

November 10, 2023

Intent for DUCA to merge operations with United Employees Credit Union Limited

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We are excited to announce our intent to merge operations between United Employees Credit Union Limited (United) and DUCA, subject to an upcoming United Member Vote. This transaction, if approved by United Members, will bring together two organizations with a shared commitment to Member-focused financial services and community support.

Why are we pursuing this transaction?

This transaction is another step in DUCA's ongoing growth and development. We look forward to expanding our footprint in two highly desirable locations (Leslieville and Mississauga), growing our Member base, and enhancing support in the communities we serve.

Why is United pursuing the transaction?

The decision to pursue the transaction was made after careful analysis and consideration by both DUCA and United's Board of Directors and senior management. Given the ever-evolving regulatory environment and higher capital and liquidity requirements to run a credit union, and due to United's smaller size, it has become increasingly difficult for them to provide lending solutions to their Members. Similarly, it will be increasingly difficult for United to support ongoing investments in technology, risk, and governance to keep up with the increasingly complex operating and regulatory environment.

Joining forces with DUCA will provide their Members with a wider range of products, an expanded branch network, improved technology, increased financial stability, increased value, and enhanced community support.

Why did United choose DUCA?

United identified DUCA as an ideal partner due to our complementary values, and shared commitment to member-centricity.

What does this mean for you?

If this transaction proceeds, you can anticipate several key benefits:

- **Expanded Accessibility:** Members will benefit from an expanded branch footprint and ATM network, ensuring greater convenience and accessibility to financial services.
- **Economies of Scale:** The merged entity will benefit from operational efficiencies, cost savings, and economies of scale, allowing us to offer more competitive rates and fees to Members and enhance our support in the communities we serve.

- **Increased Market Presence:** By combining our resources and expertise, we will strengthen our market position and increase our overall competitiveness and long-term financial stability.
- **Community Impact:** The combined entity will continue to prioritize community involvement and support, reinforcing our dedication to making a positive difference in the communities we serve, and shaping a better financial future for all.

When is the transaction expected to close?

We have received approval from DUCA and United's Board of Directors to proceed with the transaction, and are pending approval from the Financial Services Regulatory Authority of Ontario (FSRA). The transaction will require a United Member vote which is slated for November 27, 2023. A DUCA Member vote is not required.

Should everything proceed as planned, we are anticipating a closing date of December 20, 2023.

Where can I learn more about United Employees Credit Union Limited?

You can learn more about United on their public website at www.unitedcu.com.

What if I have questions about the transaction?

Please call our Member Connect call center at 1-866-900-3822 or email us at duca.info@duca.com.

Next steps?

We are committed to keeping you informed of the progress as we move forward with this transaction. We greatly appreciate your Membership and look forward to the potential this transaction holds for enhancing your overall banking experience.