

**For Immediate Release**

**June 22, 2007**

## **Credit Unions Support Merger of B.C. and Ontario Centrals**

**Toronto and Vancouver** – At special general meetings today in each province, credit unions in Ontario and British Columbia voted to merge Credit Union Central of Ontario Limited and Credit Union Central of British Columbia to create Central 1 Credit Union.

At their meeting in Toronto, Ontario credit unions strongly supported the merger plan, voting 98.6 per cent in favour, and elected five directors to represent them on the 16-person board of the combined entity.

In Vancouver, B.C. Central's members approved changes to the organization's constitution and rules required to complete the merger, voting 98.2 per cent in favour. The 11 current directors of B.C. Central will continue to serve on the board of the combined organization, Central 1.

Ontario Central is seeking regulatory changes to permit credit unions to maintain their statutory liquidity with Central 1, and discussions with the Ontario government are proceeding. The amendment to the regulation is being sought by the close of the transaction, which is expected to be at the end of September.

The transaction will see B.C. Central acquiring the assets and assuming the liabilities of Ontario Central at fair market value. New shares will be issued in proportion to member credit union assets in each province. Based on current membership in the centrals, Ontario credit unions would receive 31 per cent of voting shares and B.C. credit unions would receive 69 per cent. (The final relative ownership positions will be determined at closing).

Central 1 will provide payments, banking, treasury and trade services to more than 200 credit unions in the two provinces. The long-term vision is that other provincial central credit unions will join Central 1 to form a national organization.

A search is under way for a chief executive officer for Central 1.

(more)

“I am delighted that we have passed another important milestone on our road to a successful merger,” said Daniel Burns, chairperson of B.C. Central. “There is still much work to be done, but I am confident we will meet our target for creating the new organization.”

“Ontario credit unions have shown great faith in the future by supporting our plan to join with B.C. Central to create an organization that will serve credit unions across the country,” said Sheena Lucas, chair of Ontario Central. “This is a goal that many of us in the system have sought for years and it is gratifying to take another step toward success.”

The Ontario directors for Central 1 who were elected today are: Sean Jackson, Meridian Credit Union; Jack Smit, Libro Financial Group; Fred Gorbet, Alterna Savings; Scott Kennedy, Superior Credit Union; and Dave Sitaram, Auto Workers Community Credit Union.

The B.C. directors are: Richard Allen, Coastal Community Credit Union; Daniel Burns, Coast Capital Savings Credit Union; Lloyd Craig, Coast Capital Savings Credit Union; Elain Duvall, Vancouver City Savings Credit Union; Terry Enns, Envision Credit Union; Catherine McCreary, Vancouver City Savings Credit Union; Philip Moore, Greater Vancouver Community Credit Union; Ross Montgomery, Westminster Savings Credit Union; Lorne Myhra, Heritage Credit Union; Michael Tarr, Northern Savings Credit Union; and Jack Whittaker, Osoyoos Credit Union.

Central 1 will have offices in both Vancouver and Mississauga to serve member credit unions. It will 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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