

THIS AMALGAMATION AGREEMENT (the “Agreement”) made _____ , 2023.

BETWEEN:

Sydney Credit Union Limited, a body corporate, having its registered office at Sydney, NS;

– and –

The North Sydney Credit Union Limited, a body corporate, having its registered office at North Sydney, NS;

(Each aforementioned entity referred to herein individually as a “**Party**”; and collectively as the “**Parties**”)

WHEREAS:

- A. each of the above named Parties is desirous of amalgamating pursuant to Section 130 of the Credit Union Act (the “**Act**”);
- B. pursuant to section 131 of the Act, the Parties are required to enter into an agreement setting out the terms and means of effecting the amalgamation; and
- C. the Parties agree and acknowledge this Agreement meets the requirements of section 131 and is subject to approval of its respective members.

WITNESSETH THAT for consideration of \$1.00, the receipt and sufficiency of which is hereby acknowledged, the Parties covenant and agree with each other as follows:

- 1. The Parties shall amalgamate and continue as one credit union (herein sometimes referred to as the “**Amalgamated Credit Union**”) upon the terms and conditions, and in accordance with the mode of carrying the amalgamation into effect, as herein set out.
- 2. The name of the Amalgamated Credit Union shall be Sydney Credit Union Limited;
- 3. The registered office of the Amalgamated Credit Union shall be:

95 Townsend St.
Sydney, NS B1P 5C9

4. The effective date and time of the amalgamation herein provided for is 12:01 AM (Nova Scotia time) on January 1, 2024 (the “**Effective Time**”).
5. The proposed Directors of the Amalgamated Credit Union shall be:

Name	Address
Mike Mombourquette	169 French St Sydney NS B1N 1Y8
Sarah MacEachern	1526 Mira Bay Dr Bateston NS B1C 2A8
Holly Chisholm	902 Shore Rd Sydney Mines NS B1V 1B3
Mary Jane Morrison	35 Strathcona St Sydney NS B1R 1X7
John (Jay) Hollohan	123 Caroll Cres Sydney NS B1N 3E4
Ron Neville	111 McKinley Dr Sydney, NS B1R 2E2
Joyce Lind	100 Mariner Dr Sydney NS B1R 0A7
Megan Ringer	600 Grand Mira South Juniper Mountain NS B1K 1G6
Steve Jamael	105 Byng Ave Apt 1 Sydney NS B1P 5C1
Max J Sehl	62 Sunrise Dr North Sydney NS B2A 3M5
Debby MacKinnon	32 Holic Ave North Sydney NS B2A 3R8

6. The charter by-laws of the Amalgamated Credit Union shall be those attached and marked Schedule “A” to this Agreement until repealed, amended, altered or added to.
7. Membership in the Amalgamated Credit Union shall be open to all those conveniently served and as defined in the Act and specified in the charter by-laws of the Amalgamated Credit Union. The Amalgamated Credit Union shall permit persons, as defined in the Act, to become associates of the Amalgamated Credit Union as specified in the charter by-laws of the Amalgamated Credit Union.

8. Restrictions on the business the Amalgamated Credit Union may carry on are only those restrictions as defined in the Act.
9. Capitalization - the authorised capital of the Amalgamated Credit Union shall be:
 - a. an unlimited number of common shares at an issue price of five dollars (\$5.00) per share; and
 - b. An unlimited number of surplus shares, or fractions of surplus shares, at an issue price of one dollar(s) (\$1.00) per share. Surplus shares shall be redeemed or purchased by the Amalgamated Credit Union at a price per share not to exceed the issue price. Such redemption or purchase is subject to compliance with the act and to approval by the Board of Directors at such time as the member or associate is no longer eligible for membership or associate status in the Amalgamated Credit Union, or the member or associate withdraws from membership or associate status in the Amalgamated Credit Union, or the member or associated is terminated from membership or associate status by the Board of Directors, or the member or associate is deceased. Subject to section 36 (1) of the act, dividends may be declared or paid out surplus shares as may be established by a resolution of the Board of Directors.
10. Further to paragraph 9 herein:
 - a. the rights, privileges, restrictions and conditions attached to common shares and surplus shares shall be as further defined in the Act and as set out in the charter by-laws of the Amalgamated Credit Union.
 - b. Common shares and surplus shares are not transferable and shall be redeemable as set out in the Act and as defined in the charter by-laws of the Amalgamated Credit Union.
11. The proposed auditor for the Amalgamated Credit Union shall be MNP LLP. The proposed remuneration of the auditor shall be fixed by the directors of the Amalgamated Credit Union.
12. Conversion of share capital:
 - (a) The common shares and surplus shares of Sydney Credit Union shall be converted to common shares and surplus shares, as applicable, of equal value in the Amalgamated Credit Union;
 - (b) The common shares and surplus shares of The North Sydney Credit Union shall be converted to common shares and surplus shares, as applicable, of equal value in the Amalgamated Credit Union.

13. The arrangements agreed to conclude the amalgamation and to provide for subsequent management of the Amalgamated Credit Union shall be as set out in the Business Case attached hereto as Schedule "B" to this Agreement.
14. The Parties shall each contribute to the Amalgamated Credit Union all of their respective assets subject to their respective liabilities.
15. The Amalgamated Credit Union shall be seized of and shall hold and possess all the property, rights, privileges, franchises and other interests and shall be subject to all of the liabilities, contracts, debts, and obligations of each of the Parties and all the members of each of the Parties shall be bound by the terms of this Agreement.
16. All the rights of creditors against the property, rights, and assets of each of the Parties and all liens upon the respective properties, rights and assets shall be unimpaired by the amalgamation, and all debts, contracts, liabilities and duties of each of the Parties shall thenceforth attach to the Amalgamated Credit Union and may be enforced against it to the same extent as if the said debts, contracts, liabilities and duties had been incurred or contracted by it.
17. No action or proceeding by or against either of the Parties shall abate or be affected by the amalgamation, but for all purposes of such action or proceeding, that Party may be deemed still to exist or the Amalgamated Credit Union may be substituted in the action or proceeding in place of that Party.
18. Each of the Parties undertakes forthwith to submit this Agreement for consideration and approval to a meeting of their respective members in accordance with s. 132 of the Act.
19. At any time before the issue of a certificate of amalgamation this Agreement may be terminated by the directors of either of the Parties.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF the parties have affixed their respective corporate seals, attested by the hands of their respective officers duly authorized to bind each Party they represent on the day and year first herein written.

Sydney Credit Union Limited

Witness

Per:

Witness

Per:

The North Sydney Credit Union Limited

Witness

Per:

Witness

Per: