

January 11, 2021

Dear Members,

I, and all PACE Credit Union employees, hope you had an enjoyable festive season, and we wish you the very best throughout the new year.

A new year brings new challenges and new opportunities. I know the past has caused anxiety and, in some cases, hardship. While we cannot change what has come before, at PACE we can envision and implement a positive future with a strong vision where PACE provides and expands on the financial services you, as members, expect and need.

Part of our past includes the closure of PACE Securities (PSC). The Financial Services Regulatory Authority of Ontario (FSRA) is leading this effort along with Paliare Roland (PR), the Representative Counsel for Claimants. Please direct all inquiries to Paliare Roland going forward; they are happy to assist you.

Today, we are enhancing engagement plans for staff and members, a strong and reliable governance and control framework, and a PACE strategy that will result in sustainable profitability to support growth and service and a self-governed PACE. We have some initiatives coming together; I hope to announce these over the next weeks and months.

I am also looking forward to my first Annual General Meeting (AGM) with you. I hope you will participate, bringing your questions, concerns and insights to help us move forward together.

A little about me

As you know, early in 2020, FSRA began handing control back to PACE members and elected a new Board of Directors. In late 2020, FSRA again took control of PACE after the resignation of the same Board and two of the executive team. You can read the background information [here](#).

FSRA recognized the need for ongoing stability and strong leadership and, in that spirit, appointed me as CEO on December 21, 2020. I join a dedicated and capable leadership team; we are working together and committed to you, our members, and to providing the service and support you deserve and to which you are accustomed.

Three things to know about me are:

1. I believe in the power and importance of effective communication. I will do my best to provide you with clear and comprehensive information on our status and where we are going as we take this journey together.
2. I am a proven business leader who has worked with many regulators in the past. I have a strong relationship with our regulator and several individuals within FSRA. I am meeting additional people there and I am impressed with their support of PACE, our efforts to return to a credit union working for you and their willingness to listen to our ideas and thoughts and to

contribute their own in open and supportive conversations.

3. I have been in the credit union system since 2014 and I am fully engaged with the seven co-operative principles. At PACE, we embrace these principles and every action we take and every decision we make will be made in the spirit of these principles with your needs top of mind.

2020 in perspective

2020 was a year of transition, a year of portfolio restructuring and a year of COVID-19 disruptions. All of these have affected PACE results, and our ability to meet and engage with you as individuals.

The outcome of 2020 has not been kind to any of us and PACE has had to incur costs outside of its normal business operations. These have affected profitability and our ability to build our capabilities and infrastructure. However, we have had successes. We have cleared up some of the portfolio issues and improved many of our governance and control practices. I thank all PACE employees for their efforts on these critical items. The progress they made in 2020 will keep us steady as we weather the ongoing shutdowns and uncertainty of 2021. I will provide further details at the spring AGM.

Covid-19 may be actively keeping us apart, but our branches and communities are finding ways to stay connected. Our branches are following strict protocols to keep you and us safe while ensuring ongoing access. During this time, our Contact Centre has provided support when you couldn't get to a branch or had questions or views to express. You can continue to reach the Contact Centre directly at: 1-877-588-7223 Local Number: 647-417-1515 if you have any questions. We look forward to supporting you and talking with you.

The Commercial team has expanded and continues to support small and medium businesses with new small business loan offerings. As well, the criteria to qualify for CEBA has expanded. Members seeking support under the program are encouraged to review the link or to get in touch with our commercial team.

[PACE Credit Union - Business Members](#)

Online and always here for you

Before, during and after Covid-19, our PACE [website](#) continues to evolve (watch for the new Retail section!) as do our quarterly [newsletters](#) and our social media presence: [@PaceCredit](#) (Twitter); [PACECreditUnion](#) (Facebook); [@Pacecreditunion](#) (Instagram). 2021 will see more outreach in Financial Literacy, diversity and equality efforts and a refreshed commitment to the [7 Co-operative Principles](#).

In conclusion

I am honored to be entrusted with leadership and responsibility of PACE as we move through 2021.



Remember, our Contact Centre is always ready to take your calls and our Branch teams are happy to speak with you. We want to keep you involved. We are interested in what you have to say, from how often you hope to receive newsletters like these to the products you find most valuable. PACE is your credit union.

All the best,

David Finnie
Chief Executive Officer
PACE Savings & Credit Union