

**For Immediate Release**

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## **Credit Union Centrals Move Forward with Plans for a New National Organization**

**Toronto and Vancouver** – Credit Union Central of British Columbia and Credit Union Central of Ontario are making progress on their plans to merge to create a new entity to serve credit unions across the country.

The new organization will create a large combined liquidity pool offering lending and investment options, along with comprehensive payment and settlement services, and *MemberDirect*® online services, a leading Internet banking platform in Canada.

Subject to regulatory approval in Ontario, the current plan is to ask member organizations in B.C. and Ontario to vote on the proposed transaction in mid-June, 2007. The transaction is expected to close in late September 2007.

“We are pleased with the progress we are making,” said Daniel Burns, chairperson of B.C. Central. “We are a long way down the road to creating an exciting new organization to serve credit unions.”

Under the plan, Credit Union Central of British Columbia would acquire the assets and assume the liabilities of Credit Union Central of Ontario Ltd. at fair market value.

A regulatory change is required in Ontario to allow Ontario credit unions to maintain their statutory liquidity with B.C. Central, which it is proposed be renamed to reflect its expanded role.

Changes to B.C. Central’s rules will be required to allow Ontario credit unions to become participating members and to reorganize its governance and capital structure.

New shares will be issued in proportion to provincial credit union assets. Ontario credit unions will receive 31% of voting shares, and British Columbia credit unions 69%. (This relative ownership position may be subject to change based on 2006 year end system assets.)

“We are confident that Ontario credit unions will agree that this is a good plan for their members,” said Sheena Lucas, chair of Ontario Central. “The new organization will have the size and expertise to provide the services credit unions have been seeking.”

The new entity will have trade association offices in both Vancouver and Mississauga to serve members in B.C. and Ontario respectively.

*Together, Credit Union Central of British Columbia and Credit Union Central of Ontario have combined assets of more than \$7.4 billion and represent more than 200 credit unions that serve 2.7 million members.*

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