



Alterna Savings to acquire the majority of the assets of PACE Savings and Credit Union

FAQ for PACE Members

1. Who is acquiring certain assets of PACE Credit Union and when?

When the transaction closes, Alterna Savings and Credit Union Limited (Alterna Savings) will acquire the loan portfolios, deposit accounts, branches, corporate office and employees of PACE Savings & Credit Union Limited (PACE).

Alterna Savings is the oldest Credit Union in Ontario and has been providing financial services to members since 1908. Alterna Savings is the third largest credit union in Ontario and has 34 branches located throughout the province including the major centres of Ottawa, Toronto, Kingston and Peterborough.

Alterna Savings is an experienced merger partner, having completed seven successful mergers in the past seven years and has introduced thousands of new members to their credit union.

The PACE transaction is anticipated to close in the second quarter of 2022, subject to customary closing conditions, including regulatory approval by the Competition Bureau.

2. How will PACE benefit from the transaction?

The impact on members and employees will be overwhelmingly positive. Alterna Savings looks forward to bringing a new era of stability and confidence to PACE's employees and members.

Under Alterna Savings, members will eventually gain access to all the industry-leading products and services they offer. Alterna Savings will also retain all PACE employees.

Once joined on the same banking system with Alterna Savings, you will receive:

- Access to a province wide network of 34 additional branches
- Industry-recognized and innovative products and services
- Full-service brokerage and investment options through Alterna Wealth
- A new state-of-the-art mobile and online banking experience
- Mobile Mortgage Advisors
- Greater technology and the resources to invest in more
- A Contact Centre available to our members 7 days a week



Joining together on the same banking system does take careful planning, and as a result, significant time, so stay tuned for more information as we move ahead.

3. How will accounts be affected?

Initially nothing will change until PACE is brought over onto Alterna Savings' banking system in the future. At that time, member accounts will be moved into the account package at Alterna Savings that most closely resembles the one they currently have. Alterna Savings offers a wide variety of options tailored to suit individual member needs. We will keep all members well informed as we progress through the banking system change in the future.

4. How else will members benefit?

Members will benefit in a wide variety of ways:

Access to a province-wide network of branches

Once the banking system change is complete, members will have access to in-person and virtual services at branch locations across Ontario including Toronto, Ottawa, Kingston, Quinte Region, Peterborough, Bolton, Brampton, Southwestern Ontario, North Bay, and Northern Ontario.

Access to More Technology

Alterna Savings is committed to introducing innovative technology that makes your life easier, including fully digital account openings, a state-of-the-art mobile app and other virtual services. They have the resources to meet a commitment to bring greater digital offerings to our members.

More investment options

Membership in Alterna Savings gives you access to a full-service brokerage along with financial experts to provide advice through Alterna Wealth.

More account options

Alterna Savings offers a wide variety of both personal and business account options to suit the needs of individuals and families as well as small and medium sized businesses. Alterna Savings also offers broader commercial credit options and is a leader in providing micro-financing to underrepresented groups in Ontario.

Competitive rates

Alterna Savings offers excellent rates on a wide variety of investment and lending products. After the transaction is complete, members will be able to take advantage of any of Alterna Savings' interest rate offerings.

It will attract younger members

Alterna Savings is a very innovative company that invests heavily in creating and acquiring new technology. Younger members will appreciate their strong online presence and mobile options.

A commitment to the community



Alterna Savings is committed to co-operative values and support to the community. Last year they donated more than \$1.2 million to the communities they serve.

5. Will PACE employees have a job with Alterna Savings?

Yes, PACE employees will have a job with Alterna Savings when the transaction closes. Alterna Savings has won the National Capital Region's Top Employer award six times in a row and is excited to have the PACE team grow their careers with them.

6. Will Alterna Savings be closing or amalgamating PACE branches?

There are no immediate plans to change the branch footprint of either organization. However, like PACE, Alterna Savings is always monitoring branch locations to make sure they best meet the needs of our members and our organization.

7. What will happen to PACE branches that are currently closed (Whitby/London)?

There are no immediate plans to change the status of any closed branch locations. This will be reviewed and reassessed in due course to make sure any changes meet the needs of our members and our organization.

8. PACE and Alterna Savings are on different banking systems. How will that work? Can members bank at both institutions?

Initially, other than harmonizing and offering potentially better rates, nothing will change until PACE is brought over onto Alterna Savings' banking system in the future. Until that time, members of PACE may not yet bank at Alterna Savings locations and vice versa. Members will be kept well informed as they progress through the banking system change in the future.

9. Will the PACE name change?

Yes, in time. Gradually you will also start to see Alterna Savings' name and logo used more often.

10. Will PACE members have a membership share at Alterna Savings?

Yes. When the transaction closes, PACE members will be given membership shares in Alterna Savings (\$15 per adult) to satisfy the condition of membership under Alterna's by-law.

11. What happens to Investment, Profit and Membership Shares held by PACE Members?

It's important to note that the Financial Services Regulatory Authority (FSRA) is keeping investment and profit shares held by 2% of PACE members, and membership shares held by all PACE members, with PACE's legal entity. They are not part of this transaction.

PACE members may have questions about their investment and profit shares, and FSRA is available to answer them at 416-250-7250 or 1-800-668-0128. PACE members can also email FSRA at contactcentre@fsrao.ca.



12. Will members get to vote on the transaction?

Given that PACE is under administration by FSRA, there will not be a member vote on this transaction.

13. When will the transaction close?

The transaction is anticipated to close in late Q2 2022. At that time, PACE members and employees will join Alterna Savings. However, as we will not yet be on the same banking system, PACE members will need to wait until this change happens to bank with Alterna Savings.

14. Where can I go if I have questions?

If you require information about investment, profit, or membership shares, please contact FSRA at 416-250-7250 or 1-800-668-0128. You can also email FSRA at contactcentre@fsrao.ca.

For questions about Alterna Savings, please visit www.alterna.ca. You may also speak to any member of the PACE team, call PACE at 1.877.588.7223 or email pace.info@pacecu.com.