

AMALGAMATION AGREEMENT

NORTHERN CREDIT UNION LIMITED

-AND-

COPPERFIN CREDIT UNION LIMITED

TABLE OF CONTENTS

ARTICLE ONE	2
INTERPRETATION	2
1.1 Definitions:	2
1.2 Extended Meaning:	3
1.3 Headings:	3
1.4 International Financial Reporting Standards:	3
1.5 Accounting Terms:	3
1.6 Schedules:	3
ARTICLE TWO	4
AGREEMENT TO AMALGAMATE	4
2.1 Amalgamation:	4
2.2 Northern Contribution:	4
2.3 Copperfin Contribution:	4
2.4 Effect of Amalgamation:	5
2.5 Members:	5
ARTICLE THREE	5
NAME	5
3.1 Name:	5
ARTICLE FOUR	6
MEMBERSHIP	6
4.1 Membership:	6
ARTICLE FIVE	6
DIRECTORS	6
5.1 Number:	6
5.2 First Directors:	7
5.3 Subsequent Election:	8
ARTICLE SIX	8
SHARE CAPITAL	8
6.1 Structure:	8
6.2 Restrictions on Issuance:	8
6.3 Restrictions on Transfer:	8
ARTICLE SEVEN	8
SHARE CAPITAL CONVERSION	8
7.1 Conversion:	8
7.2 Issuance:	9
ARTICLE EIGHT	9
HEAD OFFICE	9
8.1 Head Office Location:	9
ARTICLE NINE	9
OPERATIONAL MATTERS	9

9.1	Bylaws:	9
9.2	Audit and Risk Committee:.....	9
9.3	Auditor:	10
9.4	Employees:.....	12
ARTICLE TEN.....		12
REPRESENTATIONS AND WARRANTIES		12
10.1	Northern’s Representations and Warranties:	12
10.2	Copperfin’s Representations and Warranties:.....	15
10.3	Survival of Warranties:	17
ARTICLE ELEVEN		17
COVENANTS.....		17
11.1	Approvals:.....	17
11.2	Ordinary Course of Business:.....	18
11.3	Access to Books and Records:.....	18
11.4	Confidentiality:	18
11.5	Legal and Other Costs:	19
11.6	Public Notices:	17
ARTICLE TWELVE		17
CONDITIONS FOR CLOSING		17
12.1	Conditions for the Benefit of Northern:	17
12.2	Conditions for the Benefit of Copperfin:	19
ARTICLE THIRTEEN.....		23
INDEMNIFICATION.....		23
13.1	Indemnification:	23
ARTICLE FOURTEEN.....		23
GENERAL		23
14.1	Entire Agreement:	23
14.2	Waivers:	24
14.3	Notice:.....	24
14.4	Assignment:.....	24
14.5	Further Assurances:.....	24
14.6	Governing Law:	25

AMALGAMATION AGREEMENT

AMALGAMATION AGREEMENT made as of the 11th day of April 2024

B E T W E E N:

NORTHERN CREDIT UNION LIMITED., a credit union under the *Credit Unions and Caisses Populaires Act, 2020*, having its head office at 280 McNabb St., Sault Ste. Marie, Ontario

(hereinafter referred to as “Northern”),

- AND -

COPPERFIN CREDIT UNION LIMITED, a credit union under the *Credit Unions and Caisses Populaires Act, 2020*, having its head office at 346 Second Street South, Kenora, Ontario

(hereinafter referred to as “Copperfin”).

WHEREAS Northern and Copperfin are both credit unions pursuant to the *Credit Unions and Caisses Populaires Act, 2020* (the “Act”) and subject to the laws of Ontario;

AND WHEREAS section 250 of the Act provides that any two credit unions, upon membership approval of an amalgamation agreement containing certain information, and upon the approval of the Chief Executive Officer of the Authority, may amalgamate and continue as one credit union;

AND WHEREAS each of Northern and Copperfin has made full disclosure to the other of its respective assets and liabilities;

AND WHEREAS Northern and Copperfin now wish to amalgamate, pursuant to the terms and conditions hereof;

AND WHEREAS the authorized capital of Copperfin, as of February 29, 2024, is an unlimited number of membership shares, an unlimited number of Class A Shares, of which an unlimited number of Class A Shares, Series 1, has been created, and an unlimited number of Class B Shares, of which an unlimited number of Class B Shares, Series 1, 2, 3 and 4 have been created;

AND WHEREAS the issued share capital and the stated capital of Copperfin, as of February 29, 2024, is as follows:

<u>Share Class and Series</u>	<u>Issued</u>	<u>Stated Capital</u>
Membership Shares	18,076	\$457,375
Class A Shares, Series 1	1,013,965	\$1,049,869
Class B Shares, Series 1	Nil	
Class B Shares, Series 2	Nil	
Class B Shares, Series 3	Nil	
Class B Shares, Series 4	Nil	

AND WHEREAS the authorized capital of Northern, as of February 29, 2024, is an unlimited number of membership shares, an unlimited number of Class A Shares, Series 1, and an unlimited number of Class B Shares, Series 98, 2014, 2015 and 2024;

AND WHEREAS the issued share capital and the stated capital of Northern, as of February 29, 2024, is:

<u>Share Class and Series</u>	<u>Issued</u>	<u>Stated Capital</u>
Membership Shares	378,979	\$1,794,894
Class A Shares, Series 1	930,164	\$930,164
Class B Shares, Series 98	5,940,579	\$5,940,579
Class B Shares, Series 2014	17,471,970	\$17,471,970
Class B Shares, Series 2015	640,798	\$640,798
Class B Shares, Series 2024	NIL	

AND WHEREAS this amalgamation agreement is subject to adoption by the membership of both Northern and Copperfin, and the holders of the Class A Shares and Class B Shares of Northern, in accordance with subsection 250(4) of the Act;

NOW THEREFORE THIS AGREEMENT WITNESSES that, in consideration of the premises and of the mutual covenants and agreements herein contained, and for other good and valuable consideration (the receipt and sufficiency of which is hereby mutually acknowledged), the parties hereto covenant and agree as follows:

ARTICLE ONE

INTERPRETATION

1.1 Definitions:

In this Agreement, the following terms shall have the following meanings:

- (a) **“Act”** means the *Credit Unions and Caisses Populaires Act, 2020*, and its associated regulations, rules and guidelines, as the same may be amended from time to time;
- (b) **“Agreement”** means this Amalgamation Agreement;
- (c) **“Amalgamated CU”** means Northern Credit Union Limited, the credit union continuing as a result of the amalgamation under the Act of Northern and Copperfin;
- (d) **“Authority”** means the Financial Services Regulatory Authority of Ontario;
- (e) **“Business Day”** means any day that is not a Saturday or a Sunday, or a statutory holiday in Ontario;
- (f) **“Chief Executive Officer”** means the Chief Executive Officer of the Authority;
- (g) **“Copperfin Permitted Encumbrances”** means the encumbrances on the assets of Copperfin listed on Schedule K attached hereto;
- (h) **“Competition Act Approval”** means:

(a) the issuance of an advance ruling certificate pursuant to section 102 of the *Competition Act* (Canada) by the Director of Investigation and Research appointed under the *Competition Act* (Canada) (the “Director”) to the effect that she is satisfied that she would not have sufficient grounds upon which to apply to the Competition Tribunal for an order under section 92 of such Act with respect to the transactions contemplated by this Agreement; or

(b) that the waiting period under section 123 of the *Competition Act* (Canada) shall have expired and (i) the parties shall have been advised in writing by the Director that the Director has determined not to make an application for an order under section 92 of the *Competition Act* (Canada) in respect of the transactions contemplated by this Agreement and that any terms and conditions attached to any such advice shall be acceptable to the parties; (ii) the Director shall not have made an application for an order under section 100 of the *Competition Act* (Canada) in respect of the transactions contemplated by this Agreement (or if made, that such order shall have been rescinded on terms and conditions acceptable to the parties); (iii) to the

knowledge of the parties, the Director shall not have commenced an inquiry in respect of such transactions under section 10 of the *Competition Act* (Canada) (or if commenced, that such inquiry shall have been terminated and any action required to be taken shall be acceptable to the parties); and (iv) to the knowledge of the parties, no application under section 9 of the *Competition Act* (Canada) has been made to the Director in respect of the transactions contemplated by this Agreement (or if made, that any resulting inquiry shall have been terminated and any action required to be taken shall be acceptable to the parties);

- (i) **“Effective Date”** means January 1, 2025, or such other date upon which the Certificate and Articles of Amalgamation issued to Amalgamated CU under the Act become effective;
- (j) **“Effective Time”** means 12:01 a.m. Eastern Standard Time on the Effective Date; and
- (k) **“Northern Permitted Encumbrances”** means the encumbrances on the assets of Northern listed on Schedule G attached hereto.

1.2 Extended Meaning:

Words importing the singular number include the plural and *vice versa*, and words importing gender include all genders.

1.3 Headings:

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

1.4 International Financial Reporting Standards:

Where the Chartered Professional Accountants of Canada includes a recommendation in Part I of its Handbook concerning the treatment of any accounting matter, such recommendation will be regarded as the only international financial reporting standards applicable to the circumstances that it covers, and references in this Agreement to international financial reporting standards will be interpreted accordingly.

1.5 Accounting Terms:

Any accounting terms used in this Agreement which are not defined in this Agreement will have the meanings assigned to them in accordance with Part I of the CPA Handbook (“International Financial Reporting Standards”).

1.6 Schedules:

The schedules to this Agreement, as listed below, are an integral part of this Agreement:

Schedule A	-	Northern Financial Statements (Unaudited as at February 29, 2024)
Schedule B	-	Northern Financial Statements (Audited as at December 31, 2023)
Schedule C	-	Copperfin Financial Statements (Unaudited as of February 29, 2024)
Schedule D	-	Copperfin Financial Statements (Audited as at December 31, 2023)
Schedule E	-	Amalgamated CU Share Terms and Conditions
Schedule F	-	Amalgamated CU By-laws
Schedule G	-	Northern Permitted Encumbrances
Schedule H	-	Northern's Liabilities Outside of the Ordinary Course of Business since February 29, 2024
Schedule I	-	Northern's Obligations in Excess of One Half of One Per Cent of Total Assets as at February 29, 2024
Schedule J	-	Northern's Material Outstanding Litigation or Regulatory Action as at February 29, 2024
Schedule K	-	Copperfin Permitted Encumbrances
Schedule L	-	Copperfin's Liabilities Outside of the Ordinary Course of Business since February 29, 2024
Schedule M	-	Copperfin's Obligations in Excess of One Half of One Per Cent of Total Assets as at June 30, 201February 29, 2024
Schedule N	-	Copperfin's Material Outstanding Litigation or Regulatory Action as at February 29, 2024

ARTICLE TWO

AGREEMENT TO AMALGAMATE

2.1 Amalgamation:

Upon the terms and conditions in this Agreement, Northern and Copperfin agree to amalgamate and to continue as Amalgamated CU at the Effective Time.

2.2 Northern Contribution:

Northern shall contribute to Amalgamated CU all of its assets, subject to all of its liabilities,

as of and at the Effective Time.

2.3 Copperfin Contribution:

Copperfin shall contribute to Amalgamated CU all of its assets, subject to all of its liabilities, as of and at the Effective Time.

2.4 Effect of Amalgamation:

As and from the Effective Time:

- (a) a conviction against, or ruling, order or judgment in favour of or against Northern or Copperfin may be enforced by or against Amalgamated CU;
- (b) the articles of amalgamation to be filed jointly by Northern and Copperfin are deemed to be the articles of incorporation of Amalgamated CU, and the certificate of amalgamation is deemed to be the certificate of incorporation of Amalgamated CU;
- (c) Amalgamated CU shall be deemed to be the party plaintiff or the party defendant, as the case may be, in any civil action commenced by or against Northern or Copperfin before the Effective Time;
- (d) all rights of creditors against the property, rights and assets of Northern and Copperfin, and all liens upon their property, rights and assets, shall be unimpaired by this amalgamation, and all debts, contracts, liabilities and duties of Northern and Copperfin shall henceforth attach to Amalgamated CU and may be enforced against it to the same extent as if such debts, contracts, liabilities and duties had been incurred or contracted by it.

2.5 Members:

As and from the Effective Time, each member of Northern and Copperfin shall be a member of Amalgamated CU.

ARTICLE THREE

NAME

3.1 Name:

The name of Amalgamated CU shall be:

Northern Credit Union Limited.

ARTICLE FOUR

MEMBERSHIP

4.1 Membership:

Membership in Amalgamated CU shall be limited to:

- (a) Any person who, if that person is an individual, whether a minor or adult, resides or is employed within the province of Ontario;
- (b) Related persons or entities of such members qualifying under paragraph (a) hereof, and under the Act;
- (c) 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;
- (d) Persons or entities not otherwise qualifying for membership under Amalgamated CU's bond of association, as long as the aggregate number of such members does not exceed 3% of the number of members of Amalgamated CU, the admission to membership of such persons or entities has been specifically approved by the board of directors of Amalgamated CU, and the names of such persons or entities admitted to membership on this basis are identified as such in the records of Amalgamated CU; and
- (e) A person or entity who originally qualified for and became a member under paragraphs (a) or (b) above, and who no longer qualifies under paragraphs (a) or (b) above.

ARTICLE FIVE

DIRECTORS

5.1 Number:

The number of directors of Amalgamated CU shall be twelve (12).

5.2 First Directors:

The first directors shall be:

Name	Address	Occupation	Initial Term Expires*	Canadian Resident?
Robert Jankovic	306 Silledale Cres., Thunder Bay, ON P7C 1S6	CHRI/P, Health Care Administrator	2027	Y
Max Liedke	PO Box 1854, 1854-608 Highway 563, Batchawana Bay, ON P0A 1A0	CPA, SVP Finance	2027	Y
Daniel McCoy	2- 1212 Avenue Road Toronto, ON M5N 2G4	Lawyer	2027	Y
Janet McCutcheon	2613 King George's Park Drive, Rosslyn, ON P7k 0S3	Retired Pharmacist	2027	Y
Amber Aird-Williams	1982 West River Road, Cambridge, ON N1R 5S5	CPA, CFO	2028	Y
Colt Germain	115 Hilly Lake Road Kenora, ON P9N 3W8	CPA, Director of Finance	2028	Y
Kevin Squissato	612 Thornloe Dr., Thunder Bay, ON P7C 5L4	CPA, Director of Finance	2028	Y
Sue Klatt	613 Hopefield Road RR#2, Barry's Bay, ON K0J 1B0	CMO, Municipal CAO	2029	Y
Cameron Ross	604 B Line, Richards Landing, ON P0R 1J0	CRM, President & CEO – Mutual Insurance	2029	Y
Piyush Shukla	11 Atlas Street Sault Ste. Marie, ON P6A 4Z2	Enterprise Risk Manager	2029	Y
Rejean St-Amour	88 Beaumont Avenue, South Ste. Marie, ON P6C 6E7	IT Consultant	2029	Y
Chris Thorne	43 Eastmount Drive, Winnipeg, MB, R2N 3W7	CPA, Partner and Vice President	2029	Y

* "Initial Term Expires means that the named person's term of office expires at the annual general meeting of Amalgamated CU held in the calendar year listed above.

5.3 Subsequent Election:

The first directors aforesaid shall hold office until the annual general meeting of Amalgamated CU in the calendar year indicated in the table above, under the heading “Initial Term Expires”, or until their successor in office is elected by the membership of Amalgamated CU, whichever is later.

ARTICLE SIX

SHARE CAPITAL

6.1 Structure:

The classes and numbers of shares which Amalgamated CU is authorized to issue shall be:

- (a) An unlimited number of membership shares; and
- (b) An unlimited number of Class A Shares, of which there shall be one series (the “Class A Shares, Series 1”); and
- (c) An unlimited number of Class B Shares, of which there shall be one series (the “Class B Shares, Series 1”);

the rights, privileges, restrictions and conditions of which, as classes and series, are set forth in Schedule E hereto.

6.2 Restrictions on Issuance:

Membership Shares, Class A Shares and Class B shares may only be held by persons who are members pursuant to the terms and conditions prescribed in the bylaws of Amalgamated CU.

6.3 Restrictions on Transfer:

No membership share in the capital of Amalgamated CU shall be transferred except to Amalgamated CU or to another credit union. No Class A Share or Class B Share may be transferred except to another member of Amalgamated CU, and all such transfers require approval by a majority vote of the Board of Directors of Amalgamated CU.

ARTICLE SEVEN

SHARE CAPITAL CONVERSION

7.1 Conversion:

The issued shares of Northern and Copperfin shall be converted as set forth in this section:

- (a) Each issued and outstanding membership share in the capital of Copperfin outstanding as of the Effective Date shall be converted into one (1) membership share of Amalgamated CU until one (1) share has been converted for each such member, and any remaining such membership shares shall be converted into five dollars (\$5.00) in cash.
- (b) Each issued and outstanding membership share in the capital of Northern outstanding as of the Effective Date shall be converted into one (1) membership share of Amalgamated CU until one (1) share has been converted for each such member, and any remaining such membership shares shall be converted into five dollars (\$5.00) in cash.
- (c) Each issued and outstanding Class A Share, Series 1, in the capital of Northern outstanding as of the Effective Date shall be converted into one (1) Class A Share, Series 1, of Amalgamated CU.
- (d) Each issued and outstanding Class A Share, Series 1, in the capital of Copperfin outstanding as of the Effective Date shall be converted into one (1) Class A Share, Series 1, of Amalgamated CU.
- (e) Each issued and outstanding Class B Share, Series 98, in the capital of Northern outstanding as of the Effective Date shall be converted into one (1) Class B Share, Series 1, of Amalgamated CU.
- (f) Each issued and outstanding Class B Share, Series 2014, in the capital of Northern outstanding as of the Effective Date shall be converted into one (1) Class B Share, Series 1, of Amalgamated CU.
- (g) Each issued and outstanding Class B Share, Series 2015, in the capital of Northern outstanding as of the Effective Date shall be converted into one (1) Class B Share, Series 1, of Amalgamated CU.
- (h) Each issued and outstanding Class B Share, Series 2024, in the capital of Northern outstanding as of the Effective Date shall be converted into one (1) Class B Share,

Series 1, of Amalgamated CU.

7.2 Issuance:

All of the shares of Amalgamated CU to be issued in accordance with the foregoing shall be deemed to have been issued as fully-paid and non-assessable, and Amalgamated CU shall be deemed to have received the full consideration for the issue thereof.

ARTICLE EIGHT

HEAD OFFICE

8.1 Head Office Location:

The head office of Amalgamated CU shall be located at 280 McNabb Street, Sault Ste. Marie, ON, P6B 1Y6 until changed in accordance with the Act.

ARTICLE NINE

OPERATIONAL MATTERS

9.1 Bylaws:

The by-laws of Amalgamated CU shall be the by-laws appended hereto as Schedule F, until changed in accordance with the Act.

9.2 Audit Committee:

Amalgamated CU shall have an audit committee consisting of at least three members appointed by its board of directors from among their number. The first audit committee of Amalgamated CU will be appointed at the first meeting of Amalgamated CU's board of directors.

9.3 Auditor:

Amalgamated CU shall appoint KPMG LLP, Chartered Accountants, Licensed Public Accountants, to be Amalgamated CU's auditor, and shall change that auditor only as provided by the Act and Amalgamated CU's by-laws.

9.4 Employees:

Amalgamated CU will assume the obligations under all collective agreements entered into by Northern and Copperfin, and be bound by the employment obligations of Northern and Copperfin to any non-unionized employees. Amalgamated CU will recognize length of service of all such employees with Northern or Copperfin, as the case may be, and with Amalgamated CU for all issues within the Amalgamated CU for which length of service is relevant.

ARTICLE TEN

REPRESENTATIONS AND WARRANTIES

10.1 Northern's Representations and Warranties:

Northern represents and warrants that:

- (a) Northern is a credit union under the Act;
- (b) Northern has good and sufficient power, authority and right to enter into and deliver this Agreement;
- (c) Northern is the full legal and beneficial owner of the assets set forth on Schedule A, and will as of the Effective Time be the full legal and beneficial owner of those assets, and there are no encumbrances affecting any of such assets, except for the Northern Permitted Encumbrances;
- (d) Northern has provided to Copperfin the deeds to the real property it owns, known municipally as;

Arnprior	211 Madawaska Blvd, Arnprior K7S 1S6
Barry's Bay	19630 Opeongo Line West PO Box 1028 Barrys Bay ON K0J 1B0
Capreol	10 Vaughan Ave Po Box 688, Capreol ON P0M 1H0
Chesley	115 1st Avenue South PO Box 250 , Chesley N0G 1L0
Durham	118 Queen St Po Box 708 Durham N0G 1R0
Eganville	237 John Street PO Box 10 Eganville K0J 1T0
Englehart	6 Main St Po Box 40 Englehart P0J 1H0
Espanola	91 Centre St. Espanola P5E 1S4
Garson	3555 Falconbridge Hwy Po Box 359 Garson P3L 1S7
Hornepayne	84 Front St PO Box 160 Hornepayne P0M 1Z0
McNabb Street	280 McNabb St SSM P6A5N9

North Bay	525 Main Street East, North Bay P1B 1B7
Pembroke	432 Boundary Rd East Pembroke K8A 6L1
Red Rock	65 Salls St, Red Rock P0T 2P0
Second Line West	612 Second Line West, SSM P6C 2K7
Thessalon	186 Main Street, Thessalon P0R 1L0

- (e) other than matters which would be revealed by a search of title and tax certificates with respect to the properties referred to in paragraph (d) above, and in responses to standard inquiry correspondence from the zoning and building departments of the municipality having jurisdiction over those properties, it is not making any representation or warranty whatsoever regarding those properties;
- (f) there is no contract, option or any other right of another binding upon, or which at any time in the future may become binding upon, Northern to sell, transfer, assign, pledge, charge or mortgage, or in any other way dispose of or encumber, any of the assets set forth on Schedule A, other than pursuant to the provisions of this Agreement;
- (g) except for the offering of Class B Shares, Series 2024 currently underway, and for any declaration of share dividends in the ordinary course of business, there is no contract, option or any other right of another binding upon, or which at any time in the future may become binding upon, Northern to issue securities other than those securities identified as issued and outstanding on Schedule A;
- (h) to the best of its knowledge and belief, Northern is not in default, or in breach in any material respect, of any contract or other instrument to which it is a party or by which it may be bound, and there exists no state of facts which, after notice or passage of time, or both, would constitute such a default or breach;
- (i) Schedule A is a copy of the unaudited financial statements for Northern as at February 29 2024, which have been prepared in accordance with international financial reporting standards and on a basis consistent with that used in the preparation of Northern's audited financial statements as at December 31, 2023, which are attached hereto as Schedule B, and on that basis, fairly, completely and accurately present the financial position of Northern and the results of its operations as of that date;
- (j) there are no liabilities, whether direct, indirect, absolute, contingent or otherwise, that would have a material adverse effect on the business of Northern that are not disclosed or reflected in the financial statements set forth on Schedule A, except those incurred in the ordinary course of business since February 29, 2024, and as

set out on Schedule H;

- (k) as set out on Schedule I, Northern has disclosed to Copperfin each contract or obligation of Northern, excluding members' deposits in Northern, that could cause Amalgamated CU to incur an obligation in an amount in excess of one-half of one percent of Northern's total assets as at February 29, 2024;
- (l) since February 29, 2024:
 - (i) there has not been a material adverse change in the financial position or condition of Northern, or any damage, loss or other change in circumstance materially affecting the business or assets of Northern or the right or capacity of Northern to carry on its business or to own its assets;
 - (ii) Northern has not waived or surrendered any right of material value; and
 - (iii) Northern has not discharged or satisfied or paid any dividend, lien, charge, encumbrance, obligation or liability other than its current liabilities in the ordinary course of business;
- (m) Northern's authorized, issued and outstanding capital is as set out in the recitals to this Agreement;
- (n) except as set out on Schedule J, to the best of the information of Northern, there are no actions, suits, judgments, investigations or proceedings outstanding against Northern that would materially adversely affect any of the business or assets of Northern, and Northern is not in receipt of any demand that is anticipated to result in any such actions, suits, judgements, investigations or proceedings;
- (o) it has paid, to the trustee for the registered pension plan for the benefit of its employees, all required employer contributions to said registered pension plan, and withheld from the wages due to its employees and paid to the trustee of said registered pension plan all required employee contributions to said registered pension plan for the benefit of its employees;
- (p) Northern has paid all required employer contributions and premiums under its benefit plans for its employees and retirees, and such plans have no unfunded liabilities; and
- (q) this Agreement has been duly authorized, executed and delivered by Northern, and is a valid and binding obligation of Northern enforceable against Northern in accordance with its terms.

10.2 Copperfin's Representations and Warranties:

Copperfin represents and warrants that:

- (a) Copperfin is a credit union under the Act;
- (b) Copperfin has good and sufficient power, authority and right to enter into and deliver this Agreement;
- (c) Copperfin is the full legal and beneficial owner of the assets set forth on Schedule C, and will as of the Effective Time be the full legal and beneficial owner of those assets, and there are no encumbrances affecting any of such assets, except for the Copperfin Permitted Encumbrances;
- (d) Copperfin has provided to Northern the deed to the real property it owns, known municipally as;

Kenora	346 2nd St S, Kenora, ON P9N 1G5
Sioux Narrows	5713 Highway 71, Sioux Narrows, Ontario P0X 1N0
Thunder Bay	318 Syndicate Ave S, Thunder Bay, ON P7E 1E3
Kenora	118 Villeneuve Road South, Kenora, ON P9N 0B9

- (e) other than matters which would be revealed by a search of its title and tax certificates with respect to the properties referred to in paragraph (d) above, and in responses to standard inquiry correspondence from the zoning and building departments of the municipality having jurisdiction over those properties, it is not making any representation or warranty whatsoever regarding those properties;
- (f) there is no contract, option or any other right of another binding upon, or which at any time in the future may become binding upon, Copperfin to sell, transfer, assign, pledge, charge or mortgage, or in any other way dispose of or encumber any of the assets set forth on Schedule C, other than pursuant to the provisions of this Agreement;
- (g) except for any declaration of share dividends in the ordinary course of business, there is no contract, option or any other right of another binding upon, or which at any time in the future may become binding upon, Copperfin to issue securities other than those securities identified as issued and outstanding on Schedule C;
- (h) to the best of its knowledge and belief, Copperfin is not in default, or in breach in any material respect, of any contract or other instrument to which it is a party or by which it may be bound, and there exists no state of facts which, after notice or

passage of time, or both, would constitute such a default or breach;

- (i) Schedule C is a copy of the unaudited financial statements for Copperfin for the period ending February 29, 2024, which have been prepared in accordance with international financial reporting standards and on a basis consistent with that used in the preparation of Copperfin's audited financial statements as at December 31, 2023, which are attached hereto as Schedule D, and on that basis, fairly, completely and accurately present the financial position of Copperfin and the results of its operations as of that date;
- (j) there are no liabilities, whether direct, indirect, absolute, contingent or otherwise, that would have a material adverse effect on the business of Copperfin that are not disclosed or reflected in the financial statements set forth on Schedule C, except those incurred in the ordinary course of business since February 29, 2024, and as set out on Schedule L;
- (k) as set out on Schedule M, Copperfin has disclosed to Northern each contract or obligation of Copperfin, excluding members' deposits in Copperfin, that could cause Amalgamated CU to incur an obligation in an amount in excess of one half of one per cent of Copperfin's total assets as at February 29, 2024;
- (l) since February 29, 2024:
 - (i) there has not been a material adverse change in the financial position or condition of Copperfin, or any damage, loss or other change in circumstance materially affecting the business or assets of Copperfin or the right or capacity of Copperfin to carry on its business or to own its assets;
 - (ii) Copperfin has not waived or surrendered any right of material value; and
 - (iii) Copperfin has not discharged or satisfied or paid any dividend, lien, charge, encumbrance, obligation or liability other than its current liabilities in the ordinary course of business;
- (m) Copperfin's authorized, issued and outstanding capital is as set out in the recitals to this Agreement;
- (n) except as set out on Schedule N, to the best of the information of Copperfin, there are no actions, suits, judgments, investigations or proceedings outstanding against Copperfin that would materially adversely affect any of the business or assets of Copperfin, and Copperfin is not in receipt of any demand that is anticipated to result in any such action, suit, judgement, investigation or proceeding;

- (o) it has paid, to the trustee for the group registered retirement savings plan for the benefit of its employees, all required employer contributions to said registered retirement savings plan, and withheld from the wages due to its employees and paid to said registered retirement savings plan all required employee contributions to said registered retirement savings plan for the benefit of its employees;
- (p) Copperfin has paid all required employer contributions and premiums under its benefit plans for its employees and retirees, and such plans have no unfunded liabilities; and
- (q) this Agreement has been duly authorized, executed and delivered by Copperfin, and is a valid and binding obligation of Copperfin enforceable against Copperfin in accordance with its terms.

10.3 Survival of Warranties:

All representations and warranties contained in this Agreement shall survive completion of the transaction contemplated herein on the Effective Time, and, notwithstanding such completion, shall continue in full force and effect for a period of two years from the Effective Time.

ARTICLE ELEVEN

COVENANTS

11.1 Approvals:

Each party agrees to:

- (i) in co-operation with the other party, seek the approval of this Agreement by the Chief Executive Officer, by filing the agreement with him within one month after the date hereof;
- (ii) within thirty days after the date of the approval of this Agreement by the Superintendent, seek approval of this Agreement by special resolution of its members, as contemplated by section 250 of the Act; and
- (iii) proceed, upon receipt of the required approval of this Agreement by its members and shareholders, with all due diligence and in co-operation with the other party, to obtain a Certificate of Amalgamation from the Chief Executive Officer as of the Effective Date, completing the transaction contemplated hereby.

11.2 Ordinary Course of Business:

Each of the parties hereto agrees, unless otherwise approved in writing by the other party or as specifically permitted by this section, to carry on business in the ordinary course consistent with past practice from the date hereof until the Effective Time, and, in particular, but without limiting the generality of the foregoing, shall not amalgamate, merge or consolidate with, or agree to amalgamate, merge or consolidate with, or purchase or agree to purchase all or substantially all of the assets of, or otherwise acquire, any corporation, partnership or other business organization or division thereof. Each party agrees that it shall:

- (a) strictly adhere to its respective investment and lending policies and procedures as of the date hereof; and
- (b) not dispose of or acquire assets, assume liabilities or enter into any agreements or transactions outside of the ordinary course of business, which would create an obligation in excess of \$50,000 without the prior written consent of the other party.

11.3 Access to Books and Records:

Each of the parties hereto agrees to permit the other party and its representatives, without interference with the ordinary conduct of the party's business, to have free and unrestricted access during normal business hours to its premises and to all of its books and records, and to the properties and assets used by it to conduct its business, and shall furnish to the other party such financial and operating data, and other information with respect to its business, assets and liabilities, as the other party may reasonably request.

11.4 Confidentiality:

Each of the parties will, and will cause its employees, officers, directors, shareholders, outside advisors, agents and representatives to, treat any data and information obtained with respect to the other party from any representative, officer, director or employee of the other party, or from any books or records of the other party, confidentially and with commercially reasonable care and discretion, and will not disclose any such information to third parties; provided, however, that the foregoing shall not apply to:

- (i) information in the public domain or that becomes public through disclosure by any party other than the recipient of the said confidential information or its representatives, so long as such other party is not in breach of a confidentiality obligation;
- (ii) information that is required to be disclosed by applicable law; and
- (iii) information disclosed by one of the parties or its representatives on a confidential

basis to any of its respective agents, accountants and attorneys in connection with or related to the consummation of the transaction contemplated hereby.

The parties agree that, in the event that one of them is required to bring an action to enforce the provisions of this section 11.4, the damage to the non-disclosing party by the disclosure is irreparable to the non-disclosing party and such party is entitled to relief, including an injunction or preliminary injunction, in addition to other relief.

11.5 Legal and Other Costs:

Jointly authorized legal fees, disbursements and any other fees or disbursements that may be jointly authorized by the management of both Northern and Copperfin shall be shared by Northern as to 50% of such expenses and by Copperfin as to 50% of those expenses. All other fees shall be the sole responsibility of the party authorizing them.

11.6 Public Notices:

It is agreed that Northern and Copperfin may issue a joint press release announcing the entering into of this Agreement. Any press release or public communication shall be subject to the approval of the parties' respective chief executive officers and board chairs, or their respective delegates. No other announcements shall be made by a party without the prior written consent of the other.

ARTICLE TWELVE

CONDITIONS FOR CLOSING

12.1 Conditions for the Benefit of Northern:

The obligation of Northern to complete the amalgamation pursuant to this Agreement is subject to the satisfaction of, or compliance with, at or prior to completion of the amalgamation at the Effective Time, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of Northern):

- (a) Northern shall be satisfied, in its sole and absolute discretion, with the contents and condition of Copperfin's books and records, and the quality of Copperfin's assets, including, without limitation, the state of Copperfin's title to the properties owned by Copperfin and set out in section 10.2(d) hereof, and its inquiries of the tax, zoning and building departments having jurisdiction over those properties. For greater clarity, the parties hereto agree that, other than the title and responses to standard tax certificate, zoning and building department searches noted above, this amalgamation shall proceed on an "as is, where is" basis with respect to real property owned by Copperfin;

- (b) Northern shall have been provided with a direction to all tenants in the properties owned by Copperfin regarding their payments of future rents, as directed by Copperfin;
- (c) Northern shall have been provided with tenant acknowledgements from all tenants in the properties owned by Copperfin, in a form satisfactory to Northern and its solicitor;
- (d) Copperfin shall have resolved, to the satisfaction of Northern in its sole and absolute discretion, the issues with the title to the property it currently owns at 118 Villeneuve, Kenora;
- (e) Copperfin shall have obtained a declaration from each director that it has appointed to the Board of Directors of Amalgamated CU that the relevant director intends, as of the date of the declaration, to cause Amalgamated CU, after the Closing Date, to:
 - (i) Employ the former employees of both Copperfin and Northern on terms and conditions no less favourable than those of their employment by Copperfin or Northern, as appropriate, provided that Amalgamated CU may change the role of any employee and that said employees, at a minimum, continue throughout that period to meet or exceed Amalgamated CU's performance standards as they exist from time to time;
 - (ii) Treat said employees fairly and equitably, and offer each such employees access to training and professional development activities comparable to those given to any other employee;
 - (iii) Provide said employees with training and adaptation support to assist them in integrating into their employment by Amalgamated CU;
 - (iv) Provide any such employee who is not meeting reasonable performance standards with encouragement, constructive feedback, and a performance improvement plan designed to give such Employee a reasonable opportunity to improve his or her performance to acceptable standards;
 - (v) To appoint the current chief executive officers of both Northern and Copperfin as co-chief executive officers of Amalgamated Credit Union;
- (f) the representations and warranties of Copperfin made in or pursuant to this Agreement shall be true and correct in all material respects at the Effective Time, with the same force and effect as if made at and as of the Effective Time;
- (g) the covenants contained in this Agreement to be performed by Copperfin at or prior to the Effective Time shall have been performed in all material respects;

- (h) Copperfin shall not be materially in breach of any provision of this Agreement;
- (i) all documents relating to the authorization and completion of the transactions contemplated by this Agreement, and all actions and proceedings taken at or prior to the Effective Time in connection with the performance by Copperfin of its obligations under this Agreement, shall be satisfactory to Northern, and Northern shall have received copies of all such documents and evidence that all such actions and proceedings have been taken as it may reasonably request;
- (j) this Agreement shall have been approved by the Chief Executive Officer;
- (k) this Agreement shall have been confirmed, without variation, by a special resolution of the members and shareholders of both Copperfin and also Northern, entitled to vote thereon in accordance with the Act;
- (l) The parties shall have obtained the Competition Act Approval; and
- (m) the Chief Executive Officer shall have issued a Certificate of Amalgamation for Amalgamated CU.

12.2 Conditions for the Benefit of Copperfin:

The obligation of Copperfin to complete the amalgamation pursuant to this Agreement is subject to the satisfaction of, or compliance with, at or prior to completion of the amalgamation at the Effective Time, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of Copperfin):

- (a) Copperfin shall be satisfied, in its sole and absolute discretion, with the contents and condition of Northern's books and records, and the quality of Northern's assets, including, without limitation, the state of Northern's title to the property owned by Northern and set out in section 10.1(d) hereof, and its inquiries of the tax, zoning and building departments having jurisdiction over those properties. For greater clarity, the parties hereto agree that, other than the title and responses to standard tax certificate, zoning and building department searches noted above, this amalgamation shall proceed on an "as is, where is" basis with respect to real property owned by Northern;
- (b) Northern shall have obtained a declaration from each director that it has appointed to the Board of Directors of Amalgamated CU that the relevant director intends, as of the date of the declaration, to cause Amalgamated CU, after the Closing Date, to:

- (i) Employ the former employees of both Copperfin and Northern on terms and conditions no less favourable than those of their employment by Copperfin or Northern, as appropriate, provided that Amalgamated CU may change the role of any employee and that said employees, at a minimum, continue throughout that period to meet or exceed Amalgamated CU's performance standards as they exist from time to time;
 - (ii) Treat said employees fairly and equitably, and offer each such employees access to training and professional development activities comparable to those given to any other employee;
 - (iii) Provide said employees with training and adaptation support to assist them in integrating into their employment by Amalgamated CU;
 - (iv) Provide any such employee who is not meeting reasonable performance standards with encouragement, constructive feedback, and a performance improvement plan designed to give such Employee a reasonable opportunity to improve his or her performance to acceptable standards; and
 - (v) To appoint the current chief executive officers of both Northern and Copperfin as co-chief executive officers of Amalgamated Credit Union;
- (c) the representations and warranties of Northern made in or pursuant to this Agreement shall be true and correct in all material respects at the Effective Time, with the same force and effect as if made at and as of the Effective Time;
- (d) the covenants contained in this Agreement to be performed by Northern at or prior to the Effective Time shall have been performed in all material respects;
- (e) Northern shall not be materially in breach of any provision of this Agreement;
- (f) all documents relating to the authorization and completion of the transactions contemplated by this Agreement, and all actions and proceedings taken at or prior to the Effective Time in connection with the performance by Northern of its obligations under this Agreement, shall be satisfactory to Copperfin, and Copperfin shall have received copies of all such documents and evidence that all such actions and proceedings have been taken as it may reasonably request;
- (g) this Agreement shall have been approved by the Chief Executive Officer;
- (h) this Agreement shall have been confirmed, without variation, by a special resolution of the members and shareholders of both Copperfin and also Northern, entitled to vote thereon in accordance with the Act;

- (i) The parties shall have obtained the Competition Act Approval; and
- (j) the Chief Executive Officer shall have issued a Certificate of Amalgamation for Amalgamated CU.

ARTICLE THIRTEEN

INDEMNIFICATION

13.1 Indemnification:

The parties hereby covenant and agree with each other to indemnify and save each other harmless from and against any claims, demands, actions, causes of action, damage, loss, costs, liability or expense (“Claims”) which may be made or brought against the other party, or which the other party may suffer or incur, as a result of, in respect of, or arising out of any non-fulfilment of any covenant or agreement on the part of a party under this Agreement, or any incorrectness in, or breach of, any representation or warranty of a party contained in this Agreement or in any certificate or other document furnished by one party to the other pursuant to this Agreement. The foregoing indemnification in respect of such Claims shall be subject to:

- (a) the limitation mentioned in section 10.3 respecting the survival of the representations and warranties of the parties; and
- (b) the requirement that an indemnifying party shall, in respect of any Claim made by any third party, be afforded an opportunity, at its sole expense, to resist, defend and compromise the same.

ARTICLE FOURTEEN

GENERAL

14.1 Entire Agreement:

This Agreement, including the schedules attached hereto, constitutes the entire agreement between the parties. There are no warranties, conditions or representations (including any that may be implied by statute), and there are no agreements in connection with such subject matter, except as specifically set forth or referred to in this Agreement.

14.2 Waivers:

Except as expressly provided in this Agreement, no amendment or waiver of this Agreement shall be binding unless executed in writing by the party to be bound thereby. No waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

14.3 Notice:

Any notice herein contemplated, provided or permitted to be given shall be in writing and shall be effectively given if delivered by electronic mail addressed to:

Northern:

Northern Credit Union Limited

Attention: Richard Adam, President & CEO

Email: Richard.adam@northerncu.com

Copperfin:

Copperfin Credit Union Limited

Attention: Dennis Alvestad, CEO

Email: Dalvestad@copperfin.ca

14.4 Assignment:

Neither this Agreement, nor any rights or obligations under this Agreement, shall be assignable by either party without the prior written consent of the other party. Subject thereto, this Agreement shall enure to the benefit of and be binding upon the parties and their respective successors and permitted assigns.

14.5 Further Assurances:

The parties shall, with reasonable diligence, do all such things, and provide all such reasonable assurances, as may be required to consummate the transaction contemplated by this Agreement, and each party shall provide such further documents or instruments required by any other party as may be reasonably necessary or desirable to effect the


purpose of this Agreement and carry out its provisions, whether before or after the Effective Time.


14.6 Governing Law:

This Agreement shall be construed and interpreted in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein, and the Parties hereby irrevocably attorn to the jurisdiction of the courts of the Province of Ontario.


IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first above written.

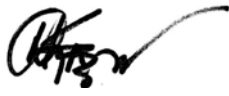
NORTHERN CREDIT UNION LIMITED

By: 
Name: Richard Adam
Title: President & CEO

By: 
Name: Tammy Buchanan (c/s)
Title: Chief Financial Officer

COPPERFIN CREDIT UNION LIMITED

By: 
Name: Dennis Alvestad
Title: President & CEO

By: 
Name: Allison Kasper (c/s)
Title: Senior Vice-President Corporate Risk & Corporate Secretary

SCHEDULE A

UNAUDITED FINANCIAL STATEMENTS OF NORTHERN AS AT FEBRUARY 29, 2024

Statement of Financial Position As at February 29, 2024

Assets

Cash and cash equivalents	40,067
Investments	141,072
Derivative financial instruments	1,404
Loans to members	1,623,597
Other assets	5,596
Deferred income taxes	2,444
Right of use assets	1,398
Property and equipment	9,897
Intangible assets	165

Total assets 1,825,640

Liabilities and Members' Equity

Members' deposits	1,543,071
Accounts payable and accrued liabilities	3,931
Derivative financial instruments	1,404
Lease liabilities	1,446
Securitized liabilities	168,054
Liabilities qualifying as regulatory capital	26,752

Total liabilities 1,744,658

Members' Equity

Contributed surplus	19,134
Retained Earnings	57,873
Accumulated other comprehensive income	3,975

Total members equity 80,982

Total liabilities and members' equity 1,825,640

Statement of Income
As at February 29, 2024

Revenue:	
Interest - residential mortgage loans	6,786
personal loans	2,907
commercial loans	2,371
Investment Income	1,039
	<hr/>
	13,103
Cost of financing	
Interest - demand deposits	1,020
term deposits	2,613
registered savings plans	2,671
Distribution to members	242
Interest on external borrowings	977
	<hr/>
	7,523
Net Interest income	5,580
Impairment loss on loans	39
	<hr/>
Net interest income after impairment loss on loans	5,541
Non-interest revenue	1,872
	<hr/>
	7,413
Operating expenses:	
Salaries, wages and benefits	3,297
Board and committee	41
Data Processing and clearing	197
General and administration	2,104
Insurance	324
Occupancy	492
Depreciation and amortization	251
Total	<hr/>
	6,706
Income before tax	707
Income taxes	156
Net Income	551
Other Comprehensive Income	(185)
Comprehensive income	366

SCHEDULE B

AUDITED FINANCIAL STATEMENTS OF NORTHERN AS AT DECEMBER 31, 2023

Statement of Financial Position.

Year ended December 31, 2023, with comparative information for 2022.

In thousands of Canadian dollars	2023	2022
Assets:		
Cash and cash equivalents Investments	\$ 39,749	\$ 49,325
Derivative financial instruments Loans to members	135,680	131,605
Other assets	1,329	3,255
Deferred income taxes	1,629,978	1,619,228
Right-of-use assets	8,110	6,875
Property and equipment Intangible assets	2,444	2,289
	1,424	2,119
	10,086	11,150
	184	296
Total assets	\$ 1,828,984	\$ 1,826,142
Liabilities and Members' Equity: Members' deposits	\$ 1,536,978	\$ 1,532,369
Accounts payable and accrued liabilities	8,291	6,500
Derivative financial instruments	1,329	3,255
Lease liabilities	1,474	2,177
Securitized liabilities	173,405	178,884
Liabilities qualifying as regulatory capital:		
Share capital	26,893	28,270
Total liabilities	1,748,370	1,751,455
Members' equity:		
Contributed surplus	19,134	19,134
Retained earnings	57,321	52,494
Accumulated other comprehensive income	4,159	3,059
Total members' equity	80,614	74,687
Total liabilities and members' equity	\$ 1,828,984	\$ 1,826,142

Statement of Income.

Year ended December 31, 2023, with comparative information for 2022.

In thousands of Canadian dollars	2023	2022
Revenue:		
Interest		
– Residential mortgage loans	\$ 37,709	\$ 29,126
– Personal loans	17,312	15,210
– Commercial loans	13,840	12,797
Investment income	6,157	1,889
	75,018	59,022
Cost of financing:		
Interest		
– Demand deposits	5,999	3,435
– Term deposits	13,518	6,843
– Registered savings plans	13,709	7,257
Distribution to members	1,328	1,182
Interest on external borrowings	5,689	4,394
	40,243	23,111
Net interest income	34,775	35,911
Impairment loss on loans	2,280	3,109
Net interest income after impairment loss on loans	32,495	32,802
Non-interest revenue	12,197	13,876
	44,692	46,678
Operating expenses:		
Salaries, wages and benefits	18,129	17,037
Board and committee	354	344
Data processing and clearing	1,179	1,079
General and administration	13,454	12,403
Insurance	1,893	1,828
Occupancy	2,720	2,715
Depreciation and amortization	1,538	2,499
	39,267	37,905
Income before income taxes	5,425	8,773
Income taxes (recovery):		
Current	1,149	2,060
Deferred (recovery)	(551)	(402)
	598	1,658
Net income	\$ 4,827	\$ 7,115

SCHEDULE C

UNAUDITED FINANCIAL STATEMENTS OF COPPERFIN AS OF FEBRUARY 29, 2024

Copperfin Credit Union | Consolidated Balance Sheet | February 2024

	Current Feb 2024	Budgeted Feb 2024	\$ Variance	Prior Month Jan 2024	\$ Variance	Prior Feb 2023	\$ Variance	Projected Dec 2024	Budgeted Dec 2024
Assets									
Cash Resources	8,076,386	27,199,343	-19,122,957	8,590,262	-513,876	20,229,758	-12,153,372	56,516,581	50,623,621
Investments	41,879,111	45,793,844	-3,914,732	46,398,990	-4,519,879	38,451,722	3,427,389	29,581,845	33,724,892
Loans to Members									
Mortgages	330,801,100	334,916,862	-4,115,762	329,739,634	1,061,466	315,954,667	14,846,433	346,096,728	348,556,579
Personal Loans	27,884,845	28,213,543	-328,699	27,863,091	21,754	29,168,699	-1,283,854	27,489,244	28,152,873
Commercial Loans	126,113,216	123,651,142	2,462,073	126,484,836	-371,620	118,217,294	7,895,921	130,784,028	127,923,848
	484,799,160	486,781,548	-1,982,387	484,087,561	711,599	463,340,660	21,458,500	504,370,000	504,633,301
Allowance for impaired loans	-1,692,685	-1,809,141	116,456	-1,687,886	-4,799	-1,673,737	-18,948	-2,241,296	-2,213,560
Net Loans	483,106,476	484,972,406	-1,865,931	482,399,675	706,800	461,666,923	21,439,552	502,128,704	502,419,741
Other Assets									
Accrued interest receivable	1,343,861	1,031,057	312,805	1,414,487	-70,626	996,920	346,941	957,935	982,869
Prepays, taxes, derivatives and receivables	1,841,454	1,718,658	122,796	1,891,935	-50,482	1,732,683	108,771	1,738,900	1,738,900
Capital assets	5,180,354	4,986,084	194,269	5,221,488	-41,133	5,778,730	-598,378	4,342,466	4,342,466
	8,365,669	7,735,799	629,870	8,527,910	-162,241	8,508,333	-142,665	7,039,301	7,064,235
Total Assets	541,427,642	565,701,392	-24,273,750	545,916,838	-4,489,195	528,856,737	12,570,904	595,266,431	593,832,489
Liabilities and Members' Equity									
Borrowings and Securitization	13,072,935	14,432,483	-1,359,549	13,803,616	-730,681	15,094,998	-2,022,063	16,890,030	16,890,030
Accounts payable, derivatives and liabilities	2,556,894	3,120,396	-563,502	2,490,376	66,519	2,841,925	-285,030	3,120,396	3,120,396
	15,629,829	17,552,879	-1,923,050	16,293,992	-664,163	17,936,922	-2,307,093	20,010,426	20,010,426
Members' Entitlements									
Demand deposits	296,943,050	323,880,752	-26,937,702	302,716,796	-5,773,745	309,984,293	-13,041,243	326,032,761	329,352,481
Term deposits	73,130,391	71,191,650	1,938,740	73,028,002	102,389	61,136,205	11,994,185	82,746,783	81,945,238
Registered deposits	105,846,503	103,179,721	2,666,782	104,184,328	1,662,176	95,251,083	10,595,421	113,992,632	109,772,226
Accrued interest and dividends payable	2,939,939	2,676,973	262,966	3,020,649	-80,710	1,703,977	1,235,961	2,736,013	2,736,013
Share capital	1,453,452	1,458,774	-5,321	1,456,424	-2,972	1,497,731	-44,279	1,439,385	1,439,385
	480,313,335	502,387,869	-22,074,535	484,406,197	-4,092,862	469,573,289	10,740,045	526,947,573	525,245,342
Undivided Earnings	45,484,478	45,760,643	-276,165	45,216,649	267,829	41,346,525	4,137,953	48,308,432	48,576,720
Total Liabilities	541,427,642	565,701,392	-24,273,750	545,916,839	-4,489,196	528,856,737	12,570,905	595,266,431	593,832,489

Copperfin Credit Union | Consolidated Statement of Operations | February 2024

	Budgeted	Variance	Current	Budgeted	Variance		Variance			
	Current Mo	Current Mo	Impact on	YTD	YTD	Impact on	Prior YTD	Impact on	Budgeted	Projected
	Feb 2024	Feb 2024	Net Inc	Feb 2024	Feb 2024	Net Inc	Feb 2023	Net Inc	Dec 2024	Dec 2024
Revenue										
Interest on mortgage loans	1,171,676	1,190,380	-18,704	2,409,933	2,448,032	-38,099	1,904,739	505,194	15,605,260	15,654,112
Interest on personal loans	243,119	242,894	225	503,827	502,646	1,182	501,382	2,445	2,964,529	2,980,777
Interest on commercial loans and mortgages	649,404	612,650	36,755	1,325,981	1,266,540	59,441	1,083,862	242,119	7,980,081	8,408,976
Investment income	134,614	236,147	-101,532	338,315	488,704	-150,389	399,663	-61,348	2,890,363	2,737,780
	<u>2,198,814</u>	<u>2,282,070</u>	<u>-83,256</u>	<u>4,578,055</u>	<u>4,705,921</u>	<u>-127,865</u>	<u>3,889,645</u>	<u>688,410</u>	<u>29,440,234</u>	<u>29,781,646</u>
Interest Expense										
Borrowing Interest	45,146	40,008	-5,137	95,659	82,094	-13,565	89,837	-5,822	611,734	635,007
Demand deposits	193,430	212,164	18,734	475,079	419,488	-55,591	447,445	-27,634	2,650,542	2,700,027
Term deposits	258,442	252,642	-5,800	524,121	515,575	-8,545	291,480	-232,641	3,563,086	3,684,890
Registered deposits	290,565	287,522	-3,043	586,534	583,903	-2,630	351,136	-235,397	3,885,887	4,083,301
	<u>787,583</u>	<u>792,336</u>	<u>4,753</u>	<u>1,681,391</u>	<u>1,601,060</u>	<u>-80,331</u>	<u>1,179,898</u>	<u>-501,493</u>	<u>10,711,249</u>	<u>11,103,226</u>
Net Interest Income (Financial Margin)	<u>1,411,231</u>	<u>1,489,734</u>	<u>-78,503</u>	<u>2,896,664</u>	<u>3,104,860</u>	<u>-208,196</u>	<u>2,709,747</u>	<u>186,917</u>	<u>18,728,985</u>	<u>18,678,420</u>
Non-interest Income	<u>252,619</u>	<u>227,704</u>	<u>24,915</u>	<u>531,701</u>	<u>504,367</u>	<u>27,335</u>	<u>488,438</u>	<u>43,263</u>	<u>3,168,928</u>	<u>3,196,263</u>
Non-interest expenses										
Personnel	559,052	663,153	104,101	1,262,330	1,373,907	111,577	1,231,593	-30,737	8,826,529	8,714,952
Occupancy	123,735	108,026	-15,709	211,208	198,457	-12,751	192,520	-18,688	1,169,103	1,181,855
General Business	519,505	513,479	-6,026	741,051	1,049,642	308,592	763,137	22,086	6,155,073	6,047,021
Loan Loss Provisions	-492	49,767	50,258	-85,779	100,012	185,791	29,386	115,165	905,229	826,889
	<u>1,201,800</u>	<u>1,334,425</u>	<u>132,625</u>	<u>2,128,811</u>	<u>2,722,019</u>	<u>593,208</u>	<u>2,216,636</u>	<u>87,826</u>	<u>17,055,934</u>	<u>16,770,717</u>
Income before Dividends, Taxes and Other	<u>462,050</u>	<u>383,013</u>	<u>79,037</u>	<u>1,299,555</u>	<u>887,208</u>	<u>412,347</u>	<u>981,549</u>	<u>318,006</u>	<u>4,841,978</u>	<u>5,103,966</u>
Dividends	0	0	0	0	0	0	0	0	200,000	200,000
Income Taxes	114,675	95,753	-18,922	314,051	221,802	-92,249	245,387	-68,664	1,160,495	1,215,154
Net Income	<u>347,375</u>	<u>287,259</u>	<u>60,115</u>	<u>985,504</u>	<u>665,406</u>	<u>320,098</u>	<u>736,162</u>	<u>249,342</u>	<u>3,481,484</u>	<u>3,688,812</u>

SCHEDULE D

AUDITED FINANCIAL STATEMENTS OF COPPERFIN AS OF DECEMBER 31, 2023

	2023	2022
Interest revenue		
Interest on member loans	\$ 23,249,879	\$ 18,573,486
Other interest revenue	3,034,307	1,401,808
Total interest revenue	26,284,186	19,975,294
Interest and loan related expenses		
Interest on members' deposits	7,964,466	3,126,439
Other interest expense	700,491	819,858
Impairment on member loans (Note 4)	445,990	221,575
Total interest and loan related expenses	9,110,947	4,167,872
Financial margin	17,173,239	15,807,422
Other income (Note 15)	3,264,300	3,641,819
	20,437,539	19,449,241
Non interest and operating expenses		
Deposit insurance	376,182	364,253
Depreciation and amortization	759,257	851,682
Director and committee expense	140,958	163,940
Distributions to members (Note 6)	300,000	300,000
Employee salaries and benefits	7,896,657	7,552,164
Other operating and administrative	5,556,997	4,299,584
Lease costs	101,980	86,184
Occupancy	567,912	539,115
Total non-interest expenses	15,699,943	14,156,922
Income before income taxes	4,737,596	5,292,319
Provision (recovery) for income taxes (Note 16)		
Current income tax	1,355,927	1,435,341
Deferred income tax (recovery)	(125,000)	(207,000)
Net provision for income taxes	1,230,927	1,228,341
Net income before other comprehensive income	3,506,669	4,063,978
Other comprehensive income (net of tax)		
Change in unrealized gain (losses) on available-for-sale investments	429,858	(525,790)
Total comprehensive income	\$3,936,527	\$3,538,188

	2023	2022
Assets		
Cash	\$ 23,200,831	\$ 47,598,727
Investments - Deposits (Note 8)	50,112,142	45,088,972
Investments - Other (Note 12)	1,004,215	1,013,200
Other assets	615,798	901,699
Derivative financial instruments (Note 5, 10)	16,547	28,766
Member loans (Note 4)	481,007,451	460,616,764
Deferred income tax asset (Note 16)	838,000	713,000
Property, plant and equipment (Note 18)	5,243,748	5,736,909
Intangible assets (Note 18)	20,590	145,589
Total Assets	\$ 562,059,322	\$ 561,843,626
Liabilities		
Accounts payable and accrued liabilities	\$ 1,959,718	\$ 1,774,431
Income taxes payable	1,020,325	700,242
Members' deposits (Note 5)	498,226,111	500,457,846
Securitized mortgages under administration (Note 11)	14,294,302	16,156,191
Lease liability (Note 19)	332,335	468,582
Derivative financial instruments (Note 10)	173,518	125,019
Total Liabilities	516,006,309	519,682,311
Members' Equity		
Members' shares (Note 6)	1,462,415	1,507,244
Retained earnings	44,686,530	41,179,861
Accumulated other comprehensive loss	(95,932)	(525,790)
Total Members' Equity	46,053,013	42,161,315
	\$ 562,059,322	\$ 561,843,626

SCHEDULE E

AMALGAMATED CU SHARE TERMS AND CONDITIONS

1. The classes and any maximum number of shares that the Credit Union is authorized to issue are:
 - (a) An unlimited number of Membership Shares;
 - (b) An unlimited number of Class A Special Shares, issuable in series;
 - (c) An unlimited number of Class A Special Shares, Series 1;
 - (d) An unlimited number of Class B Special Shares, issuable in series; and
 - (e) An unlimited number of Class B Special Shares, Series 1.

2. The rights, privileges, restrictions and conditions attaching to each class and series of shares are:

- (a) **Definitions**

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

“**Act**” shall mean the *Credit Unions and Caisses Populaires Act, 2020*, S.O. 2020, c. 36, Sched. 7, and its associated regulations, guidelines and rules, as now enacted or as the same may from time to time be amended, re-enacted or replaced.

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

“**Credit Union**” means Amaalgamated Credit Union Limited.

“**Redemption Amount**” shall mean the Redemption Price, plus all declared and unpaid dividends thereon.

“**Redemption Date**” shall mean the Business Day on which the Credit Union redeems any share of any class or series.

“**Redemption Price**” shall mean an amount for each share, equal to the amount paid up thereon.

- (b) **Other Defined Terms**

Any words or phrases used in these articles which are not specifically defined herein shall

have attributed to them the meaning given to such words 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 succeeding date that is a Business Day.

3. Membership Shares: The rights, privileges, restrictions, and conditions attaching to the Membership Shares are:

- (a) Payment of Dividends: The holders of the Membership Shares shall be entitled to receive dividends in cash or in the form of Class A Special Shares, Series 1, as and when declared by the board of directors of the Credit Union out of the assets of the Credit Union properly applicable to the payment of dividends, in such amount and payable at such times and at such place or places in Canada as the board of directors may from time to time determine. Subject to the rights of the holders of Class A and B Special Shares, which are entitled to receive dividends in priority to the Membership Shares, the board of directors may in their sole discretion declare dividends on the Membership Shares.
- (b) 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 or shareholders for the purpose of winding-up its affairs, and after the payment of all debts and liabilities, including any dividends declared and not paid, and the purchase for cancellation or redemption of all outstanding shares, the 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: The holders of the 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 section 54 of the Act, the Credit Union shall redeem Membership Shares when a member withdraws or is expelled from the Credit Union. Upon expulsion from membership, the Credit Union shall, after deduction of all amounts due from the member, forthwith pay to anyone so removed from membership, in cash or by cheque, the Redemption Amount for each such share redeemed. In the case of a withdrawal from membership, payment shall be made within ninety days of his giving notice of his intention to withdraw.

(e) **Redemption on Reduction of Membership Share Requirement:**

Subject to the Act and Regulations, the Credit Union may, upon giving notice as provided in the Credit Union's by-laws, redeem, on the Redemption Date, the whole or any part of the then outstanding Membership Shares if:

- (1) the members of the Credit Union have passed a special resolution to amend the membership by-law to reduce the number of membership shares that a person or entity must subscribe for to become a member; and
- (2) the payment by the Credit Union to redeem the Membership Shares would not cause the Credit Union to be in contravention of section 84 of the Act.

Payment for each share to be redeemed shall be the Redemption Amount for such share.

Payment of the Redemption Amount for each share shall be made by the Credit Union within 30 days of the Redemption Date.

(f) **Transfer:** Transfer of Membership Shares other than to the Credit Union is prohibited.

4. **Class A Special Shares (the "Class A Shares"):** The rights, privileges, restrictions and conditions attaching to the Class A Shares are:

- (a) **Directors' Authority to Issue Shares in Series:** The board of directors of the Credit Union may issue the Class A 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 of directors of the Credit Union may fix the number of shares in such series, and shall determine, subject to the limitations set out in these articles, the designation, rights, privileges, restrictions and conditions to attach to the shares of such series, including, without limiting the generality of the foregoing, the rate or rates of, and the amount or method or methods of calculation of preferential dividends, whether cumulative or non-cumulative or partially cumulative, and whether such rates, amount or methods of calculation shall be subject to change or adjustment in the future, the currency or currencies of payment, the date or dates and place or places of payment thereof and the date or dates from which such preferential dividends shall accrue, the redemption price and terms and conditions of redemption (if any), the rights of retraction (if any), and the prices and other terms and conditions of any rights of retraction and whether any additional rights of retraction may be vested in such holders in the future, voting rights and conversion or exchange rates (if any). Before the issue of the first shares of a

series, the board of directors of the Credit Union shall send to the Chief Executive Officer of the Financial Services Regulatory Authority of Ontario articles of amendment in the prescribed form, containing a description of such series, including the designation, rights, privileges, restrictions and conditions determined by the directors.

- (b) Ranking of Class A Shares: No rights, privileges, restrictions or conditions attached to a series of Class A 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 A Shares. The Class A Shares of each series shall rate on a parity with the Class A 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 A Shares may only be issued to persons who are members of the Credit Union pursuant to the terms and conditions prescribed in its by-laws.
- (d) Dividends Preferential: Except with the consent of the holders of all the Class A Shares outstanding, expressed by a majority vote of the Class A shareholders 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 Membership Shares, or on any shares ranking junior to the Class A Shares, in any fiscal year, unless and until the preferential dividend on all the Class A Shares outstanding in respect of such fiscal 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 of property of the Credit Union among its members and shareholders for the purpose of winding-up its affairs, the holders of the Class A 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 A 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 Membership Shares, or any class of shares ranking junior to the Class A Shares. After payment to the holders of the Class A Shares of the amount so payable to them as above provided, they shall not be entitled to share in any further distribution of the assets or property of the Credit Union.
- (f) Voting Rights: The holders of the Class A Shares, in their capacity as holders of Class A Shares, shall neither be entitled to receive notice of nor to attend any

meeting of the members of the Credit Union, and shall not be entitled to vote at any such meeting. The holders of the Class A 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, or the transfer, as that term is defined in section 174 of the Act, of all or a substantial portion of the Credit Union's assets, or 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 A Shares, or an application for the continuance of the Credit Union as another kind of Ontario entity or under the laws of another jurisdiction, and each Class A Share shall entitle the holder thereof to one (1) vote at any such meeting.

- (g) Transfer Restrictions: No Class A Share in the capital of the Credit Union shall be transferred to any person other than a person who is a member on the register of the Credit Union, and no such transfer may occur without the express consent of directors of the Credit Union expressed by a majority vote of the board of directors.

5. Class A Special Shares, Series 1 (the "Class A Shares, Series 1"): The rights, privileges, restrictions and conditions attaching to the Class A Shares, Series 1, in addition to those described under paragraph 4 above, are:

- (a) Non-Cumulative Dividends: The holders of the Class A Shares, Series 1, shall be entitled to receive, and the Credit Union shall pay thereon, as and when declared by the board of directors of the Credit Union, 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 of directors of the Credit Union from time to time on the Redemption Price per share.

If, after the expiration of any fiscal year of the Credit Union, the board of directors in its discretion shall not declare a dividend on the Class A Shares, Series 1, for the fiscal year, then the rights of the holders of the Class A Shares, Series 1, to such dividend, or to any undeclared part thereof, for such fiscal year shall be forever extinguished.

- (b) Redemption at Option of Holder (Retraction): Except as herein described below and subject to the following limitations and subject to the terms of the Act, as now enacted or as the same may from time to time be amended, re-enacted or replaced, and, specifically, if the Act requires regulatory approval for any redemption, to that approval being obtained:

- (1) any holder of the Class A Shares, Series 1, who has been expelled from membership in the Credit Union, or the estate or any holder of the Class A Shares, Series 1, who has died, may at any time; and
- (2) any holder of the Class A Shares, Series 1, other than a holder referred to in paragraph (1) above, may at any time five years or more after the date on which such shares were issued;

request that the Credit Union redeem, at its sole and absolute discretion, any of the Class A Shares, Series 1, registered in the name of such holders on the books of the Credit Union, by tendering to the Credit Union at its head office a share certificate or certificates representing the Class A Shares, Series 1, which the registered holder desires to have the Credit Union redeem, together with a request in writing specifying:

(A) that the registered holder desires to have the Class A Shares, Series 1, represented by such certificate or certificates redeemed by the Credit Union; and

(B) the Redemption Date on which the holder desires to have the Credit Union redeem such Class A Shares, Series 1, provided that the Redemption Date shall be not less than 30 days after the day on which the request in writing is given to the Credit Union.

Upon receipt of a share certificate or certificates representing the Class A Shares, Series 1, which the registered holder desires to have the Credit Union redeem, together with such a request, the Credit Union shall, subject to limits detailed below, on the Redemption Date, redeem such Class A Shares, Series 1, by paying to such registered holder the Redemption Amount for each such Class A Share, Series 1, being redeemed. The said Class A Shares, Series 1, 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 shall not be entitled to exercise any of the rights of holders of Class A Shares, Series 1, in respect thereof, unless payment of the Redemption Amount is not made on the Redemption Date, in which event the rights of the holder of the said Class A Shares, Series 1, shall remain unaffected.

In any one fiscal year, the Credit Union shall only redeem a maximum of ten per cent of the number of Class A Shares, Series 1, issued and outstanding at the end of the immediately-preceding fiscal year of the Credit Union. Redemptions will be approved by the directors of the Credit Union on a first-come, first-served basis. If more than ten per cent of the issued and outstanding Class A Shares, Series 1, are presented for redemption in any one fiscal year, the Class A Shares,

Series 1, not redeemed in that year shall be the first such shares redeemed in the subsequent fiscal year of the Credit Union.

(c) Redemption by the Credit Union

Subject to the following limitations and subject to the terms of the Act, as now enacted or as the same may from time to time be amended, re-enacted or replaced, and, specifically, if the Act requires regulatory approval for any redemption, to that approval being obtained, the Credit Union may, upon giving notice as hereinafter provided, redeem, at any time after a date which is five (5) years after their date of issue, the whole, or from time to time, any part, of the then outstanding Class A Shares, Series 1, on payment of the Redemption Amount.

(d) Idem:

(A) Notice:

In the case of redemption of Class A Shares, Series 1, under the provisions of clause 5(c) hereof, the Credit Union shall, at least 21 days before the date specified for redemption, mail to each person who at the date of mailing is a registered holder of Class A Shares, Series 1, to be redeemed, a notice in writing of the intention of the Credit Union to redeem such Class A Shares, Series 1. Such notice shall be mailed by letter, postage prepaid, addressed to each such shareholder at his address as it appears on the records of the Credit Union, or, in the event of the address of any such shareholder not so appearing, then to the last known address of such shareholder; provided, however, that accidental failure to give any such notice to one or more of such shareholders 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 part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed.

(B) 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 A Shares, Series 1, to be redeemed, the Redemption Amount thereof, on presentation and surrender, at the head office of the Credit Union or any other place designated in such notice, of the certificates representing the Class A Shares, Series 1, called for redemption. Such payment shall be credited to the member's account with the Credit Union. If a part only of the shares represented by any certificate be redeemed, a

new certificate for the balance shall be issued at the expense of the Credit Union. From and after the date specified for redemption in any such notice, the Class A Shares, Series 1, called for redemption shall cease to be entitled to dividends, and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof, unless payment of the Redemption Amount shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of the shareholders shall remain unaffected.

(C) Failure to Present:

The Credit Union shall have the right, at any time after the mailing of notice of its intention to redeem any Class A Share, Series 1, to deposit the Redemption Amount of the shares so called for redemption, or of such of the said shares represented by certificates 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 A Shares, Series 1, called for redemption, upon presentation and surrender of the certificates representing the same, and, upon such deposit being made or upon the date specified for redemption in such notice, whichever is later, the Class A Shares, Series 1, in respect whereof such deposit shall have been made shall be redeemed, and the rights of the holders thereof after such deposit or such Redemption Date, as the case may be, shall be limited to receiving, without interest, their proportionate part of the total Redemption Amount so deposited, against presentation and surrender of the said certificates held by them respectively, and any interest allowed on such deposit shall belong to the Credit Union.

6. Class B Special Shares (the "Class B Shares"): The rights, privileges, restrictions and conditions attaching to the Class B Shares are:

- (a) Directors' Authority to Issue Shares in Series: The board of directors of the Credit Union may issue the Class B 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 of directors of the Credit Union may fix the number of shares in such series, and shall determine, subject to the limitations set out in the articles, the designation, rights, privileges, restrictions and conditions to attach to the shares of such series, including, without limiting the generality of the foregoing, the rate or rates of, and the amount or method or methods of calculation of preferential dividends, whether cumulative or non-cumulative or partially cumulative, and whether such rates, amount or methods of calculation shall be subject to change or adjustment in the future, the currency or currencies of payment, the date or dates

and place or places of payment thereof and the date or dates from which such preferential dividends shall accrue, the redemption price and terms and conditions of redemption (if any), the rights of retraction (if any), and the prices and other terms and conditions of any rights of retraction and whether any additional rights of retraction may be vested in such holders in the future, voting rights and conversion or exchange rates (if any). Before the issue of the first shares of a series, the board of directors of the Credit Union shall send to the Chief Executive Officer of the Financial Services Regulatory Authority of Ontario articles of amendment in the prescribed form, containing a description of such series, including the designation, rights, privileges, restrictions and conditions determined by the directors.

- (b) Ranking of Class B Shares: No rights, privileges, restrictions or conditions attaching to a series of Class B 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 B Shares. The Class B Shares of each series shall rate on a parity with the Class B 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 B Shares may only be issued to persons who are members of the Credit Union pursuant to the terms and conditions prescribed in its bylaws, and who, if they are natural persons, have attained the age of eighteen years. Any invitation to the public to subscribe for Class B Shares in the Credit Union is prohibited.
- (d) Dividends Preferential: Except with the consent of the holders of all the Class B Shares outstanding, expressed by a majority vote of the Class B Share shareholders at a meeting called for that purpose, no dividends shall at any time be declared and paid on or set apart for payment on the Membership Shares, the Class A Shares, or on any shares ranking junior to the Class B Shares in any fiscal year, unless and until the preferential dividend on all the Class B Shares outstanding in respect of such fiscal year has been declared, and paid or set apart for payment.
- (e) Participation on 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 B 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 B 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 the Membership Shares, the Class A Shares, or any class of shares ranking junior to the Class B Shares. After payment to the holders of the Class B Shares of the amount so payable to them as above provided, they shall not be entitled to share in any further distribution of the assets or property of the Credit Union.

- (f) Voting Rights: The holders of the Class B Shares, in their capacity as holders of Class B Shares, shall neither be entitled to receive notice of nor to attend any meeting of the members of the Credit Union, and shall not be entitled to vote at any such meeting. The holders of the Class B 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, or the transfer, as that term is defined in section 174 of the Act, of all or a substantial portion of the Credit Union's assets, or 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 B Shares, or an application for the continuance of the Credit Union as another kind of Ontario entity or under the laws of another jurisdiction, and each Class B Share shall entitle the holder thereof to one (1) vote at any such meeting..
 - (g) Transfer Restrictions: No Class B Share in the capital of the Credit Union shall be transferred to any person other than a person who is a member on the register of the Credit Union, and no such transfer may occur without the express consent of directors of the Credit Union expressed by a majority vote of the board of directors.
7. Class B Special Shares, Series 1 (the "Class B Shares, Series 1"): The rights, privileges, restrictions and conditions attaching to the Class B Shares, Series 1, in addition to those described under paragraph 6 above, are:
- (i) Non-Cumulative Dividends: The holders of the Class B Shares, Series 1, shall be entitled to receive, and the Credit Union shall pay thereon, as and when declared by the board of directors of the Credit Union, 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 of directors of the Credit Union from time to time on the Redemption Price per share.

If, after the expiration of any fiscal year of the Credit Union, the board of directors in its discretion shall not declare a dividend on the Class B Shares, Series 1, for the fiscal year, then the rights of the holders of the

Class B Shares, Series 1, to such dividend, or to any undeclared part thereof, for such fiscal year shall be forever extinguished.

- (ii) Redemption at Option of Holder (Retraction): Except as herein described below and subject to the following limitations and subject to the terms of the Act, as now enacted or as the same may from time to time be amended, re-enacted or replaced, and, specifically, if the Act requires regulatory approval for any redemption, to that approval being obtained:
- (1) any holder of the Class B Shares, Series 1, who has been expelled from membership in the Credit Union, or the estate or any holder of the Class B Shares, Series 1, who has died, may at any time; and
 - (2) any holder of the Class B Shares, Series 1, other than a holder referred to in paragraph (1) above, may at any time five years or more after the date on which such shares were issued;

request that the Credit Union redeem, at its sole and absolute discretion, any of the Class B Shares, Series 1, registered in the name of such holders on the books of the Credit Union, by tendering to the Credit Union at its head office a share certificate or certificates representing the Class B Shares, Series 1, which the registered holder desires to have the Credit Union redeem, together with a request in writing specifying:

- (A) that the registered holder desires to have the Class B Shares, Series 1, represented by such certificate or certificates redeemed by the Credit Union; and
- (B) the Redemption Date on which the holder desires to have the Credit Union redeem such Class B Shares, Series 1, provided that the Redemption Date shall be not less than 30 days after the day on which the request in writing is given to the Credit Union.

Upon receipt of a share certificate or certificates representing the Class B Shares, Series 1, which the registered holder desires to have the Credit Union redeem, together with such a request, the Credit Union shall, subject to limits detailed below, on the Redemption Date, redeem such Class B Shares, Series 1, by paying to such registered holder the Redemption Amount for each such Class B Share, Series 1, being redeemed. The said Class B Shares, Series 1, 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 shall not be entitled to exercise any of the rights of holders of Class B Shares, Series 1,

in respect thereof, unless payment of the Redemption Amount is not made on the Redemption Date, in which event the rights of the holder of the said Class B Shares, Series 1, shall remain unaffected.

In any one fiscal year, the Credit Union shall only redeem a maximum of ten per cent of the number of Class B Shares, Series 1, issued and outstanding at the end of the immediately-preceding fiscal year of the Credit Union. Redemptions will be approved by the directors of the Credit Union on a first-come, first-served basis. If more than ten per cent of the issued and outstanding Class B Shares, Series 1, are presented for redemption in any one fiscal year, the Class B Shares, Series 1, not redeemed in that year shall be the first such shares redeemed in the subsequent fiscal year of the Credit Union.

(iii) Redemption by the Credit Union

The Credit Union may, upon giving notice as hereinafter provided, and, if the Act requires regulatory approval for any redemption, subject to that approval being obtained, redeem, at any time after the date on which the shares were issued, the whole, or from time to time, any part, of the then outstanding Class B Shares, Series 1, on payment of the Redemption Amount.

(iv) Idem:

(A) Notice:

In the case of redemption of Class B Shares, Series 1, under the provisions of clause (iii) hereof, the Credit Union shall, at least 21 days before the date specified for redemption, mail to each person who at the date of mailing is a registered holder of Class B Shares, Series 1, to be redeemed, a notice in writing of the intention of the Credit Union to redeem such Class B Shares, Series 1. Such notice shall be mailed by letter, postage prepaid, addressed to each such shareholder at his address as it appears on the records of the Credit Union, or, in the event of the address of any such shareholder not so appearing, then to the last known address of such shareholder; provided, however, that accidental failure to give any such notice to one or more of such shareholders 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 part only of the shares held by the person to whom it is addressed is to be redeemed, the number thereof so to be redeemed.

(B) 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 B Shares, Series 1, to be redeemed, the Redemption Amount thereof, on presentation and surrender, at the head office of the Credit Union or any other place designated in such notice, of the certificates representing the Class B Shares, Series 1, called for redemption. Such payment shall be credited to the member's account with the Credit Union. If a part only of the shares represented by any certificate be redeemed, a new certificate for the balance shall be issued at the expense of the Credit Union. From and after the date specified for redemption in any such notice, the Class B Shares, Series 1, called for redemption shall cease to be entitled to dividends, and the holders thereof shall not be entitled to exercise any of the rights of shareholders in respect thereof, unless payment of the Redemption Amount shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of the shareholders shall remain unaffected.

(C) Failure to Present:

The Credit Union shall have the right, at any time after the mailing of notice of its intention to redeem any Class B Share, Series 1, to deposit the Redemption Amount of the shares so called for redemption, or of such of the said shares represented by certificates 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 B Shares, Series 1, called for redemption, upon presentation and surrender of the certificates representing the same, and, upon such deposit being made or upon the date specified for redemption in such notice, whichever is later, the Class B Shares, Series 1, in respect whereof such deposit shall have been made shall be redeemed, and the rights of the holders thereof after such deposit or such Redemption Date, as the case may be, shall be limited to receiving, without interest, their proportionate part of the total Redemption Amount so deposited, against presentation and surrender of the said certificates held by them respectively, and any interest allowed on such deposit shall belong to the Credit Union.

SCHEDULE F

AMALGAMATED CU BY-LAWS

See separate document

SCHEDULE G

NORTHERN'S PERMITTED ENCUMBRANCES

NIL

SCHEDULE H

LIABILITIES INCURRED BY NORTHERN
OUTSIDE OF THE ORDINARY COURSE OF BUSINESS
SINCE FEBRUARY 29, 2024

NIL

SCHEDULE I

**NORTHERN'S OBLIGATIONS IN EXCESS OF ONE HALF OF ONE PER CENT OF
ITS TOTAL ASSETS AS AT FEBRUARY 29, 2024**

NIL

SCHEDULE J

**NORTHERN'S MATERIAL OUTSTANDING LITIGATION
OR REGULATORY ACTION AS AT FEBRUARY 29, 2024**

NIL

SCHEDULE K

COPPERFIN'S PERMITTED ENCUMBRANCES

NIL

SCHEDULE L

LIABILITIES INCURRED BY COPPERFIN
OUTSIDE OF THE ORDINARY COURSE OF BUSINESS
SINCE FEBRUARY 29, 2024

NIL

SCHEDULE M

**COPPERFIN'S OBLIGATIONS IN EXCESS OF ONE HALF OF ONE PER CENT OF
ITS TOTAL ASSETS AS AT FEBRUARY 29, 2024**

NIL

SCHEDULE N

**COPPERFIN'S MATERIAL OUTSTANDING LITIGATION
OR REGULATORY ACTION AS AT FEBRUARY 29, 2024**

NIL