



Forward, *together.*

Your Voice Counts

Vote **YES** and help us go forward, together.

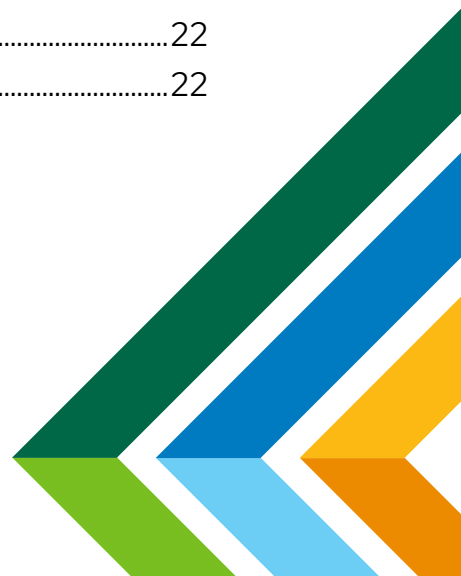
A guide to the proposed merger of Kawartha
and Libro credit unions.

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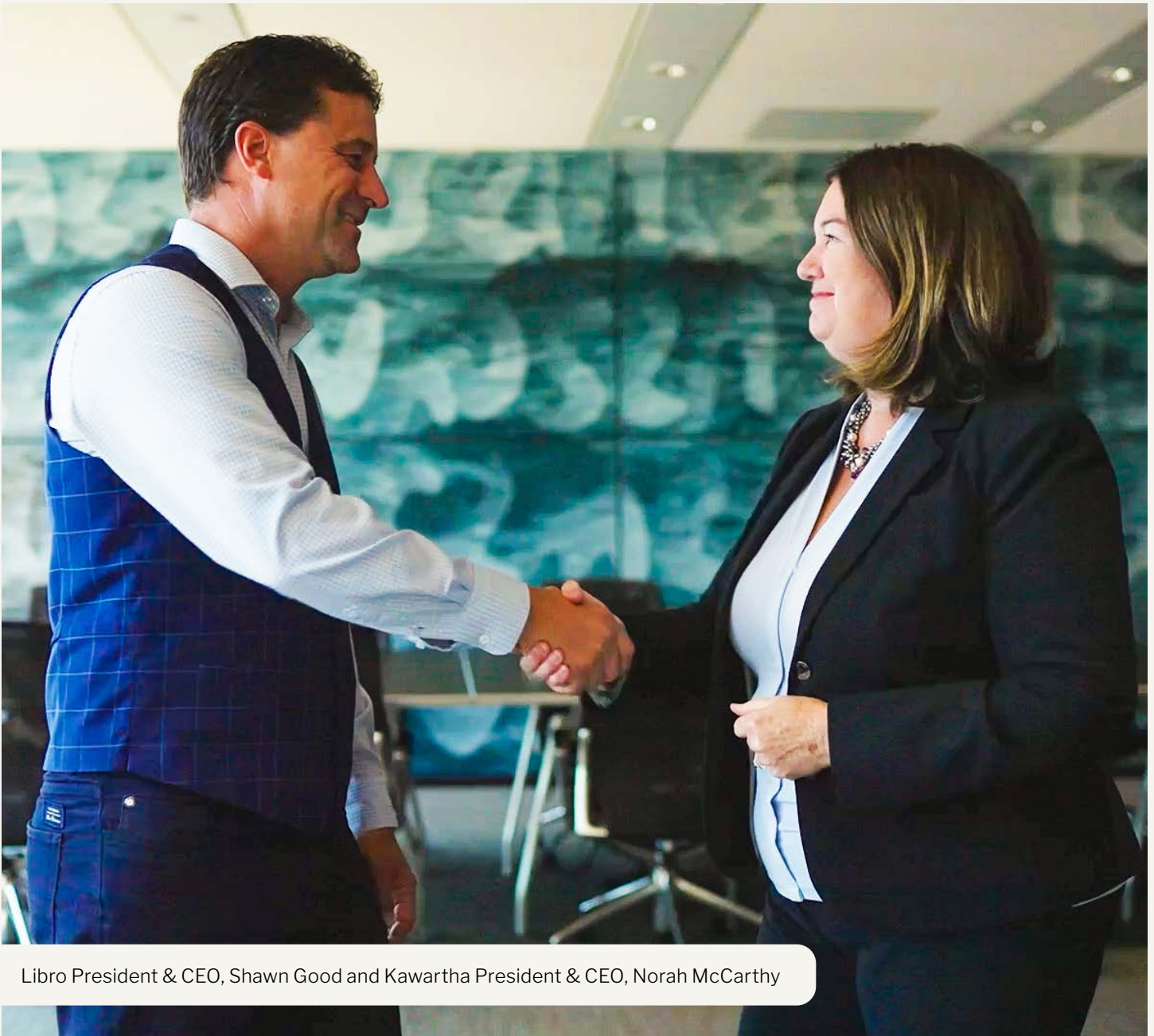
For answers to commonly asked questions, please visit the merger website, GoForwardTogether.ca.



We're excited to share our intent to merge and go forward together as one credit union. Kawartha and Libro share a bold vision to become Ontario's partner of choice for financial well-being—for Members/Owners, for employees, for communities.

After thorough discussions and analysis, the Boards of Directors and CEOs of both Kawartha and Libro are confident that moving forward together as one credit union is in the best interests of our Members/Owners, employees, communities, and the credit union.

We are asking for your support.



Libro President & CEO, Shawn Good and Kawartha President & CEO, Norah McCarthy

Letter to Members/Owners

Dear Members of Kawartha Credit Union and Owners of Libro Credit Union. Our dedication to Members/Owners, employees and communities has held strong over a collective 150 plus years. We are committed to help our Members/Owners achieve their financial goals, further enhance employee engagement, foster the health of our communities, and strengthen our credit union to be strong and sustainable, now and into the future.

Why Merge?

By coming together, we're solidifying the values we share. We strive to help our Members/Owners achieve their financial goals, provide personalized service, products, services and advice they need, while continuing to invest in local communities, and provide a meaningful and engaged workplace for employees for the long term.

Growing as a business matters. We face many pressures that require us to adapt and progress including increased competition, regulatory demands, keeping up with the latest technology, attracting and hiring employees, and evolving Member/Owner expectations. Going forward together will make us stronger for the future.

Expected Benefits

Forward, together is not just a phrase—it's how we'll get there. It's how we'll protect and grow what matters to our Members/Owners, while preparing for what's next.

- **Together**, we will strengthen our ability to serve—by deepening relationships, expanding access, and delivering the products, services, and advice our Members/Owners rely on.
- **Together**, we will create something stronger—a credit union with the resources to grow, the ability to adapt, and the heart to stay grounded in the communities we call home.
- **Together**, we will lead with purpose—ready to support our Members/Owners, compete, and thrive in a changing financial landscape, while staying rooted in the cooperative principles that define who we are.

As with any change, there are some potential risks, such as operational impacts, technology and systems challenges as we work to bring the credit unions together. We encourage all Members/Owners to read the Key Risks of the Proposed Merger section of this Guide.

With combined assets under management of approximately \$11 billion, together, we'll be better prepared to address the pressures facing our industry, now and into the future, and be able to invest in enhancing the Member/Owner and employee experience. We will maintain our local and personalized touch, both the Kawartha and Libro brands for the foreseeable future and maintain all branch locations.

We're Counting on Your Vote.

With our Member/Owner support, we can take this next step forward together.

Keep reading to learn more about our vision going forward together. As a Member/Owner, you play a crucial role in shaping our shared future.

We recommend all Members/Owners vote YES in support of this merger. Together, we will go far.

Thank you for your continued trust and support.



Allison Chenier
Board Chair
Kawartha Credit Union



Norah McCarthy
President & CEO
Kawartha Credit Union



Garrett Vanderwyst
Board Chair
Libro Credit Union



Shawn Good
President & CEO
Libro Credit Union

How to Use this Guide

Kawartha Credit Union (“**Kawartha**”) and Libro Credit Union (“**Libro**”) are proposing to amalgamate (referenced in this Guide as the “**Proposed Merger**”), to become the “**Merged Credit Union**”.

The use of “**Members/Owners**” captures the Members of Kawartha, and the Owners of Libro. The term represents the collective individuals, families and businesses the credit unions serve and support.

As a Member/Owner, you have a say in how the credit unions operate, including helping to decide whether Kawartha and Libro should move forward together and merge. Eligible Members/Owners of both credit unions are asked to vote on the Proposed Merger.

This Guide includes forward-looking statements and information, based on assumptions and information available at the time of publication. Refer to page 21 to read the full Cautionary Note Regarding Forward-looking Statements.

After reviewing this Guide, you will:



Understand how joining together is expected to benefit Members/Owners, employees, communities and the credit union as a whole.



Learn about the challenges and opportunities that led both Boards of Directors and management teams to explore and ultimately recommend this Proposed Merger.



Find out how you can be part of this important milestone in your credit union’s history.



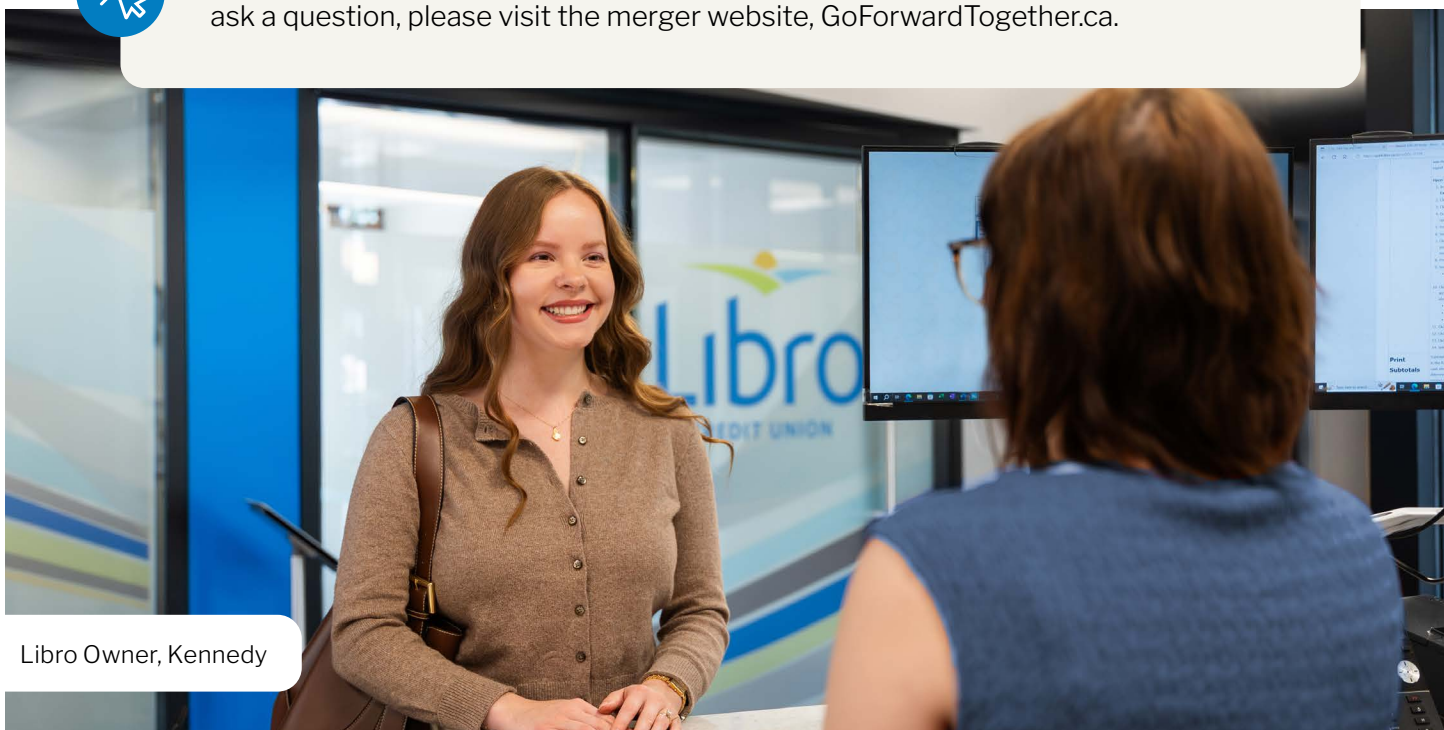
Access the information you need to make an informed decision about your vote on the Proposed Merger.



Feel confident in voting YES to this Proposed Merger.



For current updates, answers to commonly asked questions, and to share feedback or ask a question, please visit the merger website, GoForwardTogether.ca.



Libro Owner, Kennedy

Voting and More

Members/Owners will vote on the Special Resolutions for the Proposed Merger and be invited to attend a Special General Meeting of your credit union.



Save the Date

Voting period for eligible Members/Owners will take place from October 20 – 30, 2025.

Special General Meeting

Following the vote, Members/Owners are invited to attend a Special General Meeting hosted by their credit union to learn about the vote results.

Kawartha Credit Union

Date: November 5, 2025

Time: The first meeting will start at 6:00pm (ET). The second and third meetings will follow. These meetings will be virtual online meetings.

There will be three meetings:

1. Special General Meeting of Members
2. Special Meeting of Class B Affinity Shareholders
3. Special Meeting of Class A Investment Shareholders

Libro Credit Union

Date: November 6, 2025

Time: The first meeting will start at 6:00pm (ET). The second and third meetings will follow.

Owners can attend either in-person, at RBC Place, London ON, or online.

There will be three meetings:

1. Special General Meeting of Owners
2. Special Meeting of Class P Profit Shareholders
3. Special Meeting of Class I Investment Shareholders



Further details about when and how to vote, the Special Resolutions, and the Special General Meetings, can be found on page 19 of this Guide, and on the merger website at GoForwardTogether.ca

Shared Vision for the Future

Kawartha and Libro share a bold vision to become Ontario's partner of choice for financial well-being—for Members/Owners, for employees, for communities.

Achieving More for our Members/Owners

With a shared commitment to helping our Members/Owners achieve their financial goals, the Merged Credit Union will focus on delivering the products, services, and advice Members/Owners need—while continuing to invest in local communities and provide a meaningful and engaged workplace for employees. A future where we can leverage our collective strengths and achieve more, together, while maintaining the Kawartha and Libro brands for the foreseeable future and maintaining all branch locations.

Leveraging our shared expertise, we will deliver a differentiated in-person and digital Member/Owner experience for individuals, families, agricultural producers, and local businesses.

By coming together, we will create a credit union that has the foundation to compete with established financial institutions and new competitors, while maintaining the benefits and advantages of a community-focused credit union, such as personalized service and local connection.

Our community knowledge and local know-how means we can adapt to the unique realities and needs of our Members/Owners, providing meaningful support and investment in local economies and businesses—as both credit unions have demonstrated over the years.

Employees Are at the Heart of Who We Are

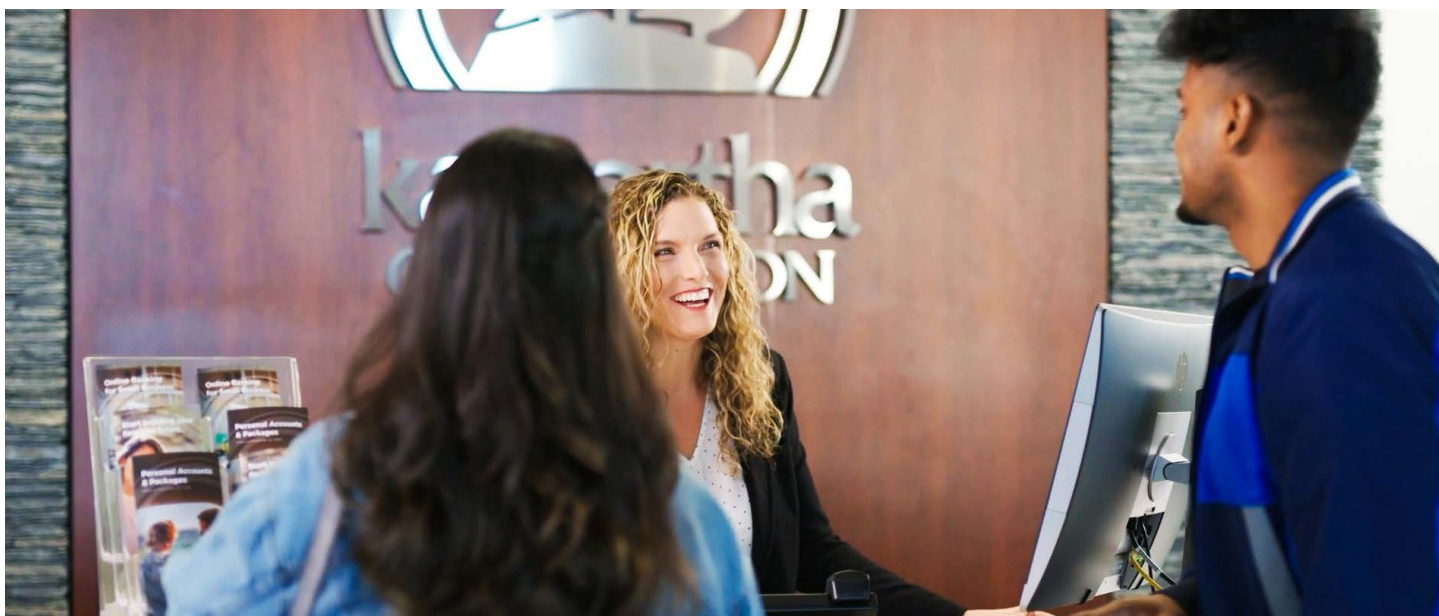
At the heart of our credit unions are our employees. Our employees seek more than a job—they seek purpose, connection, and a meaningful career. The Merged Credit Union will offer fulfilling careers for employees today, and into the future, and continue to be a Living Wage employer. Together, we will create the opportunity for employees to be part of a credit union with a stronger foundation for growth—to support our Members/Owners and our communities.

Stronger, with Greater Opportunity for Growth

With nearly 180,000 Members/Owners, approximately \$11 billion in assets under management, and 57 locations across Ontario, we will continue to be your partner of choice, to help you achieve your financial goals. We'll still be your local community credit union, with a stronger foundation.

We believe in going forward, together.

The Merged Credit Union will focus on delivering the products, services and advice Members/Owners need



Merger Benefits

By coming together, Kawartha and Libro can leverage our collective strengths and do more, together, for Members/Owners, for employees, for communities. By moving forward together, we can achieve more than we can on our own.



Enhance the Member/Owner Experience

Members/Owners will have more opportunities for in-person interactions through 57 locations across Ontario and have access to more resources with increased expertise, providing personalized financial services. As a financially stronger credit union, we'll have more to invest in the future, including improving the digital banking experience, and staying ahead of the latest technology to better serve our Members/Owners.

“...it (the proposed merger) will result in both (credit unions) being stronger together in the future and able to offer even better service.”

- Libro Owner



Broaden the Range of Products and Innovative Financial Solutions

By pooling resources, we can enhance products and services for both personal and business Members/Owners - backed by the strength of a growing credit union with more to invest. We can offer more personalized solutions and a wider range of products and services for personal banking, business banking, wealth management, and insurance. Business Members/Owners will enjoy access to enhanced lending expertise and the opportunity for higher loan limits for businesses. We'll also be able to offer access to specialists in agriculture to support local farming communities across Ontario.



Create More Opportunities for Employees

Employees will be part of a culture that supports purpose-led work. In addition, employees will have more flexibility to work remotely, with mobility across a larger organization. This provides more opportunities for career growth and advancement, and increased role opportunities for employees. The Merged Credit Union is committed to a vibrant learning culture, with enhanced training, mentorship, and professional development. We will be able to invest in improved tools, technology, and systems to support effective work and exceptional service, and continue to be a Living Wage employer.



Libro Owners Tina & Pete and Libro Coach Thomas

Merger Benefits



Build a Stronger Credit Union

Both credit unions bring established brands with aligned cultures and values, with strong roots of caring for Members/Owners, employees, and communities. By coming together, we'll create a financially stronger credit union that will be even better prepared to face changing economic, regulatory, and competitive environments. We will have greater capacity to invest in technology, cybersecurity, risk management, people, products, and services. We'll create a solid foundation built for long-term sustainability, innovation and leadership in a rapidly evolving financial landscape.



Greater Community Impact

The Merged Credit Union is committed to values-based banking where community impact is central to how we measure success. Together, we'll have more to reinvest in the communities we serve, and will offer continued support for local partnerships, programs and priorities. There will also be more opportunities for employees to engage in meaningful local initiatives. Our growth will strengthen, not replace our local roots.



Kowartha Kingston Downtown Team



Credit Union System

Together we will have approximately \$11 billion in assets under management, creating a strong credit union in Ontario. With this prominence, the Merged Credit Union will have more impact to positively influence the credit union system towards innovation and have a stronger voice to advocate in the best interests of Members/Owners, employees and communities.

“...the personal touch will remain, familiar faces, and the respective (each credit union’s) territories are some of the positives (for Members).”

- Kowartha Member



Potential Risks

It is important to note that there are potential risks to the Proposed Merger that could temporarily impact Members/Owners. These include operational impacts, technology and systems challenges as we work to bring the credit unions together. We encourage all Members/Owners to read the Key Risks of the Proposed Merger section of this Guide.



Libro Staff at Canada's Outdoor Farm Show

Kawartha and Libro at a Glance

	Kawartha	Libro	Together
Years in Operation	70+	80+	150+
Assets under Management	\$2.9 Billion	\$8.4 Billion	\$11 Billion
Total Members/Owners	~58,000	~120,000	~180,000
Number of Branches	23	34	57
Total Employees	340+	800+	1,140+
Areas of Operation	Central and Eastern Ontario	Southwestern Ontario	



Kawartha Credit Union

Kawartha’s purpose is to improve the financial success and well-being of Members and the communities we serve. Kawartha provides values-based expert advice, a full range of competitive and easy-to-understand financial solutions, and convenient service channels.

Members of Kawartha consistently rate the credit union extremely high for overall service, knowledgeable staff, and for the caring and respectful way they help Members achieve financial success. Kawartha is also proud to be a Living Wage employer and chooses green electricity for its 23 locations with Bullfrog Power.

Kawartha is a strong supporter of local communities, and since 1998, through its Community Involvement Program, has donated over \$4 million to support community initiatives.

Libro Credit Union

At Libro, purpose is at the core of everything the credit union does to strengthen financial well-being for a better tomorrow. Libro is a trusted financial partner for their personal, business, and agriculture Owners.

Libro is a leader in cooperative banking in Ontario and is proudly committed to making positive social and environmental impact as a certified B Corporation®, as an associate member of the Responsible Investment Association, and as a Living Wage employer.

Community impact is core to the Libro identity, and when community succeeds, we all succeed. Libro builds vibrant, resilient, and sustainable communities by funding initiatives through Community Grants, Impact Partnerships, Sponsorships, and Scholarships.

In its 80-year history, a total of 43 different organizations, all with rich histories, have combined to make Libro proudly part of communities across Ontario.

Why Merge

Kawartha and Libro share a desire to help Members/Owners achieve their financial goals. Together, by leveraging our shared expertise, we will deliver a personalized in-person and digital Member/Owner experience for individuals, families, agricultural producers, and local businesses.

The Merged Credit Union will focus on providing the products, services and advice Members/Owners need, while continuing to invest in local communities, and provide a meaningful and engaged workplace for employees.

In today's dynamic and evolving financial landscape, growing and being financially strong as a business matters. Pressures around increased competition, advancing technology, growing regulatory demands and shifting Member/Owner expectations, require the credit unions to adapt and evolve.

The rapid pace of change makes it more challenging to:

- Invest in technology to keep up with the competition and with Member/Owner needs
- Handle the rising costs of compliance and risk management
- Attract and retain talented employees
- Continue to attract new Members/Owners
- Develop competitive and sustainable pricing models
- Operate with tighter profit margins

By coming together, we will create a stronger credit union to compete with established financial institutions and new competitors, while maintaining the benefits and advantages of a community-focused credit union. We will remain your local, community credit union, and continue to provide personalized advice and service.

Going forward together will make the journey stronger, leveraging our collective strengths to achieve more.



Libro Owner, Lori



Kawartha Staff, Casey & Tanya

How the Merged Credit Union Will Operate

Name

Recognizing the strength of the existing brands, the Merged Credit Union will continue to operate under the existing brands in their respective regions for the foreseeable future. Members/Owners will continue to see the credit union brand they recognize.

Kawartha may be required to slightly adjust their name due to regulatory requirements. The Merged Credit Union's legal entity name will be Libro Credit Union Limited.

Start Date and Head Office

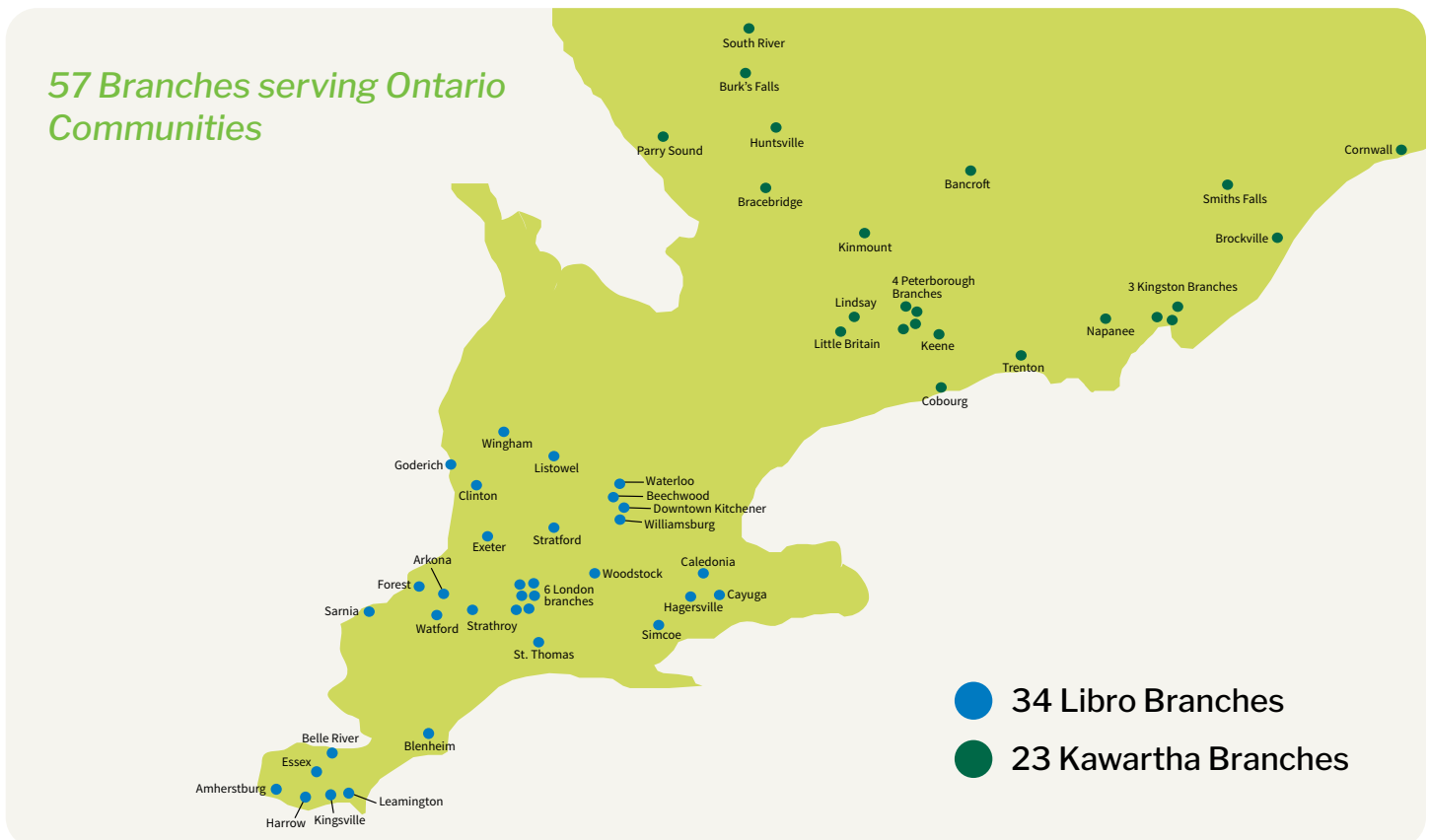
The Merged Credit Union is expected to commence operations on January 1, 2026, subject to membership, shareholder and regulatory approval. The head office will be the current head office of Libro, located in London, Ontario. A regional office will be maintained in Peterborough, Ontario.

Branch Locations

The Merged Credit Union will continue to service all communities that are currently served by Libro and Kawartha today. Since there is no overlap in branches between the two pre-existing credit unions, the existing Kawartha and Libro branches will continue to operate, and Members/Owners will continue to be supported by dedicated employees.

Products and Services

The goal of the Merged Credit Union is to offer the same, as well as complementary products and services at competitive pricing that Members/Owners currently enjoy at their respective credit union. Over time, these products may be enhanced to meet the evolving needs of our Members/Owners. If any changes to existing products or services are required as a result of integration, Members/Owners will be provided with reasonable notice of the change.



How the Merged Credit Union Will Operate

Shares

Membership Shares

Existing Kawartha and Libro Members/Owners will automatically become Members/Owners of the Merged Credit Union, and no action is required by Members/Owners.

The membership shares of Libro are currently issued at \$1.00 per share and the membership shares of Kawartha are currently issued at \$5.00 per share. The Merged Credit Union By-Laws will provide that each new Member/Owner of the Merged Credit Union must hold at least five (5) membership shares of the Merged Credit Union and that the price of each membership share shall be one dollar (\$1.00) for a cumulative \$5 amount. Accordingly, each membership share held by an Owner of Libro will be converted into one (1) membership share in the Merged Credit Union, and each membership share held by a Member of Kawartha will be converted into five (5) membership shares in the Merged Credit Union.

Investment Shares

Existing Kawartha and Libro investment shareholders will automatically become investment shareholders of the Merged Credit Union, and no action is required by Members/Owners.

The outstanding investment shares held by shareholders of Libro are set out in the table below, as at September 30, 2025.

Share Class/Series	Number of Shares Outstanding
Class I Series 1 Shares	3,586,957
Class I Series 2 Shares	3,314,907
Class I Series 3 Shares	9,279,109
Class I Series 4 Shares	24,106,524
Class I Prosperity Series 5 Shares	92,546,318
Class I Series 6 Shares	108,346,043



Kawartha Staff, Greig

How the Merged Credit Union Will Operate

The outstanding investment shares held by shareholders of Kawartha are set out in the table below, as at September 30, 2025.

Share Class/Series	Number of Shares Outstanding
Class A Shares, Series 1	59,003,004

As part of the merger, each series of Class I Shares issued by Libro and Class A Shares issued by Kawartha will be converted into an equal number of a series of Class I Shares of the Merged Credit Union with substantively the same rights and restrictions as are in place today on the series of shares the Member/Owner currently holds. Non-material changes to the terms of each of the predecessor series of shares will be made to create alignment among all series of the Merged Credit Union Class I Shares^[1]. We encourage Members/Owners to review the Amalgamation Agreement which set forth the proposed Class and Series terms of the Merged Credit Union shares.

^[1] Specifically, each Class I Series 1 Share of Libro will be converted into one Class I Series 1 Share of the Merged Credit Union; each Class I Series 2 Share of Libro will be converted into one Class I Series 2 Share of the Merged Credit Union; each Class I Series 3 Share of Libro will be converted into one Class I Series 3 Share of the Merged Credit Union; each Class I Series 4 Share of Libro will be converted into one Class I Series 4 Share of the Merged Credit Union; each Class I Prosperity Series 5 Share of Libro will be converted into one Class I Series 5 Share of the Merged Credit Union; each Class I Series 6 Share of Libro will be converted into one Class I Series 6 Share of the Merged Credit Union; and each Class A Share, Series 1 of Kawartha will be converted into one Class I Series 7 Share of the Merged Credit Union.

Affinity/Patronage Shares

Existing Kawartha affinity shareholders and Libro patronage shareholders will automatically become patronage shareholders of the Merged Credit Union, and no action is required by Members/Owners.

The outstanding patronage shares held by shareholders of Libro are set out in the table below, as at September 30, 2025.

Share Class	Number of Shares Outstanding
Class P Share	60,558,612

The outstanding affinity shares held by shareholders of Kawartha are set out in the table below, as at September 30, 2025.

Share Class / Series	Number of Shares Outstanding
Class B Shares, Series 1	11,001,929

As part of the merger, each Class P Share issued by Libro and Class B Share issued by Kawartha will be converted into an equal number of Class P Shares of the Merged Credit Union with substantively the same rights and restrictions as are in place today on the shares currently held. We encourage Members/Owners to review the Amalgamation Agreement which set forth the proposed terms of the Merged Credit Union Class P shares.



How the Merged Credit Union Will Operate

Governance Structure

Board of Directors

The initial Board of the Merged Credit Union will consist of thirteen directors, eight from Libro and five from Kawartha (the “Merged Credit Union Board Members”). The Joint Merger Committee, which is a committee formed to oversee and guide the merger, is comprised of three Board of Directors and the current CEOs of each of Libro and Kawartha. The Joint Merger Committee and a third-party governance consultant have worked together to develop a common, agreed-upon method for determining which directors from each credit union will become the Merged Credit Union Board Members and establish the initial term limits. The term limits will be staggered to maintain representation from each legacy board for the next few years. The methodology included developing a skills, competencies and experience matrix that reflects the range of the Merged Credit Union director requirements. The goal is to ensure that the Merged Credit Union’s initial Board collectively has the necessary skills, competencies and experiences needed to oversee the Merged Credit Union.

The Merged Credit Union Board Members will be appointed through the amalgamation agreement. Libro will select from its eight-director complement, the Chair of the Merged Credit Union, and Kawartha will select from its five-director complement, the Vice-Chair of the Merged Credit Union.

The Merged Credit Union’s next annual general meeting will take place in the spring of 2027, at which time the Board of Directors will be reduced to 11 members, the go-forward board size. Members/Owners will vote in the first Board election. Both current Merged Credit Union Directors, with terms expiring in 2027, and other eligible Members/Owners will be able to run for these positions.



For comprehensive profiles for each of the Merged Credit Union Board Members, please refer to the Supplemental Information Package available on the merger website, GoForwardTogether.ca

Executive Leadership

The Merged Credit Union’s executive leadership team will consist of a group of experienced and talented individuals with deep knowledge of the financial services industry. The credit unions strongly believe that integrating the existing Libro and Kawartha executive leadership teams into the Merged Credit Union is an important part of ensuring a successful merger. The process to identify the right individuals for the leadership team is underway and will be completed before legal close on January 1, 2026. We will work with industry experts to design an executive structure that best serves the Merged Credit Union Members/Owners and the vision for the future.

By-Laws and Governance Policies

The Merged Credit Union will operate according to a new set of bylaws. Please refer to Supplemental Information Package for a copy of the proposed bylaws of the Merged Credit Union, available on the merger website, GoForwardTogether.ca

Auditor

It is proposed that KPMG LLP will act as the first auditor of the Merged Credit Union.

Financial Outlook

The Merged Credit Union is expected to achieve stronger financial results than either Libro or Kawartha could achieve on their own, as the merger drives opportunities for growth and increased efficiency. The balance sheets of Libro and Kawartha complement each other, providing opportunities to grow loans at a faster pace, broaden the deposit base, and expand Member/Owner products and services by leveraging each credit union's expertise and unique geographic locations.

The enhanced ability to grow and invest in technology will be a significant financial benefit of the merger, as the Merged Credit Union will have greater resources to allocate towards both growing the business (including mobile banking, online banking, and other digital solutions) and maintaining high standards of compliance and risk management practices. The additional profitability will allow the Merged Credit Union to increase equity at a faster pace, providing a strong foundation for future growth and provide greater resilience in times of economic uncertainty.

A key component of the benefits analysis for the Proposed Merger includes the development of a financial model and projection of the operations of the Merged Credit Union over a five-year period, with a start date of January 1, 2026. A base case financial projection was developed considering the economic environment, expectations for growth, alignment of operations, incremental one-time costs and sustainable synergies that will be incurred over the 5-year horizon. In addition to the base case, alternate scenarios with potential financial downside and upside risks were also completed.

One-time costs are expected to be incurred between 2026-2028, with the majority in 2027, when systems integration is planned. Most of the sustainable savings are expected to begin in 2028 after systems integration.

The following tables show, from a forecasted starting point of 2025, the base case projections over the 2026 to 2030 period for a condensed version of the balance sheet and income statement as well as key ratios.

2025	Financial Summary (\$000's)	2026	2027	2028	2029	2030
	Balance Sheet					
7,941,287	Loans	8,317,732	8,959,401	9,593,995	10,237,058	10,865,824
8,906,288	Total Assets	9,304,147	9,956,063	10,663,627	11,391,483	12,112,823
7,611,254	Deposits	7,971,892	8,595,573	9,220,651	9,862,505	10,482,981
743,822	Equity	790,800	841,770	909,871	988,479	1,072,872
	Income Statement					
247,192	Revenue	267,027	283,307	301,934	319,847	335,349
(8,039)	Provision for credit losses	(8,091)	(8,785)	(9,563)	(10,325)	(11,024)
(189,068)	Operating expenses	(195,292)	(203,744)	(200,519)	(204,684)	(212,274)
50,085	Net income before tax	63,644	70,779	91,852	104,838	112,051
(6,366)	Income tax	(8,825)	(10,064)	(13,859)	(16,186)	(17,463)
43,719	Net income	54,819	60,715	77,993	88,651	94,588

2025	Ratios	2026	2027	2028	2029	2030
75.7%	Efficiency	73.1%	71.9%	66.4%	64.0%	63.3%
62	Operating income/average assets (basis points)	72	81	92	95	95
13.6%	Total Capital Ratio	13.8%	13.6%	13.7%	13.9%	14.2%

This Guide includes forward-looking statements and information, based on assumptions and information available at the time of publication. Refer to page 21 to read the full Cautionary Note Regarding Forward-looking Statements.

Structure and Method of the Merger

Summary of Amalgamation Agreement

Refer to the Appendix for a summary of the key sections of the Amalgamation Agreement referred to in the special resolution that the credit union Members/Owners will be asked to vote on at each respective Special General Meeting. Please refer to the Supplemental Information Package for a copy of the full Amalgamation Agreement, available on the merger website, GoForwardTogether.ca



Key Risks of the Proposed Merger

The elected Directors, CEOs and Management of both Kawartha and Libro assessed the risks of the Proposed Merger and are confident that all risks can be managed. The Merged Credit Union will develop control and risk management policies and will track and reduce risks. Below are some of the key risks and impacts of the Proposed Merger, including how we have, and will reduce risk.

Potential Risk and Impact	How We Will Reduce Risk
<p>Proposed Merger Process: There is a risk that the credit unions may not effectively manage the merger process.</p>	<p>From the outset the interests of Members/Owners and employees, and the credit union system were top of mind to mitigate risks in the merger process. The Memorandum of Understanding (MOU) was established collaboratively with the Boards, Joint Merger Committee and CEOs of the respective credit unions. A project team was formed with representation from each credit union. External specialists were engaged for their expertise, and resources as needed.</p>
<p>Due Diligence Risk: There is a risk that each credit union may not be fully informed of pertinent details regarding the other credit union.</p>	<p>Both credit unions conducted a comprehensive due diligence process. Outside legal, accounting, credit, HR, information technology, and tax expertise assisted with the review and interpretation of findings. In addition, the Amalgamation Agreement requires each credit union to provide accurate and complete information.</p>
<p>Cultural Alignment: There is a risk that issues may arise in integrating the two corporate cultures.</p>	<p>The due diligence process considered many aspects of culture and showed strong overall cultural alignment between both credit unions. The integration will focus on communication, planning and change management strategies.</p>
<p>Employee Engagement and Change Management: There is risk that employees could have a negative reaction to the uncertainty and potential impact of the Proposed Merger.</p>	<p>Both credit unions are committed to engaging and openly communicating with both employees and Members/Owners. Initial feedback from employees is positive. Engagement surveys will help gauge employee sentiment so that steps can be taken to address any concerns.</p>
<p>Member/Owner Risks: There is a risk that Member/Owner services may be affected by operational changes and integration activities.</p>	<p>The credit unions will establish a strong integration plan to ensure minimal service disruption to Members/Owners. Members/Owners will continue to bank at their local Kawartha and Libro branches as no branches will be closed as a result of the merger. Members/Owners will continue to be serviced by the employees they know and trust in our respective branches. The integration of products and services as a result of the merger will focus on reducing change for Members/Owners while supporting an enhanced range of products and services.</p>
<p>Operational Impacts: There is a risk that service to Members/Owners may be affected by merger activities and integration.</p>	<p>Both Libro and Kawartha are committed to ensuring the internal resources are in place to service Members/Owners and support and maintain ongoing day-to-day operations.</p>
<p>Technology and Systems Integration: Operating, integrating, and running multiple systems and applications during integration poses risks.</p>	<p>The system alignment process will strive to minimize Member/Owner disruption and make the transition as seamless as possible. The Merged Credit Union will leverage past learnings, internal expertise, employees will be provided with training, and an extensive communication plan will be implemented to ensure Members/Owners are aware of operational and technology updates well before they occur.</p>
<p>Costs of Integration: There is a risk that the costs of integration could be higher than expected.</p>	<p>The credit union's projected integration costs are reasonable estimates based on a detailed review by Management and past integration experiences. Budget and forecasted/actual costs will be continuously reviewed. In the situation that costs are over budget, Management will take actions as needed to ensure the Merged Credit Union overall financial performance is strong.</p>
<p>Synergies Fail to Materialize: There is risk that the merger may not achieve the desired synergies.</p>	<p>Cost savings are not the primary driver of this merger. The focus is on achieving greater scale to unlock new opportunities and strengthen the collective business of the Merged Credit Union to better support Member/Owner needs. Libro's and Kawartha's finance experts collaboratively developed projections based on reasonable assumptions, and a solid understanding of the range of potential outcomes and their likelihood.</p>
<p>Brand Identity and Community Connection: There is risk that goodwill, brand identity and community connection could suffer due to the merger.</p>	<p>Maintaining community connections, goodwill and charitable giving will remain a core principle and top priority of the Merged Credit Union. The Merged Credit Union will continue to operate under the existing brands for the foreseeable future. Employee engagement, and the strong brand equity of each credit union will all help to reduce any potential risks.</p>

Your Vote Counts—What you Need to Know

Kawartha Members

As a Member, you have a say in how the credit union operates, including helping to decide whether Kawartha and Libro should move forward together and merge. Eligible Members/Owners of both credit unions are asked to vote on the Proposed Merger.

Who can Vote

Kawartha Members can vote if at September 30, 2025:

- You are 16 to 17 years of age and hold at least \$5 in membership shares
- You are 18 or older, or an organization, and hold at least \$25 in membership shares

If you or the organization also hold at October 9, 2025:

- Class B Affinity Shares, you can vote as a Class B shareholder
- Class A Investment Shares, Series 1 you can vote as a Class A shareholder

Members who hold membership shares will be entitled to one vote each. Additionally, those who hold Class B Affinity Shares or Class A Investment Shares will receive additional votes based on their shareholdings.

When to Vote

Eligible Members will be asked to vote online from October 20 – 30, 2025. All votes must be received by 11:59 pm (ET) on Thursday, October 30, 2025. Members have the option to vote online using their own internet connected computer/device or in branch via a Kawartha Credit Union computer. In branch voting must be completed during regular branch hours from October 20 – 30, 2025.

How to Vote

Voting will take place online through a trusted and secure third party partner platform—Simply Voting. The Simply Voting website link for Kawartha members is <https://kawartha.simplyvoting.com>

Eligible Kawartha Members will be able to vote within the voting period by:

- Using their own computer/device or
- Voting at your local branch using a Kawartha Credit Union computer

How to Login to Vote

Eligible Kawartha Members with a **valid email address** on file with Kawartha Credit Union will receive a voter information email from Simply Voting before the start of the voting period. This email will contain voting credential details to login and complete the vote using your own computer/device. **Members who do not receive this email** can obtain their voting credentials by calling our Contact Centre at 1-855-670-0510 or by visiting your local branch. If your preference is to vote in branch using a Kawartha Credit Union computer, please visit a branch during normal business hours. Our staff will be happy to assist you in electronic voting.

Make an Informed Vote

Have questions or want to learn more about the Proposed Merger? Attend an upcoming Virtual Information Session or Branch Drop-In session to learn more, ask questions, and seek clarity. The dates and details of these sessions & events can be found by visiting GoForwardTogether.ca

What you are Voting About / Special Resolutions

This Guide provides the key information you need to make an informed decision about the Proposed Merger, along with information on how and when to vote. A summary of the Amalgamation Agreement can be found on page 22. The Supplementary Information Package contains the full Amalgamation Agreement, proposed bylaws, and additional information. You can find the full package by visiting GoForwardTogether.ca



For detailed information on how to vote and your eligibility, visit GoForwardTogether.ca

Your Vote Counts—What you Need to Know

Libro Owners

As an Owner, you have a say in how the credit unions operate, including helping to decide whether Kawartha and Libro should move forward together and merge. Eligible Members/Owners of both credit unions are asked to vote on the Proposed Merger.

Who can Vote

Libro Owners can vote if at September 30, 2025:

- You are 18 years of age or older, or are an organization, and;
- You hold membership shares of Libro Credit Union

If you or the organization also hold at September 30, 2025:

- Class P Profit Shares of Libro Credit Union, you can vote as a Profit Shareholder
- Class I Investment Shares (Series 1 to 6), you can vote as an Investment Shareholder

Owners who hold membership shares will be entitled to one vote each. Additionally, those who hold Class P Profit Shares or Class I Investment Shares will vote based on their shareholdings.

When to Vote

Eligible Owners will be asked to vote online from October 20 – 30, 2025. All votes must be received by 11:59 pm (ET) on Thursday, October 30, 2025. Owners have the option to vote online using their own internet connected computer/device or in branch via a Libro Credit Union computer. In branch voting must be received during regular branch hours from October 20 – 30, 2025.

How to Vote

Voting will take place online through a trusted and secure third-party partner platform—Simply Voting. The simply Voting website link for Libro Owners is <https://libro.simplyvoting.com>

Eligible Libro Owners will be able to vote within the voting period by:

- Using their own computer/device or
- Voting at your local branch using a Libro Credit Union computer

How to Login to Vote

Eligible Libro Owners with a **valid email address** on file with Libro Credit Union will receive a voter information email from Simply Voting before the start of the voting period. This email will contain voting credential details to login and complete the vote using your own computer/device. **Owners who do not receive this email** can obtain their voting credentials by calling Libro Connect at 1-800-361-8222 or by visiting your local branch. If your preference is to vote in branch using a Libro Credit Union computer, please visit a branch during normal business hours. Our staff will be happy to assist you in electronic voting.

Make an Informed Vote

Have questions or want to learn more about the Proposed Merger? Attend an upcoming Virtual Information Session or Branch drop-in session to learn more, ask questions, and seek clarity. The dates and details of these sessions and events can be found by visiting GoForwardTogether.ca

What you are Voting About / Special Resolutions

This Guide provides the key information you need to make an informed decision about the Proposed Merger, along with information on how and when to vote. A summary of the Amalgamation Agreement can be found on page 22. The Supplementary Information Package contains the full Amalgamation Agreement, proposed bylaws, and additional information. You can find the full package by visiting GoForwardTogether.ca



For detailed information on how to vote and your eligibility, visit GoForwardTogether.ca

Cautionary Note Regarding Forward-Looking Statements

This Guide, including documents incorporated by reference herein, contains forward-looking statements and information. The use of any of the words “expect”, “anticipate”, “continue”, “estimate”, “objective”, “ongoing”, “may”, “will”, “project”, “should”, “believe”, “plans”, “intends”, “potential”, “pro forma” and similar expressions are intended to identify forward-looking statements or information. Forward-looking information presented in such statements or disclosures may, among other things, relate to: (i) the anticipated benefits from the **Proposed Merger**; (ii) the expected completion and implementation date of the **Proposed Merger**; (iii) certain operational and financial information; (iv) the nature of the Merged Credit Union’s operations following the Proposed Merger; (v) sources of income; (vi) forecasts of capital expenditures, including general and administrative expenses; (vii) anticipated income taxes; (viii) The Merged Credit Union’s business outlook following the **Proposed Merger**; (ix) plans and objectives of management for future operations; (x) forecast cost savings; and (xi) anticipated operational and financial performance.

Various assumptions or factors are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information. Those assumptions and factors are based on information currently available to Libro and Kawartha, as applicable, including information obtained from third party industry analysts and other third-party sources. You are cautioned that the following list of material factors and assumptions is not exhaustive. The factors and assumptions include, but are not limited to:

- The approval of Libro Owners;
- The approval of Kawartha Members;
- Satisfaction of the other conditions for completion of the **Proposed Merger**, including the receipt of all required regulatory and third-party approvals to complete the **Proposed Merger**;
- The completion of the **Proposed Merger**;
- No material changes in the legislative and operating framework for the business of Libro and Kawartha, as applicable;
- No material adverse changes in the business of either or both of Libro and Kawartha; and
- No significant events occurring outside the ordinary course of business of Libro or Kawartha, as applicable such as a natural disaster or other calamity.

The forward-looking information contained in statements or disclosures in this information circular (including the documents incorporated by reference herein) is based (in whole or in part) upon factors which may cause actual results, performance or achievements of Libro or Kawartha, as applicable, to differ materially from those contemplated (whether expressly or by implication) in the forward-looking information. Actual results or outcomes may differ materially from those predicted by such statements or disclosures. While Libro and Kawartha do not know what impact any of those differences may have on their respective businesses, results of operations and financial conditions may be materially adversely affected.

You are further cautioned that the preparation of financial statements in accordance with International Financial Reporting Standards requires management to make certain judgments and estimates that affect the reported amounts of assets, liabilities, revenues, and expenses. These estimates may change, having either a negative or positive effect on net earnings as further information becomes available, and as the economic environment changes.

You are cautioned that the foregoing list is not exhaustive. Readers should carefully review and consider the risk factors described under “Key Risks of the Proposed Merger” and other risks described elsewhere in this information circular and in the documents incorporated by reference herein.

The forward-looking statements and information contained in this Guide (including the documents incorporated by reference herein) are made as of the date hereof and thereof and Libro and Kawartha undertake no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, except as required by applicable laws. Because of the risks, uncertainties and assumptions contained herein and, in the documents, incorporated by reference herein, Members/ Owners should not place undue reliance on forward-looking statements or disclosures. The forward-looking information and statements contained herein, and the documents incorporated by reference herein are expressly qualified in their entirety by this cautionary statement.



We’re Listening. For the most up to date information, answers to common questions, and to share feedback or ask a question through the Contact Us form, visit our merger website, GoForwardTogether.ca

Appendix

Summary of the Amalgamation Agreement

Below is a summary of the key sections of the Amalgamation Agreement referred to in the special resolution that the credit union Members/Owners will be asked to vote on at each respective Special General Meeting. A copy of the full Amalgamation Agreement is also available at GoForwardTogether.ca

Section	Key Provision	Summary
Recitals	Parties	Libro Credit Union Limited (“Libro”) and Kawartha Credit Union Limited (“Kawartha”)
Recitals	Effective Date	October 1, 2025 (the “Effective Date”)
1.1	Closing Date	The closing of the Transaction (the “Closing”) will occur at 12:01 a.m. on January 1, 2026 (or another date on which the Articles of Amalgamation become effective pursuant to the issuance by the FSRA CEO of a certificate of amalgamation).
2.1	Amalgamation	Libro and Kawartha agree to amalgamate and to continue as one credit union under the Credit Unions and Caisses Populaires Act (Ontario) (“Act”). Per the Act, on and after the effective date of the Amalgamation, the Merged Credit Union will possess all the property, rights, privileges and franchises and will be subject to all the liabilities, contracts, disabilities and debts of each of Kawartha and Libro. Further, each issued and outstanding Libro Membership Share will be converted, on a 1-to-1 basis, into the shares of the Merged Credit Union, and each issued and outstanding Kawartha Membership Share will be converted into five (5) membership shares of the Merged Credit Union. Investment shares and patronage shares of any Series held by Members/Owners of Kawartha or Libro will be converted into an equal number of Series of investment shares or patronage shares of the Merged Credit Union having substantially the same rights and restrictions as currently existing on such series of Kawartha or Libro investment or patronage shares.
2.2	Name	The legal entity name of the Merged Credit Union will be “Libro Credit Union Limited”, however the Libro and Kawartha branches will continue to operate under their current brands for the foreseeable future.
2.3	Head Office	The head office of the Merged Credit Union will be the current head office of Libro, located in London, Ontario. A regional office in Peterborough will be maintained.
2.4	Members/ Owners	Each owner of Libro and each member of Kawartha will become a Member/Owner of the Merged Credit Union.
2.5	Membership/ Ownership	Membership/Ownership in the Merged Credit Union is limited to: persons residing in the province of Ontario; employees of the Merged Credit Union; related persons or entities of any of the foregoing Members/Owners; persons that do not qualify under the above criteria so long as such Members/Owners do not exceed 3% of the number of Members/Owners of the Merged Credit Union; persons that originally qualified under the criteria above or under an earlier by-law of the Merged Credit Union (or a predecessor credit union) who no longer qualify under the above criteria; and any other person that is eligible to acquire membership shares of the Merged Credit Union under the Act.
2.6	Directors	The Proposed Directors of the Merged Credit Union are: Elizabeth Baldwin, David Billson, Jeff Brown, Judy Cameron, Jeff Carter, Allison Chenier (Vice-Chair), Alan DeVillaeer, Lawrence Davis, Jacquie Davison, Mary McGee, Jacqueline Peterson, Jodi Simpson, Garrett Vanderwyst (Chair).
2.8	Conversion	See “Shares” above under the heading “How the Merged Credit Union Will Operate” for a summary of the share conversion formulae in respect of each existing class/series of share for both Libro and Kawartha.
2.10	ByLaws	The Bylaws of the Merged Credit Union, until repealed or amended, are attached to the Amalgamation Agreement as Schedule C.
3.1	Mutual Representations and Warranties	Each party to the Amalgamation Agreement have made a number of representations and warranties to the other party which are customary in a transaction of this type. The representations and warranties will not survive Closing.
4.1	Post-Amalgamation Employment Matters	The Merged Credit Union will assume all of the employment obligations of Libro and Kawartha on the Closing Date, with length of service entitlements of the Libro and Kawartha employees continuing to be recognized by the Merged Credit Union. There will be many opportunities for employees to grow within the merged credit union. While some change is inevitable in any merger, we are dedicated to supporting employees through this transition and we are committed to minimizing job loss as a direct result of this merger. Whenever possible, employees will be integrated into the merged credit union in roles that align with their skills, expertise, and qualifications.
5.1	Conduct of Business	The Amalgamation Agreement contains customary interim period covenants for transactions of this type which restrict certain actions of Libro and Kawartha between the Effective Date and the Closing of the Transaction.
6.1	Conditions to Closing	A number of conditions must be met prior to the completion of the merger. These include, among others, obtaining the necessary regulatory approvals and obtaining Libro and Kawartha member and shareholder approvals, and other customary closing conditions.