

PSC Affected Members Update #6

August 10, 2020

Dear Members,

The PCU management team is proud to stand for the core cooperative value of supporting the collective while helping its individual members. Members are our first priority and we are committed to earning your trust as we focus on building a strong culture of “members first” through open communication, effective action and collaboration. If you wish to read this – or any of the other updates – online, click [HERE](#) to go to our website.

Summary:

- We are committed to expediting recovery options for impacted members, as per an Aug. 6th court filing – new
- Moving your accounts to a new dealer - ongoing
- EY valuation of PFL and FHH shares - ongoing
- Fasken is mid-way through the Compliance Review and moving to meet with selected members - ongoing

PCU leading the way to expedited answers

Members are our first priority; this has not changed in the four months we have worked to find member-focused solutions. We know the path to resolution requires speed as well as care. This is why we have, as per a court filing on August 6th, secured a period of time to explore recovery options for members in an accelerated manner.

As outlined in the court filing, we are leading the development of a settlement package to present to the court during the fall timeframe. This is a positive step forward. This adds speed to the process so impacted members – you – can get the answers you deserve in a timely manner and ensure you have your own appropriate legal representation. It also allows us to shorten the typical timeframe for such recovery options from years to months.

We know this will be a large undertaking in a small timeframe. There are many organizations and stakeholders to involve. Any settlement package must take all parties into account. PCU is hopeful that, with this Order, we can officially construct a plan that puts you, our members, front and center for consideration.

The Contact Centre is reaching out – how to move your account

To facilitate moving your PSC accounts, our dedicated Contact Centre team is reaching out to assist you in the transition from LBS to a new broker. When the accounts have all been moved, EY can consider that part of their job complete.

You can reach the Contact Centre directly at: 1-877-588-7223 Local Number: 647-417-1515

EY valuation of PFL and FHH shares – the job is slowly concluding

EY continues to hold the preferred shares from Pace Financial Limited (PFL) and/or First Hamilton Holdings Inc. (FHH) in trust for our members. EY has moved all of the shares out of the PSC accounts to make the transfer of your accounts easier. E&Y is still valuing the shares and we are not sure what they will be ultimately worth, but we will let you know once that determination is made.

Compliance Review

The selected members from the survey will be contacted shortly by the team at Fasken. Fasken is on track to continue its analysis through August and September.

In Conclusion

We are committed to holding a town hall later in the fall to update all members. While the work has felt slow to many, we are moving forward, looking at all options and trying our best to get the best result for you.

All members can view information on our [PCU website](#) regarding our progress. We will continue to update you every two weeks unless we have new information sooner.

Our Branch teams are available to speak with you. Your deposits continue to be secure and your financial needs continue to be served. PCU is here to stay.

We are working to uncomplicate and communicate; contact us at any time.

Sincerely,

Barbara Dirks

President & CEO, PACE Credit Union