as a Director or is an incumbent Director and who would be on the Board at the same time as that individual if that or those individual(s) was or were elected;
- (e) An individual who is a Related Person of an individual employed by the Credit Union or any of its subsidiaries or affiliates; or
- (f) An individual who has commenced, or caused to be commenced, a legal proceeding against the Credit Union, or who the Credit Union has commenced a legal proceeding against.

#### **4.5 Vacation of Office**

A Director ceases to hold office on the earlier of the expiry of their term of office and when they: die; resign; are removed from office by the Board, the Members/Owners or the Authority in accordance with the Act; and, there occurs any circumstance(s) which would otherwise disqualify such Director from being eligible to stand for election, or to be elected, as a Director under section 4.4.

#### **4.6 Manner of Election**

Each year, within 60 days prior to the annual general meeting of the Credit Union, an election shall be held in accordance with the provision hereof to fill vacant Board positions as follows:

- (a) Nomination Process: Members/Owners seeking election to the Board shall submit themselves to the Credit Union's nomination policies and processes that comply with the Act and these By-laws. At minimum, the Credit Union's nomination policies and processes shall require a nominee to be a Member/Owner in Good Standing, prescribe the form and content of the applications to be submitted by Members/Owners seeking nominations, and prescribe the process by which submitted applications will be reviewed.
  
- (b) Acclamation:
  - (i) If the number of nominees is equal to the number of vacancies to be filled, the nominees shall be declared by the Returning Officer at the next annual general meeting to be elected by acclamation for a 3-year term, unless a shorter term is otherwise specified.
  
  - (ii) If the number of nominees is less than the number of positions to be filled, the nominees shall be declared elected by acclamation. The Board may appoint qualified person(s) to the remaining position(s) and advise the Members/Owners at the annual meeting of such appointment(s).
  
- (c) Contested Election: If the number of nominees exceeds the total number of vacancies to be filled, then an election shall be held as hereinafter provided and in accordance with the Credit Union's election process:
  - (i) Voting Eligibility: Only a Member/Owner (other than a Member/Owner under the age of 18 years) as of the record date determined in accordance with section 7.5 of the By-laws is eligible to cast a ballot in an election of a director or directors. Subject to the Act, in the case of an entity, its vote may be cast on its behalf through a written proxy produced at any branch or head office, signed by the president or other senior executive with signing authority of the Member/Owner, appointing one or more persons to vote on its behalf. Any person so appointed need not be a Member/Owner of the Credit Union. Any such proxy shall cease to be valid on the day following the next annual general meeting of the Credit Union.
  
  - (ii) Voting Process: Subject to the provisions of any applicable FSRA Rule, unless the Board exercises its discretion under paragraph (iii), voting in an election of directors shall take place before the annual general meeting and, in such election, Members/Owners shall be permitted to choose to cast their ballots by either:
    - (A) Voting in person at any branch of the Credit Union; or
  
    - (B) Voting remotely by electronic means, during a period of at least 15 consecutive business days and ending at least 5 calendar days prior to the annual general meeting.

- (iii) Alternative Voting Process: The Board shall have the discretion in any given election year to permit, by resolution, Members/Owners to cast a ballot by mail, in addition to the voting process under paragraph (ii), in an election of directors.
- (iv) Rules for Alternative Voting Processes: If the Board exercises its discretion under paragraph (iii), it may, by resolution, make additional rules governing the conditions that apply to a ballot cast by mail, provided that these and any other rules governing such votes are made available to the Members/Owners.
- (v) For Greater Certainty: Pursuant to this section:
  - (A) There shall be no voting in directors' elections on the floor of any general meeting of the Members/Owners.
  - (B) No Member/Owner shall become a nominee unless and until the committee overseeing the nomination process has placed that Member/Owner's name in nomination in accordance with the committee's nomination policies and processes.

#### **4.7 Elections Returning Officer**

The Board shall appoint the Corporate Secretary or another individual as Elections Returning Officer to oversee the elections process, with such appointment to occur at least 60 days prior to the date on which voting in an election is to commence.

#### **4.8 Supervision of Election Process**

The Elections Returning Officer shall supervise the election process and:

- (a) may require a Member/Owner to provide proof and particulars of membership;
- (b) shall obtain all ballots and, after the close of balloting, shall cause a tally to be made of all ballots, such tally to be made in a manner that ensures the secrecy of the balloting; and
- (c) shall determine whether a ballot is to be accepted or rejected and such determination is final and not open to review.

#### **4.9 Announcement of Election Results**

The results of the election shall be announced at the annual general meeting next following the completion of voting. A tie vote resulting from balloting shall be broken by the drawing of lots.

#### **4.10 Allocation of Varying Terms of Office**

If the vacant positions to be filled carry varying terms of office, such terms of office shall be allocated as follows. If the election was:

- (a) concluded by acclamation, will be decided by voluntary agreement among the candidates or, failing that, a random draw by the Director Recruitment and Nomination Committee;
- (b) concluded by ballot, those candidates receiving the greater number of votes will receive the longer terms of office.

#### **4.11 Removal of Directors by Members/Owners or the Board**

- (a) Subject to the provisions of the Act, the Members/Owners may, by special resolution passed at a meeting specially called for such purpose, remove any Director from office, and the vacancy created by such removal shall be filled at the same meeting. If the Members/Owners remove a Director from office, they shall elect another Director at the same meeting to hold office in their stead for the remainder of the term of office which would otherwise have been enjoyed by the Director removed from office.
- (b) In the event a Director, without reasonable cause, fails to comply with policies established by the Board with respect to attendance at Board and committee meetings, training requirements, Director conduct, or other Director duties, the Board may, by resolution, declare that Director's position vacant.

#### **4.12 Vacancies on the Board**

Subject to the Act, a quorum of the Board may fill a vacancy on the Board by appointing a qualified individual, who is a Member/Owner to serve until the next annual meeting of Members/Owners. In the absence of a quorum of the Board, the Directors then in office shall forthwith call a meeting of Members/Owners to fill the vacancy. If the Directors then in office fail to call such meeting or if there are no Directors then in office, any Member/Owner may call such meeting.

#### **4.13 Action by the Board**

The Board shall manage or supervise the management of the business and affairs of the Credit Union. Subject to section 4.14, the powers of the Board may be exercised at a meeting at which a quorum is present. Where there is a vacancy on the Board, the remaining Directors may exercise all the powers of the Board so long as a quorum of the Board remains in office.

#### **4.14 Board and Committee Meetings by Telephone and Electronic Means**

Subject to compliance with any applicable FSRA Rule and any applicable policy of the Credit Union, Directors may participate in a meeting of the Board or of a committee of the Board by means of such telephone, electronic or other communications facilities as permit all individuals participating in the meeting to communicate with each other simultaneously and instantaneously,

and a Director participating in such a meeting by such means is deemed to be present at the meeting.

#### **4.15 Place of Board Meeting**

Meetings of the Board may be held at any place within Ontario.

#### **4.16 Calling of Board Meetings**

Subject to the Act, meetings of the Board shall be held from time to time, on such day and at such time and at such place as the Board, the Chair of the Board, the Vice-Chair or any three (3) Directors may determine, and the Corporate Secretary, when directed by the Board, the Chair of the Board, the Vice-Chair or any three (3) Directors, shall convene a meeting of the Board.

#### **4.17 Notice of Board Meetings**

- (a) Notice of the date, time and place of each meeting of the Board shall be given in the manner provided in section 14.1 to each Director not less than forty-eight (48) hours (exclusive of any part of a day that is not a Business Day) before the time when the meeting is to be held. A notice of a meeting of Directors need not specify the purpose of or the business to be transacted at the meeting, except where the Act requires such purpose or business to be transacted thereat to be specified.
- (b) A Director may, in any manner, waive notice of or otherwise consent to a meeting of the Board.

#### **4.18 First Meeting of New Board**

Provided a quorum of Directors is present, each newly elected Board may, without notice, hold its first meeting immediately following the annual meeting of Members/Owners which follows an annual election of Directors.

#### **4.19 Adjourned Board Meeting**

Notice of an adjourned meeting of the Board is not required if the time and place of the adjourned meeting is announced at the original meeting.

#### **4.20 Regular Board Meetings and Minimum Number of Meetings**

- (a) The Board may appoint a day or days in any month or months for regular meetings of the Board, at a place or places and hour to be named or named later. A copy of any resolution of the Board fixing the place and time of such regular meetings or a copy of minutes of a Board meeting containing such resolution, shall be sent to each Director forthwith after being passed, but no other notice shall be required for any such regular meeting except where the Act requires the purpose thereof or the business to be transacted thereat to be specified.

- (b) The Board shall meet at least quarterly during each financial year of the Credit Union.

#### **4.21 Presumption of Assent**

A Director who is present at a meeting of the Board or a committee at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless the director:

- (a) at such meeting, requests that their dissent be entered in the minutes of the meeting;
- (b) sends a written dissent to the secretary of the meeting before the meeting is terminated; or
- (c) sends a dissent by registered mail or delivers it to the registered office of the Credit Union immediately after the meeting is terminated.

A director who was not present at such a meeting at which a resolution was passed or action taken is deemed to have consented thereto unless within seven days after becoming aware of the resolution the director:

- (i) causes their dissent to be placed in the minutes of the meeting; or
- (ii) sends their dissent by registered mail or delivers it to the registered office of the Credit Union.

#### **4.22 Conduct of Board and Committee Meetings**

At all meetings of the Board and committees of the Board, every question shall be decided by a majority of the votes cast on the question. The Chair will not be entitled to a vote, except as permitted by this section. In the event of an equality of votes the Chair shall cast the deciding vote, but, for greater clarity, the Chair shall not be entitled to a second vote.

#### **4.23 Written Consent to Action by Directors**

Any action required to be taken at a meeting of the Directors or any other action which may be taken at a meeting of the Directors or of a committee, may be taken without a meeting, if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors, or all of the members of the committee, as the case may be. Such consent shall have the same legal effect as a unanimous vote of all the Directors or committee members.

#### **4.24 Conflict of Interest**

Subject to the Credit Union's conflict of interest policy, a Director or officer of the Credit Union who: is a party to; is a director or officer of or has a material interest in any person who is a party to; or, is a Related Person of an individual who is a party to or a director or officer of or has a material interest in any party to, a material contract or transaction, or proposed material contract or transaction, with the Credit Union, shall disclose in writing to the Credit Union, or request to have entered in the minutes of the meetings of the Directors, the nature and extent of such interest

and relationship, at the time and in the manner provided by the Act. Any such contract or transaction, or proposed contract or transaction, shall be referred to the Board for approval, even if such contract is one that, in the ordinary course of the Credit Union’s business, would not require approval by the Board, and a Director interested in a contract so referred to the Board shall not vote on, or be present at the consideration of, any resolution to approve the same, except as permitted by the Act.

#### **4.25 Director Remuneration and Expenses**

The Directors shall be paid such remuneration for their services as the Board may from time to time determine. The Directors shall also be entitled to be reimbursed for travelling and other expenses properly incurred by them in attending meetings of the Members/Owners, Shareholders, the Board, or any committee of the Board, or otherwise in the performance of their duties, as authorized by the Board or the Chair.

#### **4.26 Diversity Reporting**

The Board shall report annually on gender diversity, including on the gender diversity of the Board, in accordance with the Act. The Board shall determine from time to time the form and format of such reporting. Such report shall be included in the annual report and/or materials of the annual general meeting and published on the website of the Credit Union.

### **ARTICLE V COMMITTEES**

#### **5.1 Committee of Directors**

The Board may appoint any number of committees of Directors, including an executive committee, however designated, and delegate to such committees any of the powers of the Board, except those which, under the Act or other applicable legislation, cannot be delegated to a committee of the Board. The terms of reference for a committee will clearly stipulate any powers of the Board that may have been delegated to it, and the role, function, duties and responsibilities of a committee and its committee members.

#### **5.2 Committee Members**

Members of Board committees shall be elected or appointed for a term of office as determined by the Board in terms of reference for the committees.

#### **5.3 Transaction of Business**

The powers of a committee of Directors may be exercised by a meeting at which a quorum of the committee is present.

#### **5.4 Audit Committee**

- (a) The Board shall appoint annually from among its number an audit committee (the “**Audit Committee**”), to be composed of a minimum of three (3) Directors.

- (b) The chair of the Audit Committee (the “**Audit Committee Chair**”) shall be appointed by the Board from among the members of the Audit Committee in accordance with procedures established by the Board, from time to time, and meetings of the Audit Committee shall be at the call of the Audit Committee Chair, the Credit Union’s auditor or a Director, provided that the Audit Committee shall meet at least once every quarter.
- (c) The Audit Committee shall perform such duties as are set out in the Act for an Audit Committee, and such other duties as may be delegated to it by the Board. For internal purposes, the Audit Committee may be designated by such other name as the Board may from time to time determine.

### **5.5 Panels, Task Forces, and Other Groups**

The Board may establish such other panels, task forces and groups as it may deem advisable. The scope of actions shall be clearly stipulated in written terms of reference for each such panel, task force or group.

### **5.6 Procedure**

Subject to this By-law and unless otherwise determined by the Board, each committee shall have power to fix its quorum at not less than a majority of its members and to regulate its procedure. For greater certainty, the Board may, by resolution, determine the procedure by which Committee members and Committee chairs are appointed.

## **ARTICLE VI OFFICERS**

### **6.1 Appointment and Remuneration**

Subject to applicable provisions of the Act, the Board shall appoint a Chair and a Vice Chair and appoint a Corporate Secretary, a Chief Executive Officer, and such other officers as the Board may determine. The Board shall specify the duties of and, in accordance with this By-law and subject to the provisions of the Act, delegate to such officers powers to manage the business and affairs of the Credit Union. Subject to section 6.2 through 6.5, inclusive, an officer may but need not be a Director, and one (1) individual may hold more than one (1) office, with the exception that the Chief Executive Officer must be an employee of the Credit Union appointed by the Board. All officers shall sign such Documents as require their respective signatures. In the case of the absence or the inability or refusal to act of any officer, or for any other reason that the Board may deem sufficient, the Board may delegate all or any of the powers of such officer to any other officer, or to any Director for the time being. The Board shall determine the Credit Union’s procedure and policies for the remuneration of its officers and employees.

### **6.2 Chair of the Board**

- (a) Subject to any continuing term of the Chair, within thirty (30) days of each annual meeting of Members/Owners, the Board shall appoint the Chair who shall be a Director and shall, when present, preside at all meetings of the Board, the

Members/Owners, and Shareholders. The Chair shall be vested with and may exercise such powers and shall perform such other duties as may, from time to time, be assigned to them by the Board. During the absence or the inability or refusal to act of the Chair, their duties shall be performed and their powers shall be exercised by the Vice Chair.

- (b) The term of Chair is for one (1) year and the same individual may serve a maximum of four (4) consecutive terms, where a ‘year’ is from an annual meeting of Members/Owners to the next annual meeting of Members/Owners. An individual who has served four (4) consecutive terms as Chair is not able to hold that position again until such time as a period of at least one (1) year has elapsed. The Board may by special resolution remove an individual from the position of Chair during a term.

### **6.3 Vice Chair**

Within thirty (30) days of each annual general meeting the Board shall appoint the Vice Chair who shall be a Director and shall have such powers and duties as the Board or the Chair may specify. The Vice Chair shall be vested with all the powers and shall perform all the duties of the Chair in the absence or the inability or refusal of the Chair to act.

### **6.4 Powers and Duties of Other Officers**

The powers and duties of all other officers shall be such as the terms of their engagement call for or as the Board may specify.

### **6.5 Variation of Powers and Duties**

The Board may, from time to time and subject to the provisions of the Act, vary, add to or limit the powers and duties of any officer.

### **6.6 Terms of Office**

The Board, in its discretion, may remove any officer of the Credit Union from their office with or without cause, without prejudice to such officer’s rights under any employment contract. Otherwise each officer appointed by the Board shall hold office until their successor is appointed, or until the earlier of their resignation, retirement, or death, or the expiry of any applicable term.

### **6.7 Terms of Employment and Remuneration**

The terms of employment and the remuneration of an officer appointed by the Board shall be settled by it from time to time. The fact that any officer or employee is a Shareholder of the Credit Union shall not disqualify them from receiving such remuneration as may be so determined.

## **6.8 Conflict of Interest**

An officer shall disclose their interest in any material contract or transaction, or proposed material contract or transaction, with the Credit Union in accordance with section 4.22 and the Act.

## **6.9 Agents and Attorneys**

The Board shall have the power, from time to time, to appoint agents or attorneys for the Credit Union in or outside Canada, with such power of management or otherwise (including the powers to sub delegate) as may be thought fit.

## **6.10 Fidelity Bonds**

Subject to the Act, the Board shall require directors, officers, employees and agents of the Credit Union receiving or having charge of money to furnish bonds for the faithful discharge of their powers and duties, provided by an insurer licensed under the *Insurance Act* (Ontario) to write surety and fidelity insurance, and in an amount at least equal to any minimum amount required by the Act or calculated in accordance with the formula specified in the Act, but no Director shall be liable for failure to require any such bond or for, the insufficiency of any such bond, or any loss by reason of the failure of the Credit Union to receive any indemnity thereby provided.

# **ARTICLE VII MEETINGS OF MEMBERS/OWNERS**

## **7.1 Member/Owner Meetings and Location of Meetings**

- (a) Unless otherwise authorized by the Authority, the annual meeting of the Members/Owners of the Credit Union shall be held within 120 days following the financial year end of the Credit Union.
- (b) All meetings of the Members/Owners of the Credit Union shall be held at such time and at such place, within the Province of Ontario, as the Board shall determine.
- (c) Other special general meetings may be convened by the Board and held in accordance with the provisions of the Act.

## **7.2 Virtual Meetings**

- (a) A Membership/Ownership meeting may, if the Board determines to do so, and pursuant to such conditions, rules and procedures which may be approved by the Board, be held by telephone or electronic means. A Member/Owner who, by such means, votes at the meeting or establishes a communications link to the meeting shall be deemed for all purposes, including, without limiting the generality of the foregoing, the calculation of quorum pursuant to section 7.6 hereof, to have been present at the meeting.
- (b) A remote meeting may be:

- (i) a fully electronic meeting in which persons are entitled to participate solely by telephone or other electronic means; or
- (ii) a partially electronic meeting in which persons are entitled to participate in person or by telephone or other electronic means,

provided that all persons attending the meeting are able to participate in it, whether by telephone, by other electronic means or, if applicable, in person.

- (c) Notwithstanding section 7.1(b), if a remote meeting of Members/Owners is a fully electronic meeting:
  - (i) the meeting is not required to have a physical location;
  - (ii) any notice of the meeting is not required to specify a location for the meeting; and
  - (iii) the meeting is deemed to be held in the Province of Ontario.

### **7.3 Business at an Annual General Meeting**

At the annual general meetings of Members/Owners of the Credit Union, the Board shall place before the Members/Owners:

- (a) minutes of the prior annual meeting of Members/Owners;
- (b) the audited financial statements;
- (c) the report of the Audit Committee;
- (d) the report of the auditor;
- (e) the results of election of Directors;
- (f) the announcement of the results of voting on any special resolutions; and
- (g) such further information respecting the financial position of the Credit Union and the results of its operations as this By-law requires or as the Board may by resolution direct.

The Members/Owners shall conduct such business as is required by the Act, identified in the meeting notice or deemed desirable by the meeting, including but not limited to the appointment of the auditor.

### **7.4 Notice of Meeting**

Subject to Section 14 and any contrary instructions of an applicable FSRA Rule, notice of all meetings of Members/Owners of the Credit Union shall be given by the Corporate Secretary, who

shall, not later than ten (10) days before the date of the meeting or earlier than fifty (50) days before the date of the meeting, give notice of the meeting to each Member/Owner of the Credit Union who, on the record date for notice, appears on the records of the Credit Union as a Member/Owner, by posting a notice of the meeting on the website of the Credit Union. The content of the Notice shall comply with applicable FSRA Rule.

### **7.5 Record Date**

The Board may fix in advance a date, preceding the date of any meeting of Members/Owners by no more than fifty (50) days and not less than ten (10) days, as a record date for the determination of the Members/Owners entitled to notice of the meeting, provided that notice of such record date shall be given not less than seven (7) days before such record date on the Credit Union's website. If no record date is fixed, the record date for determining the Members/Owners entitled to notice of the meeting shall be at the close of business on the day immediately preceding the day on which the notice is given.

### **7.6 Quorum**

- (a) At all annual and special meetings of Members/Owners, 100 Members/Owners shall constitute a quorum.
- (b) If no quorum is present, the presiding officer of the meeting shall adjourn the meeting to a date not less than seven (7) or more than fifteen (15) days thereafter, and the decision(s) of the adjourned meeting shall be binding upon the Credit Union regardless of the number of Members/Owners then present.
- (c) Notice of the adjourned meeting shall be given by the Corporate Secretary in the manner herein provided, at least seven (7) days prior to the date of the adjourned meeting.

### **7.7 New Business**

At all meetings of the Members/Owners of the Credit Union, only the business stated in the notice calling such meeting may be transacted. In particular, and without limiting the generality of the foregoing, due notice shall be given of any proposed By-law amendments.

### **7.8 Voting**

Subject to section 3.5, every Member/Owner who receives notice of a meeting of Members/Owners shall be entitled to one (1) vote on matters to be voted upon thereat, including, ordinary and special resolutions. In addition, the Board may set by resolution the methods and conditions by which voting shall be carried out, including in person, by mail, by telephone or electronic means, or by any combination of the same, and any votes properly cast in such manner shall be included in the computation of votes cast in respect of a resolution or other matter.

## **7.9 Conduct of Members'/Owners' Meetings**

Except as set out in the Act or these By-laws, the conduct of all meeting of the Members/Owners shall be governed by the rules of order specified by the Board from time to time.

## **7.10 Proposals**

Upon receipt of a written proposal from a Member/Owner to raise an issue at an annual meeting of Members/Owners that is in a form required by an applicable provision of the Act and a request that a statement in relation to that issue be attached to the related notice of meeting, the Board shall (subject to compliance with any applicable provision of the Act), within ten (10) days of its receipt, meet to consider whether or not the proposal is to be included in the notice of meeting, and, where the Board refuses to include the proposal in the notice of meeting, the Chair shall notify the Member/Owner submitting it of the refusal, and give reasons for its decision. A written proposal will not be considered if it is received by the Credit Union later than ninety (90) days before the meeting.

## **7.11 Requisitions**

Upon the written request of five percent (5%) of the Members/Owners, stating the general nature of the business to be presented at the meeting, the Board shall call a meeting of Members/Owners for the transaction of that business not later than twenty-one (21) days from the date the written request was deposited at the head office of the Credit Union, and such meeting shall be held within sixty (60) days from the date of the deposit of the request.

## **7.12 Adjournment**

The chair at the meeting of Members/Owners may, with the consent of the meeting and subject to such conditions as the meeting may decide, or where otherwise permitted under the provisions of the Act, adjourn the meeting from time to time and from place to place. If a meeting of Members/Owners is adjourned for less than thirty (30) days except for lack of quorum pursuant to section 7.6, it shall not be necessary to give notice of the adjourned meeting, other than by announcement at the earliest meeting that is adjourned. If a meeting of Members/Owners is adjourned by one or more adjournments for an aggregate of thirty (30) days or more, notice of the adjourned meeting shall be given as for an original meeting.

# **ARTICLE VIII PROTECTION OF DIRECTORS, OFFICERS AND OTHERS**

## **8.1 Submission of Contracts or Transactions to Shareholders for Approval**

The Board, in its discretion, may submit any contract, act or transaction for approval, ratification or confirmation at any meeting of the Members/Owners or Shareholders called for the purpose of considering the same, and any contract, act or transaction that shall be approved, ratified or confirmed by a resolution passed by a majority of the votes cast at any such meeting (unless any different or additional requirement is imposed by the Act or by the Credit Union's Articles or any other By-law) shall be as valid and as binding upon the Credit Union and upon all the

Members/Owners and Shareholders as if it had been approved, ratified or confirmed by every Member/Owner or Shareholder of the Credit Union.

## **8.2 Indemnity**

Subject to the limitations contained in the Act, the Credit Union shall indemnify a Director, officer, or committee member, a former Director or officer or committee member, or an individual who acts or acted at the Credit Union's request as a Director or officer of a body corporate of which the Credit Union is or was a member, shareholder or creditor, and their heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by them in respect of any civil, criminal or administrative action or proceeding to which they are made a party by reason of being or having been a Director or officer of the Credit Union or such body corporate, if:

- (a) such individual acted honestly and in good faith with a view to the best interest of the Credit Union or, as the case may be, to the best interests of the other entity for which the individual acted as director or officer or in a similar capacity at the Credit Union's request; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, such individual had reasonable grounds for believing that such individual's conduct was lawful.

The Credit Union shall also indemnify such individual in such other circumstances as the Act permits or requires.

## **8.3 Insurance**

Subject to the Act, the Credit Union may purchase and maintain insurance for the benefit of any individual referred to in section 8.2, against such liabilities and in such amounts as the Board may, from time to time, determine.

# **ARTICLE IX SHARES**

## **9.1 Allotment**

Subject to the Act, the Articles and this By-Law, the Board may, from time to time, allot or grant options to purchase the whole or any part of the authorized and unissued shares of the Credit Union, at such times and to such persons and for such consideration as the Board shall determine, provided that no share shall be issued until it is fully paid as provided by the Act.

## **9.2 Commissions**

Except in respect of membership shares and subject to the Act, the Board may, from time to time, authorize the Credit Union to pay a reasonable commission to any person in consideration of their purchasing or agreeing to purchase shares of the Credit Union, whether from the Credit Union or from any other person, or procuring or agreeing to procure purchasers for any such shares.

### **9.3 Registration of Transfers**

Subject to the provisions of the Act, no transfer of shares (other than membership shares which are subject to transfer restrictions under the Act) shall be registered in a securities register except upon presentation to the Credit Union's head office of an executed transfer request on the Credit Union's prescribed form together with the certificate which is the subject of the transfer request (if one has been issued) or written acknowledgement (in a form approved by the Board from time to time) evidencing the loss of any such share certificates and the holder's liabilities in respect thereof, with an endorsement which complies with the Act made thereon or delivered therewith, duly executed as provided by the Act, together with such reasonable assurance that the endorsement is genuine and effective as the Board may, from time to time prescribe, upon payment of all applicable taxes and any fees prescribed by the Board, upon compliance with such restrictions on transfer as are authorized by the Articles, and upon satisfaction of any lien referred to in section 9.5.

### **9.4 Transfer Agents and Registrars**

The Board may, from time to time, appoint one (1) or more agents to maintain, in respect of each class of securities of the Credit Union issued by it, a securities register and one (1) or more Branch securities registers. Such a person may be designated as transfer agent and registrar according to their functions, and one (1) person may be designated both registrar and transfer agent. The Board may at any time terminate such appointment.

### **9.5 Lien for Indebtedness**

The Credit Union shall have a lien on any share registered in the name of a Shareholder or their legal representatives for a debt of that Shareholder to the Credit Union, provided that, if the shares of the Credit Union are listed on a stock exchange recognized by the Ontario Securities Commission, the Credit Union shall not have such lien. The Credit Union may enforce any lien that it has on shares registered in the name of a Shareholder indebted to the Credit Union by the sale of the shares thereby affected (including, a purchase for cancellation), or by any other action, suit, remedy or proceeding authorized or permitted by law, and, pending such enforcement, the Credit Union may refuse to register a transfer of the whole or any part of such shares.

### **9.6 Non-recognition of Trusts**

Subject to the provisions of the Act, the Credit Union may treat the person in whose name the share is registered in the securities register as if that person had full legal capacity and authority to exercise all rights of Membership/Ownership regarding such share, irrespective of any indication to the contrary through knowledge or notice or description in the Credit Union's records, on the share certificate, or on the written acknowledgement evidencing such shares.

### **9.7 Share Certificates**

- (a) The Credit Union shall not issue certificates for membership shares, provided that a Member/Owner shall be entitled to a statement of the number of membership shares held by the Member/Owner upon request.

- (b) Subject to paragraph 9.7(a), every holder of one or more shares of the Credit Union shall be entitled, at the holder's option, to a share certificate, or to a non-transferable written acknowledgement of the holder's right to obtain a share certificate, stating the number and class or series of shares held by the holder as shown on the securities register.
- (c) Share certificates and acknowledgements of a Shareholder's right to a share certificate, respectively, shall be in such form as the Board shall from time to time approve. Any share certificate shall be signed in accordance with section 2.4, and need not be under the corporate seal, provided that, unless the Board otherwise determines, certificates representing shares in respect of which a transfer agent and/or registrar has been appointed shall not be valid unless countersigned by or on behalf of such transfer agent and/or registrar.

### **9.8 Replacement of Share Certificates**

The Board or any officer or agent designated by the Board may, in its or such officer's or agent's discretion, direct the issue of a new share certificate or written acknowledgement in lieu of and upon cancellation of a share certificate or written acknowledgement that has been mutilated, or in substitution for a share certificate or written acknowledgement claimed to have been lost, destroyed or wrongfully taken, on payment of such fee and on such terms as to indemnity, reimbursement of expenses and evidence of loss and of title as the Board may, from time to time, prescribe, whether generally or in any particular case.

### **9.9 Joint Shareholders**

If two (2) or more persons are registered as joint holders of any share, the Credit Union shall not be bound to issue more than one (1) certificate or written acknowledgement in respect thereof, and delivery of such certificate or written acknowledgement to one of such persons shall be sufficient delivery to all of them. Any one (1) of such persons may give effectual receipts for the certificate or written acknowledgement issued in respect thereof, or for any dividend, bonus, return of capital or other money payable or warrant issuable in respect of such shares.

### **9.10 Deceased Shareholders**

In the event of the death of a holder, or of one (1) of the joint holders, of any share, the Credit Union shall not be required to make any entry in the securities register in respect thereof, or to make payment of any dividends thereon, except upon production of all such documents as may be required by law and upon compliance with the reasonable requirements of the Credit Union and its transfer agents.

## **ARTICLE X DIVIDENDS, PATRONAGE RETURNS, AND RIGHTS**

### **10.1 Distribution of Profits**

Subject to the provisions of the Act, the Board may make provision, at least annually, for the distribution of profits of the Credit Union and in addition to making allocations from such profits

to the reserves of the Credit Union, may, from time to time declare dividends, stock dividends, and patronage returns, including rebates of interest on loans, or bonus interest on deposits, payable to Members/Owners and Shareholders according to their respective rights and interest in the Credit Union as determined by the Board from time to time. Dividends and patronage returns may be paid in cash, or by issuing patronage shares, or by issuing fully paid shares (other than membership shares), of the Credit Union or in a combination of two (2) or more forms or dividends as described earlier, or dividends may be paid in property with the approval of the Authority.

## **10.2 Dividend Payments**

Subject to the terms and conditions of the relevant class and series of shares, a dividend and patronage which is payable in cash shall be credited to the holder's account with the Credit Union.

## **10.3 Record Date for Dividends and Rights**

The Board may fix in advance a date as a record date for the determination of the persons entitled to receive payment of such dividend, or to exercise the right to subscribe for such securities, and notice of any such record date shall be given not less than seven (7) days before such record date on the Credit Union's website. If no record date is so fixed, the record date for the determination of the persons entitled to receive payment of any dividend or to exercise the right to subscribe for securities of the Credit Union shall be at the close of business on the day on which the resolution relating to such dividend or right to subscribe is passed by the Board.

# **ARTICLE XI MEETINGS OF SHAREHOLDERS**

## **11.1 Not to Govern Member/Owner Meetings**

This Article XI shall not apply to Member/Owner meetings, which shall be conducted in accordance with Article VII hereof.

## **11.2 Meetings**

Subject to the Act, meetings of Shareholders and/or of any holders of any class or series of shares shall be held at such time as the Board or the Chair, from time to time may determine, for the purpose of transacting any business required by the Act or the Articles to be placed before the Shareholders and/or the holders of any class or series of shares, and for the transaction of such other business as may properly be brought before any such meeting.

## **11.3 Special Meetings**

The Board or the Chair shall have power to call a special meeting of Shareholders and/or the holders of any class or series of shares at any time.

#### **11.4 Place of Meetings**

Meetings of Shareholders and/or the holders of any class or series of shares shall be held at a place, within the Province of Ontario, as determined by the Board.

#### **11.5 Virtual Meetings**

(a) A meeting of Shareholders may, if the Board determines and pursuant to such conditions, rules and procedures which may be approved by the Board, be held by telephone or electronic means. A Shareholder who, by such means, votes at the meeting or establishes a communications link to the meeting shall be deemed for all purposes, including, without limiting the generality of the foregoing, the calculation of quorum pursuant to section 11.11 hereof, to have been present at the meeting.

(b) A remote meeting may be:

(i) a fully electronic meeting in which persons are entitled to participate solely by telephone or other electronic means; or

(ii) a partially electronic meeting in which persons are entitled to participate in person or by telephone or other electronic means,

provided that all persons attending the meeting are able to participate in it, whether by telephone, by other electronic means or, if applicable, in person.

(c) Notwithstanding section 11.4, if a remote meeting of Shareholders is a fully electronic or remote meeting:

(i) the meeting is not required to have a physical location;

(ii) any notice of the meeting is not required to specify a location for the meeting; and

(iii) the meeting is deemed to be held in the Province of Ontario.

#### **11.6 Notice of Meetings**

Notice of the time and place of each meeting of Shareholders and/or the holders of any class or series of shares (except for meetings of the holders of the Class P Shares, to which section 7.3 or 7.4 shall apply if the Credit Union obtains an order of the Authority exempting it from the requirement to deliver a management information circular and proxy form to each such shareholder regarding that meeting), shall be given in the manner provided in section 14.1, not less than ten (10) days nor more than fifty (50) days before the date of the meeting, to each Director, to the auditor and to each Shareholder who, at the close of business on the record date for notice, is entered in the securities register as the holder of one (1) or more shares carrying the right to vote at the meeting. Notice of a meeting of Shareholders and/or the holders of any class or series of shares shall state, or be accompanied by a statement of the nature of, such business in sufficient detail to permit the applicable Shareholder to form a reasoned judgment thereon, and shall contain the text of any special resolution to be submitted to the meeting. A Shareholder and any other

person entitled to attend a meeting of Shareholders and/or the holders of a class or series of shares may, in any manner, waive notice of, or otherwise consent to, such a meeting.

### **11.7 List of Shareholders Entitled to Notice**

For every meeting of Shareholders, the Credit Union shall prepare a list of Shareholders and/or the holders of a class or series of shares entitled to receive notice of the meeting, arranged in alphabetical order and showing the number of shares held by each Shareholder entitled to vote at the meeting. If a record date for the meeting is fixed pursuant to section 11.7, the Shareholders listed shall be those registered at the close of business on such record date. If no record date is fixed, the Shareholders listed shall be those registered at the close of business on the day immediately preceding the day on which notice of the meeting is given, or, where no such notice is given, the day on which the meeting is held. The list shall be available for examination by any Shareholder during usual business hours at the registered office of the Credit Union or at the place where the central securities register is maintained, and at the meeting for which the list was prepared.

### **11.8 Record Date for Notice**

The Board may fix in advance a date, preceding the date of any meeting of Shareholders and/or the holders of a class or series of shares by not more than fifty (50) days and not less than twenty-one (21) days, as a record date for the determination of the Shareholders entitled to notice of the meeting, provided that notice of any such record date shall be given not less than seven (7) days before such record date on the Credit Union's website, and, if any shares of the Credit Union are listed for trading on a stock exchange in Canada, by written notice to each such stock exchange. If no record date is so fixed, the record date for the determination of the Shareholders entitled to notice of the meeting shall be at the close of business on the day immediately preceding the day on which the notice is given, or, if no notice is given, the day on which the meeting is held.

### **11.9 Chair, Secretary and Scrutineers**

The chair of any meeting of Shareholders and/or the holders of a class or series of shares shall be the first mentioned of such of the following officers as have been appointed who is present at the meeting: the Chair; or, the Vice Chair. If no such officer is present within fifteen (15) minutes from the time fixed for holding the meeting, the individuals present and entitled to vote shall choose one (1) of their number to be chair. If the Corporate Secretary of the Credit Union is absent, the chair shall appoint some individual, who need not be a Shareholder, to act as secretary of the meeting. If desired, one (1) or more scrutineers, who need not be Shareholders, may be appointed by a resolution or by the chair with the consent of the meeting.

### **11.10 Persons Entitled to be Present**

The only persons entitled to be present at a meeting of Shareholders and/or the holders of a class or series of shares shall be those entitled to vote thereat, the Directors, the officers, the auditor of the Credit Union, and others who, although not entitled to vote thereat, are entitled or required under any provision of the Act, the Articles or the By-laws to be present at the meeting. Any other person may be admitted only on the invitation of the chair of the meeting or with the consent of the meeting.

### **11.11 Quorum**

- (a) Subject to section 11.13, fifty (50) persons present in person, each being a holder of a class or series of Investment Shares entitled to vote at the meeting, or a duly appointed proxy holder for an absent holder of such class or series entitled to vote at the meeting, shall be a quorum at any meeting of the holders of that class or series of Investment Shares.
- (b) Subject to section 11.13, regarding any class of shares, other than Investment Shares or membership shares, fifty (50) persons present in person, each being a Shareholder entitled to vote at the meeting, or a duly appointed proxy holder for an absent Shareholder entitled to vote at the meeting, shall be a quorum at any meeting of the Shareholders.
- (c) Regarding any meeting of Shareholders and/or of holders of a class or series of shares, if there is no quorum, then the meeting shall be adjourned to such date, not less than seven (7) days or more than fifteen (15) days thereafter, and to such time and place as may be announced by the chair at the meeting, and, subject to paragraph 11.19, it shall not be necessary to give notice of the adjourned meeting.
- (d) At such adjourned meeting, the persons present at such meeting, provided that there are at least two (2) such persons present in person, each being a Shareholder entitled to vote at the meeting, or a duly appointed proxy holder for another Shareholder entitled to vote at the meeting, shall be a quorum for the transaction of the business for which the meeting was originally called.

### **11.12 Right to Vote**

Subject to the provisions of the Act as to authorized representatives of any person who is not an individual, at any meeting of Shareholders and/or the holders of any class or series of shares for which the Credit Union has prepared the list referred to in section 11.6, every person who is named in such list shall be entitled to vote the shares shown opposite their name, except to the extent that such person has transferred any of their shares after the record date determined in accordance with section 11.8, and the transferee, having produced sufficient evidence of the transfer of such shares to the transferee, or having otherwise established that the transferee owns such shares, has demanded, not later than ten (10) days before the meeting, that their name be included in such list. In any such case, the transferee shall be entitled to vote the transferred shares at the meeting. At any meeting of Shareholders and/or the holders of any class or series of shares for which the Credit Union has not prepared the list referred to in section 11.7, every person shall be entitled to vote at the meeting who at the time is entered in the securities register as the holder of one (1) or more shares carrying the right to vote at such meeting.

### **11.13 Proxies**

Every Shareholder entitled to vote at a meeting of Shareholders and/or the holders of any class or series of shares may appoint a proxy holder, or one (1) or more alternate proxy holders, who need not be Shareholders, to attend and act at the meeting in the manner and to the extent authorized

and with the authority conferred by the proxy. A proxy shall be in writing, duly executed by the Shareholder and shall conform with the requirements of the Act.

#### **11.14 Time for Deposit Proxies**

The Board may, by resolution, specify in a notice calling a meeting of Shareholders and/or the holders of any class or series of shares a time, preceding the time of such meeting or an adjournment thereof by not more than forty-eight (48) hours, exclusive of any part of a day which is not a Business Day, before which time proxies to be used at such meeting must be deposited. A proxy shall be acted upon only if, prior to the time so specified, it shall have been deposited with the Credit Union or an agent thereof specified in such notice, or, if no such time is specified in such notice, only if it has been received by the Corporate Secretary of the Credit Union or by the chair of the meeting or any adjournment thereof prior to the time of voting.

#### **11.15 Joint Shareholders**

If two (2) or more persons hold shares jointly, any one (1) of them present in person, or represented by proxy, at a meeting of Shareholders and/or the holders of a class or series of shares may, in the absence of the other or others, vote the shares; but if two (2) or more of those persons are present in person, or represented by proxy, and vote, they shall vote as one (1) the shares jointly held by them.

#### **11.16 Votes to Govern**

At any meeting of Shareholders and/or the holders of a class or series of shares, every question shall, unless otherwise required by the Articles or By-laws, be determined by a majority of the votes cast on the question. In case of an equality of votes, either upon a show of hands or upon a poll, the chair of the meeting shall not be entitled to a second or casting vote and the motion shall be lost.

#### **11.17 Voting**

The Board may set by resolution the method(s) and conditions by which voting shall be carried out, including in person or by mail or by telephone or electronic means or any combination of same, and votes shall be counted; provided that, in circumstances when the approval by way of resolution of the holders of a class or series of shares of the Credit Union is required by the Act or the Articles, such resolution will be voted upon by way of ballot, unless the chair of the meeting at which such resolution is to be voted upon is able to determine, based on reasonable evidence communicated to the meeting, that the resolution will be passed by such number or proportion of votes cast by or on behalf of the persons entitled to vote in respect of that resolution as is required by the Act and/or the Articles.

#### **11.18 Adjournment**

The chair at the meeting of Shareholders and/or the holders of a class or series of shares may, with the consent of the meeting and subject to such conditions as the meeting may decide, or where otherwise permitted under the provisions of the Act, adjourn the meeting from time to time and from place to place. If a meeting of Shareholders and/or the holders of a class or series of shares

is adjourned for less than thirty (30) days, it shall not be necessary to give notice of the adjourned meeting, other than by announcement at the earliest meeting that is adjourned. If a meeting of Shareholders and/or the holders of a class or series of shares is adjourned by one (1) or more adjournments for an aggregate of thirty (30) days or more, notice of the adjourned meeting shall be given as for an original meeting.

### **11.19 Requisitions**

Two (2) or more Shareholders who together hold not less than five percent (5%) of the issued and outstanding shares of a class or series of shares having voting rights at the meeting sought to be held, may require that the Board call a meeting of the Shareholders of that class or series, for purposes stated in the requisition.

### **11.20 Conduct of Shareholder Meetings**

Except as set out in the Act or these By-laws, the conduct of all meeting of the Shareholders shall be governed by the rules of order specified by the Board from time to time.

## **ARTICLE XII LENDING**

### **12.1 Lending**

The Credit Union may make loans in accordance with the Act and its lending policies as adopted by the Board from time to time

## **ARTICLE XIII INFORMATION AVAILABLE TO MEMBERS/OWNERS AND SHAREHOLDERS**

### **13.1 Annual Financial Statements**

Every Member/Owner or Shareholder applying in writing therefore shall be entitled to receive a copy of the Credit Union's annual financial statement. Copies of the annual financial statements of any subsidiaries of the Credit Union shall be open to inspection by the Members/Owners and Shareholders, and to the making of extracts thereof, during normal business hours free of charge.

### **13.2 Information Available to Shareholders**

Except as provided by the Act, no Shareholder shall be entitled to discovery of any information respecting any details or conduct of the Credit Union's business which, in the opinion of the Directors, it would be detrimental to the interests of the Credit Union to communicate to the public.

### **13.3 Directors' Determination**

The Directors may, from time to time, subject to the rights conferred by the Act, determine whether and to what extent and at what time and place and under what conditions or regulations the documents, books and registers, and accounting records of the Credit Union or any of them shall be open to the inspection of Shareholders, and no Shareholder shall have any right to inspect any

document or book or register or accounting record of the Credit Union, except as conferred by statute, or authorized by the Board.

#### **13.4 Copy of By-laws**

A Member/Owner shall be entitled:

- (a) on request and free of charge to an electronic copy of the Credit Union’s By-laws; and
- (b) on request and upon payment of a fee of twenty-five (\$25.00), or such lesser amount as the Board may from time to time establish, to a paper copy of the Credit Union’s By-laws.

### **ARTICLE XIV NOTICES**

#### **14.1 Method of Giving Notices**

Subject to any limitations in the Act, any notice (which term includes any communication or Document) to be given (which term includes sent, delivered or served), pursuant to the Act, the Articles, the By-laws or otherwise, to a Member/Owner, Shareholder, Director, officer, auditor or member of a committee of the Board, (the “**Recipient**”) shall be sufficiently given if delivered personally to the person to whom it is to be given, delivered to their Recorded Address, mailed to them at their Recorded Address by prepaid mail, or if sent to them at their Recorded Address by electronic means, including e-mail or facsimile transmission. A notice so delivered shall be deemed to have been given when it is delivered personally or to the Recorded Address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box, and shall be deemed to have been received on the fifth day after so deposited; and a notice so sent electronically shall be deemed to have been given when sent. The Corporate Secretary may change or cause to be changed the Recorded Address of any Recipient in accordance with any information believed by them to be reliable. For greater certainty, nothing in this section precludes the Credit Union from providing notice by other means, including posting on its website, through online banking platforms, or by publication in a newspaper or other media, where such notice is permitted or required by the Act.

#### **14.2 Signature to Notices**

The signature of any Director or officer of the Credit Union on any notice or Document to be given by the Credit Union may be (a) written, stamped, typewritten, printed or electronically affixed, or (b) partly written, stamped, typewritten, printed or electronically affixed.

#### **14.3 Proof of Service**

A certificate of the Chair, the Vice Chair, the Corporate Secretary, or of any other officer of the Credit Union in office at the time of the making of the certificate, or of a transfer officer of any transfer agent or Branch transfer agent of shares of any class of the Credit Union, as to the facts in relation to the mailing or delivery of any notice or other Document to any Recipient, or publication

of any notice or other Document, shall be conclusive evidence thereof, and shall be binding on every Recipient as the case may be.

#### **14.4 Notice to Joint Shareholders or Members/Owners**

All notices with respect to shares registered in more than one (1) name shall be given to all of such joint Shareholders or Members/Owners at their Recorded Address, and notice so given shall be sufficient notice to the holders of such shares.

#### **14.5 Computation of Time**

In computing the date when notice must be given under any provision requiring a specified number of days notice of any meeting or other event, both the date of giving the notice and the date of the meeting or other event shall be excluded.

#### **14.6 Undelivered Notices**

If any notice given to a Member/Owner or Shareholder pursuant to section 15.1 is returned because they cannot be found or located, the Credit Union shall not be required to give any further notices to such Member/Owner or Shareholder until they inform the Credit Union in writing of their new address so that it may become their Recorded Address.

#### **14.7 Omissions and Errors**

The accidental omission to give any notice to any Recipient, or the non-receipt of any notice by any such person, or any error in any notice not affecting the substance thereof, shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

#### **14.8 Deceased Members/Owners or Shareholders**

Any notice or other Document delivered or sent in accordance with section 14.1 by post, or left at the Recorded Address of any Member/Owner or Shareholder, shall, notwithstanding that such Member/Owner or Shareholder be then deceased, and whether or not the Credit Union has notice of their decease, be deemed to have been duly served in respect of the shares held by such Member/Owner or Shareholder (whether held solely or with any person or persons), until some other person be entered in their stead in the records of the Credit Union as the holder or one of the holders thereof, and such service shall for all purposes be deemed a sufficient service of such notice or Document on their heirs, executors or administrators and on all persons, if any, interested with them in such shares.

#### **14.9 Persons Entitled by Death or Operation of Law**

Every person who, by operation of law, transfer, death of a Member/Owner or Shareholder or any other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share which shall have been duly given to the Member/Owner or Shareholder from whom they derive their title to such share prior to their name and address being entered on the securities register (whether such notice was given before or after the happening of the event upon

which they became so entitled) and prior to their furnishing to the Credit Union the proof of authority or evidence of their entitlement as prescribed by the Act.

#### **14.10 Waiver of Notice**

Any Member/Owner or Shareholder (or their duly appointed proxy holder), Director, officer, auditor, member of a committee of the Board or advisory committee, or loans officer may at any time waive any notice, or waive or abridge the time for any notice, required to be given to them under any provision of the Act, the regulations thereunder, the Articles, the By-laws or otherwise, and such waiver or abridgement, whether given before or after the meeting or other event of which notice is required to be given, shall cure any default in the giving or in the time of such notice, as the case may be. Any such waiver or abridgement shall be in writing or in electronic format, except that a waiver of notice of a meeting of Members/Owners, Shareholders (including holders of any class or series of shares) or of the Board or of a committee of the Board may be given in any manner.

### **ARTICLE XV EFFECTIVE DATE**

#### **15.1 Effective Date**

Subject to the Act, this By-law shall come into force upon being passed by the Board and confirmed by a special resolution of the Members/Owners.

#### **15.2 Repeal**

All By-laws of the Credit Union in force on the day immediately preceding the day on which this By-law is confirmed are hereby repealed.

**CERTIFIED** to be a complete and accurate representation of the By-laws of Libro Credit Union Limited, effective the ■ day of ■, 2025.

**WITNESS** the corporate seal of Libro Credit Union Limited.

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Chair of the Board of Directors

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Corporate Secretary

**LIBRO DISCLOSURE LETTER**  
to  
**AMALGAMATION AGREEMENT**  
between

**LIBRO CREDIT UNION LIMITED**  
and  
**KAWARTHA CREDIT UNION LIMITED**

September 30, 2025

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All Schedules attached hereto (collectively, the “**Libro Disclosure Letter**”) have been prepared and delivered by Libro Credit Union, a credit union existing under the laws of the Province of Ontario (“**Libro**”) in connection with the Amalgamation Agreement (the “**Agreement**”), dated as of the date hereof, by and between Libro and Kawartha Credit Union Limited, a credit union existing under the laws of the Province of Ontario (“**Kawartha**”). The purpose of the Libro Disclosure Letter is to set forth exceptions, modifications, qualifications and other information called for under the representations, warranties, covenants and in certain other provisions of the Agreement.

All capitalized terms used in the Libro Disclosure Letter and not otherwise defined therein shall have the respective meanings set forth in the Agreement unless the context requires otherwise and except as expressly set out to the contrary, words and expressions defined in the Agreement shall have the same meanings in the Libro Disclosure Letter. References in the Libro Disclosure Letter to articles, section numbers or schedules are references to the relevant articles, section numbers or schedules of the Agreement unless otherwise stated. Such articles, section numbers and schedules are for convenience only and shall not alter the construction of the Libro Disclosure Letter.

The Parties acknowledge and agree that disclosure of any matter, information or item contained in any section of the Libro Disclosure Letter does not constitute or imply and shall not be construed as:

- (a) any representation, warranty, covenant or agreement which is not expressly set out in the Agreement;
- (b) an admission or indication of any breach or violation of Libro or its affiliates to any other Person of any matter or liability whatsoever, including any violation of Law or breach of contract;
- (c) an admission or indication that the information is material;
- (d) an admission or indication that such information is required to be referred to or disclosed in any other section of the Libro Disclosure Letter;
- (e) a standard of materiality; or
- (f) broadening the scope of any representation, warranty or covenant contained in the Agreement. The Libro Disclosure Letter and the information and disclosures contained herein are intended only to qualify and limit, or to provide information required to be provided by, the representations and warranties, covenants and agreements of Libro contained in the Agreement and shall not be deemed to expand in any way the scope or effect of any such representations and warranties, covenants or agreements.

Disclosure of any information in the Libro Disclosure Letter that is not strictly required under the Agreement has been made for informational purposes only and does not imply disclosure of all matters of a similar nature. Inclusion of any item in any section of the Libro Disclosure Letter is deemed to be disclosure of that item for all purposes for which such disclosure is required under the Agreement. The disclosure of any item in any section of the Libro Disclosure Letter shall be deemed to be disclosed in relation to any other section to which the relevance of such item is reasonably apparent on the face of the text of the disclosure made. Any description of any agreement, document, instrument, plan, arrangement or other item set forth on any section of the Libro Disclosure Letter is a summary only and is qualified in its entirety by the terms of such agreement, document, instrument, plan, arrangement or item.

No item in the Libro Disclosure Letter relating to any possible breach or violation of any agreement, law or regulation shall be construed as an admission or indication that any such breach or violation exists or has actually occurred, and nothing in the Libro Disclosure Letter constitutes an admission of any liability or obligation to any third party or shall confer or give to any third party any remedy, claim, liability, reimbursement, cause of action, or other right.

Where any conflict or inconsistency arises between the contents of any document supplied to Libro by, or on behalf of, Libro and the terms of the Libro Disclosure Letter, the information contained in the Libro Disclosure Letter shall prevail unless otherwise expressly stated in the Libro Disclosure Letter.

For greater clarity, any introductory language and headings contained in the Libro Disclosure Letter are for convenience of reference only and shall not be deemed to modify or influence the interpretation of the information contained in the Libro Disclosure Letter or the Agreement.

Except otherwise noted herein, all of the information contained in the Libro Disclosure Letter is provided as of the date of the Libro Disclosure Letter. The Libro Disclosure Letter form an integral part of the Agreement for all purposes of it and all references to the Agreement include the Libro Disclosure Letter. Unless otherwise stated, all references to dollars are to Canadian dollars. The Libro Disclosure Letter shall be governed by and construed in all respects in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

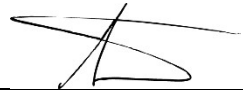
The information contained in the Libro Disclosure Letter is disclosed in confidence for the purposes contemplated in the Agreement and is subject to the confidentiality provisions of the Agreement.

Please acknowledge your receipt of the Libro Disclosure Letter and the contents hereof by signing and returning to Libro the accompanying copy of the Libro Disclosure Letter.

Yours truly,

**LIBRO CREDIT UNION LIMITED**

By:



---

Name: Shawn Good

Title: President & CEO

By:



---

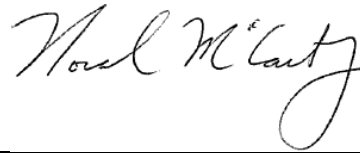
Name: Janet Johnson

Title: Chief Financial Officer

We hereby acknowledge receipt of the Libro Disclosure Letter as of the date first written above.

**KAWARTHA CREDIT UNION LIMITED**

By:



---

Name: Norah McCarthy  
Title: President & CEO

By:



---

Name: Mark Oakes  
Title: CFO/CRO

**Section 3.1(g)(i)**

**Capitalization**

(i) Authorized shares and membership shares:

- An unlimited number of membership shares
- An unlimited number of Class P Special Shares
- An unlimited number of Class I Special Shares, issuable in series, of which the currently issued series includes:
  - An unlimited number of Class I Series 1 Shares
  - An unlimited number of Class I Series 2 Shares
  - An unlimited number of Class I Series 3 Shares
  - An unlimited number of Class I Series 4 Shares
  - An unlimited number of Class I Prosperity Series 5 Shares
  - An unlimited number of Class I Series 6 Shares

(ii) Issued and outstanding shares and membership shares:

- 5,229,835 membership shares
- 60,558,612 Class P Special Shares
- 3,586,957 Class I Series 1 Shares
- 3,314,907 Class I Series 2 Shares
- 9,279,109 Class I Series 3 Shares
- 24,106,524 Class I Series 4 Shares
- 92,546,318 Class I Prosperity Series 5 Shares
- 108,346,043 Class I Series 6 Shares

**Section 3.1(k)**

**Absence of Certain Changes or Events**

(iii)

- Libro's articles of amalgamation and by-laws were amended on April 12, 2025 to reflect governance changes approved at 2025 AGM.

(iv)

- Libro has redeemed 4,288,347 of Investment shares and 2,615,230 of patronage shares as at September 30, 2025 related to Owner requests eligible to be redeemed.

(v)

- After Board approval on March 4, 2025, Libro has declared and distributed 5,154,801 of patronage shares and 11,685,372 of investment shares in 2025, as at September 30, 2025. These are in relation to the 2024 fiscal year.

(vi)

- Libro has committed over \$2,000,000 to NewGround in 2025 for branch renovations in the normal course of business, in accordance with the budget approved by the Libro Board of Directors in December 2024. Total payments of approximately \$2,600,000 have been made as of September 30, 2025.

**Section 3.1(r)**

**Employment, Labour & Benefit Plans**

(vii)

- Libro has a defined benefit pension plan, The Retirement Pension Plan for Employees of Libro Credit Union Limited, which is in a surplus position of approximately \$1,700,000 as at September 30, 2025.

**Section 3.1(s)**

**Compliance with Laws**

None.

**Section 3.1(u)**

**Subsidiaries**

- Libro owns the following shares:
  - 1,636,630 Class A Shares and 64,868 Class E Shares of Central 1 Credit Union
  - 1,620 limited partnership units of Emmertech Fund 1 LP
  - 26,087 common shares of Interval Holding Inc
  - 169,895 preferred shares of Neo Financial Technologies Inc.
  - 265,000 Series B Trust Units of Verge Breakthrough Fund Unit Trust

**Section 3.1(w)**

**Real Property**

(i)

	<b>Location</b>	<b>Municipal Address</b>	<b>Leasehold Interest Held by</b>
1.	Cayuga	18 Talbot Street E, Box 308, Cayuga, Ontario N0A 1E0	Libro Credit Union Limited
2.	Forest	89 King Street, Forest, Ontario N0N 1J0	Libro Credit Union Limited
3.	Kitchener - Williamsburg	100-1170 Fischer Hallman Road, Kitchener, Ontario N2E 3Z3	Libro Credit Union Limited
4.	Downtown Kitchener	165 King Street, Unit 10, Kitchener, Ontario N2G 1A7	Libro Credit Union Limited
5.	Listowel	165 Mitchell Road S, Unit 1, Listowel, Ontario N4W 3K9	United Communities Credit Union Limited
6.	London North	1703 Richmond Street, London, Ontario N5X 3Y2	Libro Credit Union Limited
7.	London Downtown	578 Richmond Street, London, Ontario N6A 3G1	Libro Credit Union Limited
8.	London South	849 Wellington Road S, Unit A1, London, Ontario N6E 3R5	Libro Credit Union Limited
9.	London West	919 Southdale Road W, London, Ontario N6P 0B3	Libro Credit Union Limited
10.	Simcoe	440 Norfolk Street S, Simcoe, Ontario N3Y 2X3	Libro Credit Union Limited
11.	Waterloo - North	55 Northfield Drive E, Waterloo, Ontario N2K 3T6	Libro Credit Union Limited
12.	Waterloo - Beechwood	420 Erb Street W, Waterloo, Ontario N2L 6H6	Libro Credit Union Limited
13.	Watford	5270 Nauvoo Road, Box 550, Watford, Ontario N0M 2S0	Libro Credit Union Limited
14.	Woodstock	383 Norwich Avenue, Unit 1, Woodstock, Ontario N4S 3W4	Libro Credit Union Limited

(ii)

	<b>Location</b>	<b>Municipal Address</b>	<b>Registered Owner</b>
1.	Amherstburg	463 Sandwich Street S, Amherstburg, Ontario N9V 3K8	Libro Credit Union Limited
2.	Arkona	7130 Arkona Road, Box 2, Arkona, Ontario N0M 1B0	St. Willibrord (London) Credit Union Limited
3.	Belle River	441 Notre Dame Street, Belle River, Ontario N0R 1A0	Woodslee Credit Union Limited
4.	Blenheim	11 Talbot Street W, Box 675 Blenheim, Ontario N0P 1A0	St. Willibrord Credit Union Limited
5.	Caledonia	22 Caithness Street E, Box 2135 Caledonia, Ontario N3W 2G6	Libro Credit Union Limited
6.	Clinton	48 Ontario Street, Box 310, Clinton, Ontario N0M 1L0	Libro Credit Union Limited
7.	Essex	147 Talbot Street N, Essex, Ontario N8M 2C6	United Communities Credit Union Limited
8.	Exeter	87 Main Street N, Exeter, Ontario N0M 1S3	Libro Credit Union Limited
9.	Goderich	74 Kingston Street, Unity 1, Goderich, Ontario N7A 3K4	Libro Credit Union Limited
10.	Hagersville	15 King Street E, Hagersville, Ontario N0A 1H0	Libro Credit Union Limited
11.	Harrow	174 King Street W, Box 387, Harrow, Ontario N0R 1G0; 164 King Street W, Essex, Ontario N0R 1G0	Woodslee Credit Union Limited
12.	Kingsville	328 Main Street E, Kingsville, Ontario N9Y 1A8	Libro Credit Union Limited
13.	Leamington	141 Erie Street S, Leamington, Ontario N8H 3B5	Libro Credit Union Limited
14.	London Old East Village	874 Dundas Street, London, Ontario N5W 3A1	Libro Credit Union Limited
15.	London East	1867 Dundas Street E, London, Ontario N5W 3G1	Libro Credit Union Limited

	<b>Location</b>	<b>Municipal Address</b>	<b>Registered Owner</b>
16.	London Administration	217 York Street, 4 <sup>th</sup> floor, London, Ontario N6A 5P9	Libro Credit Union Limited
17.	Sarnia	1315 Exmouth Street, Sarnia, Ontario N7S 3Y1	St. Willibrord Credit Union Limited
18.	St. Thomas	1073 Talbot Street, St. Thomas, Ontario N5P 1G4	St. Willibrord Credit Union Limited
19.	Stratford	391 Huron Street, Stratford, Ontario N5A 5T6	St. Willibrord Credit Union Limited
20.	Strathroy	72 Front Street W, Strathroy, Ontario N7G 1X7	Libro Credit Union Limited
21.	Wingham	43 Alfred Street W, Box 690, Wingham, Ontario N0G 2W0	St. Willibrord Credit Union Limited

**Section 5.1**

**Conduct of Business**

None.

## **Section 5.12**

### **Consents**

1. Master Banking Services Agreement dated April 18, 2023, between Central 1 and Libro Credit Union Limited, including all schedules thereto
2. Automated Approval Agreement dated October 15, 2024, between Canada Mortgage and Housing Corporation and Libro Credit Union Limited
3. Credit Facility Agreement dated July 14, 2023, between Central 1 Credit Union and Libro Credit Union Limited
4. Credit Facility Approval Letter dated September 27, 2024, between Central 1 Credit Union and Libro Credit Union Limited
5. CMHC – Mortgage-Backed Security Program Credit Union Agreement dated November 15, 2018, between Central 1 Credit Union and Libro Credit Union Limited
6. Card Issuance Services and Sponsorship Agreement Debit Mastercard Affiliate Program dated December 23, 2020, between Everlink Payment Services Inc., Servus Credit Union Ltd. and Libro Credit Union Limited, as amended
7. Order Form and Subscription Agreement dated August 1, 2021, between Lendified Technologies Inc. d/b/a JUDI.AI. and Libro Credit Union Limited, as amended
8. Subscription Schedule – Commercial Deposits Online LIB-CD0-SUB-21003 dated September 17, 2021, between Thirdstream (2017) Inc. and Libro Credit Union Limited
9. Master Services Agreement – Cumulus Software Customization dated April 14, 2016, between Thirdstream Inc. and Libro Credit Union
10. Lease dated May 3, 2019, between Starbank Developments 1678 Corp. and Libro Credit Union Limited

**KAWARtha DISCLOSURE LETTER**  
to  
**AMALGAMATION AGREEMENT**  
between  
  
**LIBRO CREDIT UNION LIMITED**  
and  
**KAWARtha CREDIT UNION LIMITED**

September 30, 2025

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Section 5.12 Consents.....	13

All Schedules attached hereto (collectively, the “**Kawartha Disclosure Letter**”) have been prepared and delivered by Kawartha Credit Union, a credit union existing under the laws of the Province of Ontario (“**Kawartha**”) in connection with the Amalgamation Agreement (the “**Agreement**”), dated as of the date hereof, by and between Kawartha and Libro Credit Union Limited, a credit union existing under the laws of the Province of Ontario (“**Libro**”). The purpose of the Kawartha Disclosure Letter is to set forth exceptions, modifications, qualifications and other information called for under the representations, warranties, covenants and in certain other provisions of the Agreement.

All capitalized terms used in the Kawartha Disclosure Letter and not otherwise defined therein shall have the respective meanings set forth in the Agreement unless the context requires otherwise and except as expressly set out to the contrary, words and expressions defined in the Agreement shall have the same meanings in the Kawartha Disclosure Letter. References in the Kawartha Disclosure Letter to articles, section numbers or schedules are references to the relevant articles, section numbers or schedules of the Agreement unless otherwise stated. Such articles, section numbers and schedules are for convenience only and shall not alter the construction of the Kawartha Disclosure Letter.

The Parties acknowledge and agree that disclosure of any matter, information or item contained in any section of the Kawartha Disclosure Letter does not constitute or imply and shall not be construed as:

- (a) any representation, warranty, covenant or agreement which is not expressly set out in the Agreement;
- (b) an admission or indication of any breach or violation of Kawartha or its affiliates to any other Person of any matter or liability whatsoever, including any violation of Law or breach of contract;
- (c) an admission or indication that the information is material;
- (d) an admission or indication that such information is required to be referred to or disclosed in any other section of the Kawartha Disclosure Letter;
- (e) a standard of materiality; or
- (f) broadening the scope of any representation, warranty or covenant contained in the Agreement. The Kawartha Disclosure Letter and the information and disclosures contained herein are intended only to qualify and limit, or to provide information required to be provided by, the representations and warranties, covenants and agreements of Kawartha contained in the Agreement and shall not be deemed to expand in any way the scope or effect of any such representations and warranties, covenants or agreements.

Disclosure of any information in the Kawartha Disclosure Letter that is not strictly required under the Agreement has been made for informational purposes only and does not imply disclosure of all matters of a similar nature. Inclusion of any item in any section of the Kawartha Disclosure Letter is deemed to be disclosure of that item for all purposes for which such disclosure is required under the Agreement. The disclosure of any item in any section of the Kawartha Disclosure Letter shall be deemed to be disclosed in relation to any other section to which the relevance of such item is reasonably apparent on the face of the text of the disclosure made. Any description of any agreement, document, instrument, plan, arrangement or other item set forth on any section of the Kawartha Disclosure Letter is a summary only and is qualified in its entirety by the terms of such agreement, document, instrument, plan, arrangement or item.

No item in the Kawartha Disclosure Letter relating to any possible breach or violation of any agreement, law or regulation shall be construed as an admission or indication that any such breach or violation exists or has actually occurred, and nothing in the Kawartha Disclosure Letter constitutes an admission of any liability or obligation to any third party or shall confer or give to any third party any remedy, claim, liability, reimbursement, cause of action, or other right.

Where any conflict or inconsistency arises between the contents of any document supplied to Libro by, or on behalf of, Kawartha and the terms of the Kawartha Disclosure Letter, the information contained in the Kawartha Disclosure Letter shall prevail unless otherwise expressly stated in the Kawartha Disclosure Letter.

For greater clarity, any introductory language and headings contained in the Kawartha Disclosure Letter are for convenience of reference only and shall not be deemed to modify or influence the interpretation of the information contained in the Kawartha Disclosure Letter or the Agreement.

Except otherwise noted herein, all of the information contained in the Kawartha Disclosure Letter is provided as of the date of the Kawartha Disclosure Letter. The Kawartha Disclosure Letter form an integral part of the Agreement for all purposes of it and all references to the Agreement include the Kawartha Disclosure Letter. Unless otherwise stated, all references to dollars are to Canadian dollars. The Kawartha Disclosure Letter shall be governed by and construed in all respects in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

The information contained in the Kawartha Disclosure Letter is disclosed in confidence for the purposes contemplated in the Agreement and is subject to the confidentiality provisions of the Agreement.

Please acknowledge your receipt of the Kawartha Disclosure Letter and the contents hereof by signing and returning to Kawartha the accompanying copy of the Kawartha Disclosure Letter.

Yours truly,

**KAWARTHA CREDIT UNION LIMITED**

By: 

---

Name: Norah McCarthy  
Title: President & CEO

By: 

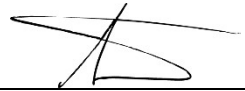
---

Name: Mark Oakes  
Title: CFO/CRO

We hereby acknowledge receipt of the Kawartha Disclosure Letter as of the date first written above.

**LIBRO CREDIT UNION LIMITED**

By:



---

Name: Shawn Good  
Title: President & CEO

By:



---

Name: Janet Johnson  
Title: Chief Financial Officer

**Section 3.1(g)(ii)**

**Capitalization**

(i) Authorized shares and membership shares:

- An unlimited number of membership shares
- An unlimited number of Class A Special Shares, issuable in series, of which the currently issued series include:
  - An unlimited number of Class A Shares, Series 1
- An unlimited number of Class B Special Shares, issuable in series, of which the currently issued series include:
  - An unlimited number of Class B Shares, Series 1

(ii) Issued and outstanding shares and membership shares:

- 1,359,001 membership shares
- 59,003,004 Class A Shares, Series 1
- 11,001,929 Class B Shares, Series 1

**Section 3.1(k)**

**Absence of Certain Changes or Events**

(iii)

- Kawartha has redeemed 401,773 Class B shares in the fiscal year as at September 30, 2025, related to estates, closed memberships, RRSP to RIF conversions and per member requests for shares eligible to be redeemed.
- Kawartha has redeemed 950,210 Class A shares in the fiscal year as at September 30, 2025, related to member requests for shares eligible to be redeemed.

(iv)

- After Board approval on February 20, 2025, Kawartha paid a cash dividend of \$2,997,661 to Class A shareholders, a Class B share dividend of 273,836 and a cash dividend of \$16,055 to certain Class B share members instead of a share dividend.
- Kawartha typically pays an annual cash dividend for Class A Investment shares paid in late Feb/early March. Kawartha expects to pay this dividend in 2026 related to the 2025 fiscal year or post member approval in 2025.
- Kawartha typically pays a dividend/distribution on the Class B shares to good standing members related to the prior fiscal year. Kawartha expects to pay this dividend in either 2026 related to the 2025 fiscal year or post member approval in 2025.

**Section 3.1(r)**

**Employment, Labour & Benefit Plans**

(v)

- Kawartha has a post-retirement health and dental benefit plan liability of \$4,334,856 as at September 30, 2025, related to current or retired employees who were employed on a full-time basis prior to November 1, 2003.

**Section 3.1(s)**

**Compliance with Laws**

None.

**Section 3.1(u)**

**Subsidiaries**

- Kawartha owns 629,849 Class A Shares and 22,846 Class E Shares of Central 1 Credit Union

**Section 3.1(w)**

**Real Property**

(i)

	<b>Location</b>	<b>Municipal Address</b>	<b>Leasehold Interest Held by</b>
1.	Rockhaven Centre	1905 Lansdowne Street West, Unit D1, Peterborough, Ontario K9K 0C9	Kawartha Credit Union Limited
2.	Chemong	1075 Chemong Road, Unit 1, Peterborough, Ontario K9H 7R8	Kawartha Credit Union Limited
3.	Little Britain	420 Eldon Road, Little Britain, Ontario K0M 2C0	Kawartha Credit Union Limited
4.	Lindsay	401 Kent Street, Lindsay, Ontario K9V 4Z1	Kawartha Credit Union Limited
5.	Lansdowne Place Mall	645 Lansdowne Street West, Peterborough, Ontario K9J 1Y2	Kawartha Credit Union Limited
6.	Kinmount	4088 County Rd 121, Kinmount, Ontario K0M 2A0	Kawartha Credit Union Limited
7.	Keene	1107 Heritage Line, P.O. Box 236, Keene, Ontario K0L 2G0	Kawartha Credit Union Limited
8.	Bracebridge	16-295 Wellington Street, Bracebridge, Ontario P1L 1P3	Kawartha Credit Union Limited
9.	Cobourg	2 King Street West, Cobourg, Ontario K9A 2L9	Kawartha Credit Union Limited
10.	Napanee	445 Centre Street, Napanee, Ontario K7R 3S4	Kawartha Credit Union Limited
11.	Bancroft	90C Hastings Street, P.O. Box 249, Bancroft, Ontario K0L 1C0	Kawartha Credit Union Limited
12.	Bayridge	775 Strand Blvd, Kingston, Ontario K7P 2S7	Kawartha Credit Union Limited
13.	155 Princess Street	155 Princess Street, Kingston, Ontario K7L 1A9	Kawartha Credit Union Limited
14.	Riverview	1224 HWY 15, Kingston, Ontario K7L 0C4	Kawartha Credit Union Limited

	<b>Location</b>	<b>Municipal Address</b>	<b>Leasehold Interest Held by</b>
15.	Huntsville	110 N Kinton Avenue, Huntsville, Ontario P1H 0A9	Kawartha Credit Union Limited
16.	Burk's Falls	189 Ontario Street, Burk's Falls, Ontario P0A 1C0	Kawartha Credit Union Limited
17.	South River	83 Ottawa Avenue East, South River, Ontario P0A 1X0	Kawartha Credit Union Limited
18.	Smiths Falls	1 Beckwith Street North, Smiths Falls, Ontario K7A 2B2	Smith Falls Community Credit Union
19.	Brockville	2011 Parkedale Avenue, Brockville, Ontario K6V 0B4	Kawartha Credit Union Limited
20.	Cornwall	418 Ninth St. West Cornwall, Cornwall, Ontario K6J 0B3	Kawartha Credit Union Limited

(ii)

	<b>Location</b>	<b>Municipal Address</b>	<b>Registered Owner</b>
1.	Hunter Street (incl. Branch, head office and leased office space)	14 Hunter Street East, Peterborough, Ontario, K9J 7B2	Kawartha Credit Union Limited
2.	Trenton (Branch only, no other tenants in building),	107 Dundas Street West, Trenton, Ontario, K8V 3P4	Kawartha Credit Union Limited
3.	Parry Sound (Branch and leased office space)	1 Church Street, Parry Sound, P2A 1Y2	Kawartha Credit Union Limited
		3 Church Street, Parry Sound, P2A 1Y2	
4.	Burks Falls (vacant land)	186 Ontario Street, Burk's Falls, Ontario, P0A 0A9	Kawartha Credit Union Limited

**Section 5.1**

**Conduct of Business**

None.

## **Section 5.12**

### **Consents**

1. Master Banking Services Agreement dated September 7, 2023, between Central 1 Credit Union and Kawartha Credit Union Limited
2. CMHC – emili Automated Approval Agreement dated October 15, 2024, between Canada Mortgage and Housing Corporation and Kawartha Credit Union Limited
3. Participation Agreement dated November 4, 2024, between Treasury and Balance Sheet Management Inc. and Kawartha Credit Union Limited, and Treasury Services Agreement dated October 1, 2024, between Treasury and First Ontario Credit Union Limited
4. Card Issuance Services and Sponsorship Agreement Debit Mastercard Affiliate Program dated December 23, 2020, between Everlink Payment Services Inc., Servus Credit Union Ltd. and Kawartha Credit Union Limited
5. Card Issuance Services and Sponsorship Agreement dated December 1, 2018, between Everlink Payment Services Inc. and Kawartha Credit Union Limited
6. Retail Space Lease dated December 7, 2006, between Lansdowne Place Inc. and Kawartha Credit Union Limited, as amended
7. Lease dated March 7, 2023, between 9469974 Canada Inc. and Kawartha Credit Union Limited

# Merged Credit Union Proposed Board of Directors

## Elizabeth Baldwin



Elizabeth Baldwin was elected to the Libro Credit Union Board in 2024, following four years of service as an Owner Representative. She is currently Vice Chair of the Risk and Credit Committee and Chair of the Director Recruitment Committee. Elizabeth brings strong governance experience, including prior service as Board Chair of Ayr Farmers Mutual Insurance, where she also chaired the Audit, Conduct Review, and Nominating Committees.

Elizabeth is Co-owner of Treen Graphics Inc., a second-generation family business specializing in custom carved cedar signs for clients across Ontario. She has combined her business leadership with a commitment to community-focused governance, drawing on her experience in the co-operative and mutual insurance sectors to inform her oversight role at Libro.

She earned her Honours Bachelor of Arts in English Literature from the University of Waterloo and has completed governance development programs with both the Ontario Mutual Insurance Association (Director Certification Program) and the Credit Union Director Achievement Program (CUDA).

Elizabeth lives on a farm property outside Plattsville, Ontario, where she balances business ownership with community involvement. She is passionate about supporting co-operative values, advocacy for local organizations, and grassroots initiatives for positive change.

## David Billson



David Billson was elected to the Libro Credit Union Board in 2024. He brings extensive entrepreneurial and governance experience, with a particular focus on technology, innovation, and community leadership.

David is President and Co-Founder of rTraction, a digital media and technology firm that became London's first Certified B Corporation in 2016. He is also Co-Founder of RHA Ventures, supporting early-stage ventures with strategy and technology leadership. Earlier in his career, he held senior technology roles with Agribiz.Net, where he focused on client technology solutions.

His governance contributions include leadership across local, provincial, and global organizations. He currently serves as Vice Chair of London Waldorf School and as Chair of the Gender Equality Coalition of Ontario. He is a past Chair of Global MINDS Collective, London for All (United Way), and Pillar Nonprofit Network, where he served as Board Chair for a decade. He has also served as a Director with Junior Achievement.

David has completed the Canadian Credit Union Association's CUDA program and pursued advanced leadership and strategy development through Akimbo's altMBA, Story Skills Workshop, and other executive learning programs.

## Jeff Brown, CFA, C.Dir



Jeff Brown was elected to the Libro Credit Union Board in 2023. He brings more than three decades of experience in investment management and entrepreneurship, with a career dedicated to building and leading successful wealth management firms.

Jeff was President and Chief Executive Officer of 18 Asset Management Inc., which he founded in 2010. He previously co-founded Highstreet Asset Management Inc., serving as Chief Investment Officer, and spent nearly a decade with London Life Insurance Company in progressively senior roles, including Managing Director and Director of U.S. Equities.

In addition to his executive career, Jeff has served on numerous boards and committees. He is currently a Director of the London International Airport Authority, VanRX PharmaSystems Inc., and the Ivey Community Small Business Investment Fund. He has also served as Chair of 18 Asset Management and as a Director of Highstreet Asset Management.

Jeff earned his Honours Business Administration degree from the Ivey Business School at Western University in 1985. He is a Chartered Financial Analyst (CFA) and a Chartered Director (C.Dir.) through McMaster University's Directors College and has completed multiple securities and governance qualifications through the Canadian Securities Institute.

## Judy Cameron, MBA, ICD.D



Judy Cameron was elected to the Kawartha Credit Union Board in 2024 and currently chairs the Nominating and Human Resources Committee. She also serves on the Audit and Risk Committee. Her governance contributions draw on nearly four decades of experience in financial services and regulation, bringing a steady and well-informed voice to the Board.

Judy retired in 2023 from the Office of the Superintendent of Financial Institutions (OSFI) after 24 years in senior leadership roles. As Senior Director of Regulatory Affairs and Strategic Policy, she led a team of more than 50 professionals, advancing policy development, approvals, and regulatory oversight. Earlier roles included leading OSFI's Approvals and Precedents Division and its Private Pension Plans Division. She continues to share her expertise as a Program Leader with the Toronto Centre for Financial Supervision.

Her governance experience includes serving as Board Chair and Treasurer of Carlington Community Health Centre, Board Chair of the Dovercourt Recreation Association, and Treasurer of Causeway Work Centre, where she currently serves. Judy has also chaired the Musica Viva community choir board.

Judy holds a Master of Business Administration in Finance from Dalhousie University, a Master of Science in Chemistry from McGill University, and an Honours Bachelor of Science in Chemistry from Queen's University. She earned her ICD.D designation from the Institute of Corporate Directors and has completed the Canadian Credit Union Association's CUDA Program.

## Jeff Carter, BBA (Hons.), PMP



Jeff Carter has served on the Kawartha Credit Union Board since 2017 and is currently Vice Chair. He has chaired both the Governance and Nominating Committees, contributing steady leadership and a strong commitment to governance process and accountability.

Jeff is Vice President and General Manager of Neptune Technology Group Canada, a role he assumed in 2023 after more than a decade in progressive leadership positions with the company, including Director of Service Operations, Senior Project Manager, and Field Operations Manager. His career also includes entrepreneurial ventures, serving as General Manager of

Ashtabula Resort and owner of Gator's Pita.

He earned an Honours Bachelor of Commerce in Business Administration from the University of Windsor, with a minor in Political Science and Sociology, and holds the Project Management Professional (PMP) designation from York University's Schulich School of Business. He has also completed the Canadian Credit Union Association's CUDA program.

## Allison C. Chenier, CPA, CGA, Pro.Dir



Allison Chenier is Chair of the Kawartha Credit Union Board, where she has also served as Vice Chair and Audit Committee Chair since joining the Board in 2019. She was recently appointed to the Financial Services Regulatory Authority's Credit Union Stakeholder Advisory Committee and elected to the Board of the Directors' Forum Cooperative.

Allison brings more than 25 years of experience in finance, governance, and consulting. She is Principal of Chenier Consulting, providing IT and financial consulting services, and previously held leadership roles with Hewlett Packard, INTRIA-HP, and CIBC in program management, business management, and

financial analysis. Her career also includes entrepreneurial ventures in both consulting and agriculture.

She has extensive governance experience across health care, community, and co-operative organizations. She has served as Vice Chair of Peterborough Regional Health Centre, with committee roles spanning audit, stewardship, governance, planning, and CEO search. Her governance service also includes Ross Memorial Hospital, several condominium corporations, and the Lindsay Curling Club, where she is currently Treasurer.

Allison earned her CPA, CGA designation in 1996 and later completed the Canadian Credit Union Association's CUDA program. She holds the Professional Director (Pro.Dir) designation from Governance Solutions and a Bachelor of Commerce from the University of Toronto.

## Lawrence Davis, FCPA, CA, CIRP, ICD.D



Lawrence Davis was elected to the Kawartha Credit Union Board in 2025 and serves on the Governance and Nominating and Human Resources Committees. He brings extensive governance and executive leadership experience across the public sector, private enterprise, and not-for-profit organizations.

Lawrence is President of Saturn Capital Corporation and previously served as Senior Vice President of Finance at the British Columbia Investment Management Corporation, a \$200B+ provider of investment management services. He has held Chief Financial Officer and Corporate Secretary roles at Syncordia Technologies, the Workplace Safety and Insurance Board, and Hydrogenics Corporation, where he provided financial and strategic leadership in complex, high-profile organizations.

His governance experience includes current roles with Diabetes Canada, PACE Independent Living, and Trent University, and past service with Crohn's and Colitis Canada, the Alzheimer Society of Ontario, and the Workplace Safety and Insurance Board. Across these organizations, he has chaired multiple audit and finance committees, bringing strong financial oversight and risk management expertise.

Lawrence holds the Fellow Chartered Professional Accountant designation (FCPA, CA), is a Chartered Insolvency and Restructuring Practitioner (CIRP), and earned his ICD.D designation from the Institute of Corporate Directors. He completed a Bachelor of Commerce at the University of Toronto.

## Jacque Davison, HBA, LLM, CPA, CA, ICD.D



Jacque Davison has served on the Libro Credit Union Board since 2010, including as Board Chair from 2020 to 2024. She currently chairs the Audit and Finance Committee and previously held the role of Board Vice Chair. She also contributed to the CEO Selection Committee, bringing trusted leadership to key governance transitions.

Jacque's professional career spans senior roles in finance, governance, and operations. She recently served as Interim Chief Executive Officer at Baycrest Hospital (2023–2024) and Interim Deputy City Manager at the City of London (2022–2023). Earlier roles included Chief Financial Officer at London Health Sciences Centre, Superintendent of Business at the London District Catholic School Board, and Controller at the Ivey Business School. Her governance experience extends beyond Libro, with past service on boards such as St. Joseph's Health Care London and Ontario Education Collaborative Marketplace.

Jacque holds an Honours Business Administration degree from Western University's Ivey School of Business, a CPA, CA designation, and a Supervisory Officer Qualification. She earned her ICD.D from the Institute of Corporate Directors and completed an LLM in Business Law at Osgoode Hall Law School in 2020.

## Alan DeVillaer, MBA, MA, ICD.D, PMP, FCIP, CRM



Alan DeVillaer was elected to the Libro Credit Union Board in 2017 and currently serves as Chair of the Risk and Credit Committee. He has also chaired the People and Governance Committee and served on the CEO Recruitment and Selection Committee and the Director Recruitment Sub-Committee. In 2025, he was appointed to the Joint Merger Committee, contributing his expertise to governance integration.

Alan is a retired public administrator with more than 25 years of experience in emergency services and risk management. At the Municipality of Chatham-Kent, he served as Assistant Chief, Fire and Emergency Services, and earlier as Coordinator of EMS and Emergency Management. His career also included senior project management and IT roles with both Chatham-Kent and Economical Insurance.

He holds a Master of Business Administration from Wilfrid Laurier University and a Master of Public Administration from Western University. Alan is a Fellow Chartered Insurance Professional (FCIP), a Certified Risk Manager (CRM), and a Project Management Professional (PMP). He earned his ICD.D designation from the Institute of Corporate Directors in 2021 and has completed extensive continuing education across governance, finance, and risk.

## Mary McGee, BBA



Mary McGee was elected to the Kawartha Credit Union Board in 2023 and serves on the Governance Committee. She brings a deep understanding of credit union operations and governance, having held senior management roles within the sector as well as executive leadership positions in the not-for-profit community.

Mary served as President and Chief Executive Officer of Little Lake Cemetery Co. from 2012 to 2022, leading expansion into funeral services and overseeing multiple acquisitions. Earlier in her career, she held progressive management positions at Kawartha Credit Union, including Manager of Member Services and Business Development, and at Autoworkers Community Credit Union, where she was Senior Manager of Branch Operations. She also worked as a Communications Officer with the Kawartha Pine Ridge District School Board.

Her governance experience spans community, business, and international co-operative development. She has served as Director of the Peterborough Chamber of Commerce, President of the Women's Business Network of Peterborough, and Board Chair of the Peterborough Park & Zoo. Through the Canadian Co-operative Association, she contributed to microfinance initiatives in Uganda and mentored participants in international development programs.

Mary earned her Bachelor of Business Administration from Toronto Metropolitan University (formerly Ryerson University) and holds the Canadian Securities Course (CSC) designation.

## Jacqueline Peterson, CPA, CA, C.Dir



Jacqueline Peterson was elected to the Libro Credit Union Board in 2025 and serves on the Audit and Finance Committee as well as the Risk and Credit Committee. She brings more than 25 years of professional expertise in accounting, audit, and financial oversight, combined with a strong commitment to governance purpose and co-operative values.

Jacqueline enjoyed a distinguished career with PwC, where she was a Partner in Audit and Assurance from 2012 to 2023, advising a wide range of organizations on financial reporting, regulatory compliance, and risk management. Earlier in her career, she held progressively senior roles within PwC, developing deep technical expertise and client advisory experience.

She is an active governance leader with service across multiple boards. She currently serves as Audit and Finance Committee Chair with both the Greater London International Airport Authority and Transform Shared Service Organization, and as Audit Committee Chair with McCormick Care Group. Her past governance experience includes service as a Director and Audit Committee Chair with Peterborough Utilities Group.

Jacqueline holds a Bachelor of Business Administration in Accounting from Wilfrid Laurier University and a Bachelor of Arts from Western University. She is a Chartered Professional Accountant (CPA, CA) and earned her Chartered Director (C.Dir.) designation through The Directors College in 2025.

## Jodi Simpson, MA, ICD.D



Jodi Simpson was elected to the Libro Credit Union Board in 2020 and currently serves as Chair of the People and Governance Committee. She has also contributed through roles on the Audit and Finance, Risk and Credit, Pension, and multiple Board Recruitment Committees. Jodi brings entrepreneurial experience, strong community engagement, and a people-focused approach to her governance work.

She is the President and Founder of CityMatch Inc., a relocation and settlement service supporting businesses in attracting and retaining talent in London, Ontario. Jodi is also a licensed REALTOR® with Thrive Realty Group, combining her entrepreneurial expertise with community-focused service. Her earlier career included senior leadership roles in marketing, community relations, and member engagement at Harrison Pensa LLP and TechAlliance.

Jodi's governance and community involvement include service on the Capital Campaign Cabinet for Brescia University College, the CEO Recruitment Committee for the London Downtown Business Association, and as a Co-Founder and Director of the Emerging Leaders Community Network. She has also served on the Board of the London West Federal Riding Association.

She earned a Master of Arts in Social Sciences from Western University, and has completed both the CUDA program with the Canadian Credit Union Association and the ICD.D designation from the Institute of Corporate Directors.

## Garrett Vanderwyst, Hons. B.Comm (Ag.), ICD.D



Garrett Vanderwyst was elected to the Libro Credit Union Board in 2020 and currently serves as Board Chair. He previously chaired the Elgin Federation of Agriculture and served as Vice Chair of RBC London Place. Garrett is recognized for his collaborative, inclusive leadership style, grounding his governance contributions in co-operative values and community impact.

Garrett is Vice President, Operations & Business Development at Farms.com, and also Principal of Argent Electrical Inc. His career has included leadership and entrepreneurial ventures across agriculture, renewable energy, and business development, including Parity Capital Corporation, Green Dot Group, Collide Co-Working, KBRE Group, and Archer Daniels Midland. His experience bridges strategy, operations, and innovation in sectors vital to regional and economic growth.

Garrett holds an Honours Bachelor of Commerce in Agriculture from the University of Guelph. He has completed the ICD.D designation through the Institute of Corporate Directors, as well as governance education in climate change, social finance, and anti-money laundering.