



Collaboration MB

Your Guide to the Proposed Merger





Emerging Leaders from all three organizations

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Letter to Members

Not since our founding members created our organizations have we been at such an important moment in our history. We have the opportunity, right now, to create a unique and sustainable financial co-operative in Manitoba and to do it in the way we know best – co-operatively.

Like the Assiniboine River, imagine a credit union network that flows and connects across the province. This new organization is more prosperous and has greater strength and ability to provide members with better products and services, support employees with more career and development opportunities, and invest in community organizations and events.

Imagine all the good work your credit union/caisse has already done – helping your child get their first bank account, providing loans to farmers to build their family farm, helping a small business make that next big leap, sponsoring the local hockey tournament that is the highlight of your small town's winter season, giving newcomers their mortgage for their first home in Canada. Now imagine doing even more of that.

Imagine one of our founding languages, French, now being used in a larger organization reaching more people. That is just part of what is possible when we become a uniquely Manitoban financial co-operative.

You are one of 216,000 co-owners of the two credit unions and caisse. And as a co-operative member, you decide where we go next. The future of our organizations is in your good hands.

As your elected Boards of Directors and Executive Teams, we want you to know that we have done our homework and due diligence and have been listening to you. Through this process we are confident a merger of Assiniboine Credit Union, Caisse Financial Group, and Westoba Credit Union is in the best interest of you, our members. It isn't just a good idea; it is a merger that drives prosperity and is filled with possibilities. We are asking you to support this merger for the future of our members, employees, and communities. Vote Yes and Oui. It's imperative.

To learn more, please read on. If you have any additional questions, please know we are available.



Crystal Laborero, Board Chair
Assiniboine Credit Union



Réal Déquier, Board President
Caisse Financial Group



Garnet McBurney, Board Chair
Westoba Credit Union



Kevin Sitka, President & CEO
Assiniboine Credit Union



Joël Rondeau, CEO
Caisse Financial Group



Jim Rediger, President & CEO
Westoba Credit Union

How Did We Get Here?

Our Founders' Vision

Each of our founding members had the same dream.

They imagined what would be possible if individuals came together and created a way to lend money to each other at fair rates when banks would not. Some were farmers, labourers, and electrical workers who experienced the financial hardships of the Great Depression or World War II.

They shared the same challenges with banks and understood the possibilities of the co-operative movement. They made a pact with their co-workers, neighbours, and families to grow and be better together – to make life better for their workplace, families, and communities.

Growing the Dream

We'd like to think our founding members would be proud of you, our members today, for what you've done over the decades to take their dream and grow it at Assiniboine Credit Union, Caisse Financial Group, and Westoba Credit Union. Thank you.

The Reality of Emerging Trends

We have been carefully watching and planning for emerging trends in the financial industry, many of which our founders could never have imagined 80 years ago.

The banking landscape is changing quickly and dramatically around us. It's imperative that we pay attention and respond to:

1 Open Banking

A system called "open banking" is being used in Australia and the UK and is coming to Canada. It is a secure way for you to share your financial information with other financial institutions and financial technology companies. It puts you in control of your financial data, provides you with more choices and options, and enables you to view all your financial information in one place. The Government of Canada is currently developing a framework that will enable open banking safely and securely in Canada. We need to get ready for it. And it's not easy to do alone.



2 Digital Identities

Electronic representations of individuals or entities used for authentication and verification of online interactions are also growing. These digital identities often include personal information, authentication factors, and management systems. And they require sophisticated and secure systems at our credit unions and caisses. Every financial institution will need to participate to stay relevant.

3 Evolving Competition

We're seeing an explosion of tech companies offering a variety of financial services and driving competition in our market. These companies might not be headquartered in Manitoba or in Canada and may not operate with the same government regulations and rules we must follow to ensure your financial security. We will need to invest in technology to meet the evolving needs of our membership.

4 Digital Wallets

With the growing number of payment app services like Apple Pay, Google Pay, and Samsung Pay, we need to invest in improving services for our members who are seeking the same ease and experience from their caisse and credit unions.

5 Cybersecurity

New technologies and the changing geo-political landscape have significantly altered the security needs of financial institutions, which makes cybersecurity a constant and ever-increasing priority. The tools required to stay cyber-safe are continually evolving, requiring more resources, more expertise, and more investments.

6 Regulatory Requirements

There are numerous drivers of change to the regulatory environment. Credit Union Central of Manitoba estimates compliance costs to credit unions/caisses have increased 134% over the last eight years.

7 Digital Banking

The most recent Manitoba data tells us that approximately 90% of banking transactions are performed with digital banking and mobile apps. How members use our products and services – and want to use our products and services – is evolving, and we have to keep up with your expectations.



Our founding members would never have imagined we'd be paying for a coffee with the tap of a watch."



Keeping Pace

All credit unions/caisses are faced with the same technology, regulatory, and competitive challenges, which are expensive.

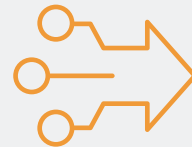
To keep pace with the needs and wants of our members and employees, it is imperative that we merge to be sustainable and continue to provide the products and services you need and want from your financial institution.

As partners, we have all come to the same conclusion: together we are stronger for our members, employees, and communities. Our future is not the status quo.

We believe it's **imperative** to merge now, for us and the next generation. There are changes and advancements in the industry that our founding members could not have imagined. But we do think they would have seen what was needed, and that they would have come to the same conclusion – that this merger makes sense.



Swan Lake employees celebrating Westoba's 60th anniversary






It is **imperative** that we merge to be sustainable and continue to provide the products and services you need and want. Our future is not the status quo.

Our Founding Members Saw Opportunity

- Caisse Financial Group, the first officially registered financial co-operative in Manitoba, was established in St. Malo, Manitoba, in 1937 at the tail end of the Great Depression with 29 members and \$96.85 in assets.
- Assiniboine Credit Union was founded by Ed McCaffrey and his eight co-workers from the Winnipeg Electric Company in 1943, in the middle of World War II.
- Westoba Credit Union was founded in 1963, as Brandon Consumers Credit Union Society Ltd., and changed its name to Westoba in 1973. Its first priorities were its members and the welfare of its rural and urban communities.

Our Organizations at a Glance (as of December 31, 2023)

	 1943 Winnipeg	 1937 St. Malo	 1963 Brandon
Founded in			
Headquarters	Winnipeg	Winnipeg	Brandon
Members	140,000	35,000	41,000
Employees	500	248	222
Branches	18	19	13
Assets	\$6 billion	\$2 billion	\$1.6 billion
Lines of business	Personal, Commercial, Wealth Management	Personal, Commercial, Wealth Management, Agriculture	Personal, Commercial, Wealth Management, Agriculture



It will be the first time a financial co-operative will have such a wide geographic reach throughout Manitoba.”

Did you know?

ACU uses business as a force for good! A Benefit Corporation, or B Corp, is an international certification given to companies that meet the highest standards of environmental and social impact. In 2023, ACU re-certified with the highest certification score in Canada and top 20 in the world!

Learn more >
acu.ca

Caisse Financial Group supports community projects, green initiatives, and school bursaries to the tune of over \$200,000 annually for the benefit of its local communities. Among other initiatives, Caisse is a major partner of several festivals, cultural organizations, and charities such as Festival du Voyageur, the Frog Follies Festival and Centre Flavie.

Learn more >
caisse.biz

In 2023, Westoba employees volunteered over 1,300 hours at special events, Westoba-sponsored projects, and by delivering financial literacy education. When Westoba employees volunteer, they come together from all departments, build relationships with each other, and form strong bonds with the community.

Learn more >
westoba.com

Why Merge?

We have been working to meet your needs for generations. We're asking you to vote Yes and Oui to get stronger and to be more sustainable so we can help you achieve your dreams for generations to come! We want to make sure your needs and wants are being met so you can accomplish all the things you want for yourself, your family, and your community.

1 What's in it for members?

You're looking to the future, and you want more – more options to bank when and where you need to, and the right tools to succeed financially. This merger will provide:

- A province-wide network of branches
- Commitment to continued French services¹
- Commitment to our continued support of rural communities
- Commitment to values-based banking
- Increased ability to offer new products and services
- Increased access to agricultural expertise
- Competitive rates
- Increased ability to invest in digital experiences
- Financial strength, creating more opportunities to support local events, community projects and partners
- Over 900 employees committed to providing you with advice you can trust
- Expanded opportunity to invest in developing knowledgeable employees to help you achieve your dreams.



¹ Please refer to the detailed French services policy in the bylaws at the end of this document.

2

What's in it for employees?

Our employees are our greatest strength, and by merging our organizations we can combine their talent, expertise, and ideas. A merged organization will create a powerhouse of innovation and collaboration that will propel us to new heights. This will bring opportunities for employees to join new teams, roles or locations, and allow them to expand their skills and knowledge. Additional benefits include:

- Expanded career opportunities across a wider network
- Enhanced career development and additional career path opportunities
- Increased learning and development opportunities
- Opportunities to work in French
- Greater sharing of skills and best practices
- Access to a broader wealth of knowledge, experience, and insights from which we can innovate for our members.

3

What's in it for our communities?

One of the many things that make us great partners is that we all care deeply about and support our neighbourhoods, our communities, and the people who make Manitoba a better place every day. You are the leaders, volunteers, and employees of non-profits and community organizations. The Royal Manitoba Winter Fair, Festival du Voyageur, and the Winnipeg Folk Festival are just a few of the uniquely Manitoban events we have supported over the years. For you, a merged organization has:

- Greater financial capacity to continue supporting community organizations and investing in Manitoba's diverse and varied communities and events
- A larger and more diverse network of employees who are excited to make a difference in the communities we serve as active volunteers
- Programs and community partnerships throughout the province to provide financial empowerment initiatives and educational sessions
- The capacity and scale to ensure we can continue to bring individuals without access or with limited access to banking into our credit union as members, and support underserved communities in Manitoba
- Significant purchasing power as we continue to focus on supporting our communities through strengthening local businesses and community economies
- Specialized expertise in providing financial advice and services including financing for non-profits and co-operatives in your communities
- Specialized expertise in providing financial advice and services including financing for agriculture and small businesses in your communities.



Assiniboine employees volunteering at the Winnipeg Folk Festival

4

What’s in it for the credit union system?

While today we’re focused on the merger, we have always had our eye on what’s possible in the future. We care about the health of our entire credit union system as a strong and viable first choice for financial services in Manitoba and Canada. With this merger we’ll be one of the top 10 credit unions in Canada and, as a result, we will:

- Leverage our size within the Manitoban and Canadian credit union systems to be a voice for all credit union members
- Have a stronger relationship with suppliers and system partners to drive the changes we need to remain competitive and sustainable
- Have increased influence on the issues important to our members at local and national tables
- Be better able to leverage new opportunities with other credit unions
- Help manage risks in the ever-changing financial market for all of us.

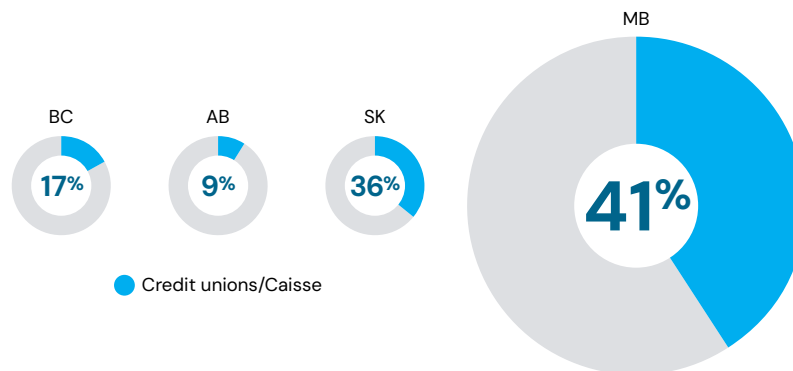


Strength of the Credit Union System in Manitoba

The credit union system in Manitoba is strong, with caisses and credit unions holding 41% of assets in the province, the highest percentage across Western Canada.

*Source: CCUA, Bank of Canada

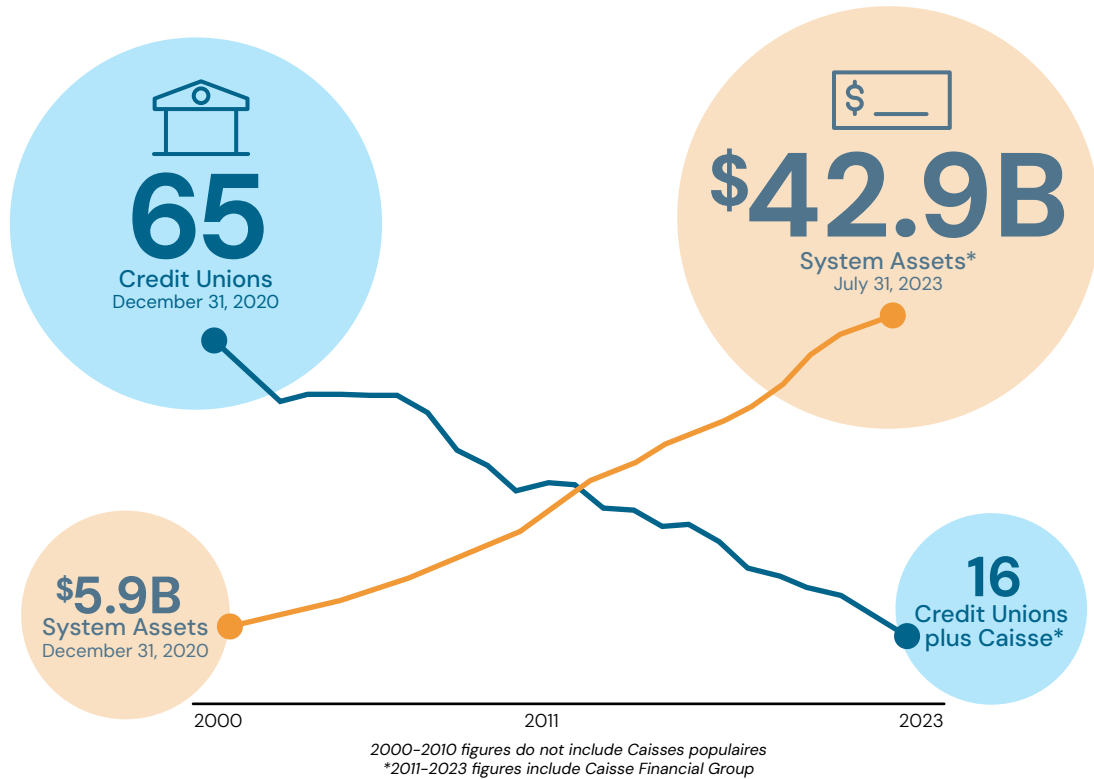
**Western Canada comparison
2023 2nd quarter share of assets**



Credit Unions & Caisse in Manitoba

Nationally, we see fewer and fewer credit unions every year. The pace of consolidation has been escalating, and credit unions are becoming more proactive in determining their future. That scale helps credit unions manage the investments required by digital, technology, competitive, regulatory and security trends and changes. Here in Manitoba we've consolidated from 65 credit unions to 16 plus Caisse in 13 years while growing assets from \$6 billion to \$43 billion. This creates stronger credit unions and better service for members.

*Source: CUCM, DGCM



Our Timeline

The proposed partnership between Assiniboine Credit Union, Caisse Financial Group, and Westoba Credit Union has several carefully planned phases. Throughout the whole process, we will continue to have open and deep conversations with members, employees, and our communities.



EXPLORATION COMPLETE

Late 2023
The Boards of Directors of all three financial co-operatives began discussions.

November 29, 2023
We announced we were starting to explore the opportunity to bring our organizations together.

Mid-December 2023 to Spring 2024
A deep and thorough due diligence process began. We were transparent with each other and took a close look at each other's financial, operational, and legal status, including details about assets, liabilities, and risks. We hosted in-person and virtual open houses for members in communities across the province, gathered input through surveys, had ongoing conversations with employees, and answered questions from members and our communities.

This process set the stage for writing a business case that was presented to the Boards of Directors, which they approved.



RECOMMENDATION CURRENT

Spring 2024
The Boards of Directors of all three organizations have now recommended to our members that we merge based on consultations with our regulators, employees, members, and communities along with the completed due diligence and the proposed business case.



MERGER VOTE & RESULTS

June 2024
Members of all three organizations will have an opportunity to vote on the partnership. Your participation is imperative! Results will be announced once votes are counted.



REGULATORY APPROVALS

If the vote is in favour of the merger, we'll complete our formal application for approval to the Manitoba regulator, and the Competition Bureau of Canada.



MERGER

Assiniboine Credit Union, Caisse Financial Group, and Westoba Credit Union are expected to unite as a newly formed legal entity and begin to implement plans to integrate operationally effective January 1, 2025.



Get ready to vote Yes and Oui in June

Each member gets to vote on the proposed merger. It's imperative. The dates and details of the vote and Special Meeting of Members will be shared by each organization.

Our Commitments

Our Value Proposition

The value proposition of the merged credit union includes its quality of service, competitive positioning, convenient solutions, commitment to urban, rural, agricultural, and Francophone communities, French language services, and a values-based approach to banking, which includes continuing B Corp certification.

The new entity will leverage the power of its balance sheet to make investments on behalf of its members that diversify revenue, reduce risk, and enhance organizational sustainability.

Commitment to French Services

We're excited about the unique opportunity to serve both English and French-speaking communities across Manitoba like never before. With a nod to our rural roots and the rich history of Caisses populaires, we recognize the deep connection these institutions have in shaping our new corporate identity. We also understand the vital role the Francophone community plays in the vibrant tapestry of Manitoba and Canada.

We're dedicated to ensuring our Francophone members have continued access to services in French, whether in person in designated areas or through digital channels.²

² Please refer to the detailed French services policy in the bylaws at the end of this document.

Commitment to Rural and Agricultural Roots

The merged organization would be positioned to provide greater support to rural communities currently represented by Westoba Credit Union in western Manitoba and Caisse Financial Group in south-central Manitoba. The scale of this new entity would allow the merged credit union to provide rural members with wider geographical coverage, a large suite of products, larger scale of funding for large agricultural businesses, and the ability to provide better service through employees with broader and more specialized skills.



Westoba volunteers at a local parade in Souris

Commitment to Values-based Banking

As a merged organization, we are committed to continuing to work together and partner with others for mutual benefit and the common good, dedicated to the International Co-operative Principles and the B Corp Declaration of Interdependence. We believe a merged credit union will have even greater capacity to create shared value for employees, members, and communities.

How We'll Operate Together

A Uniquely Manitoban Credit Union

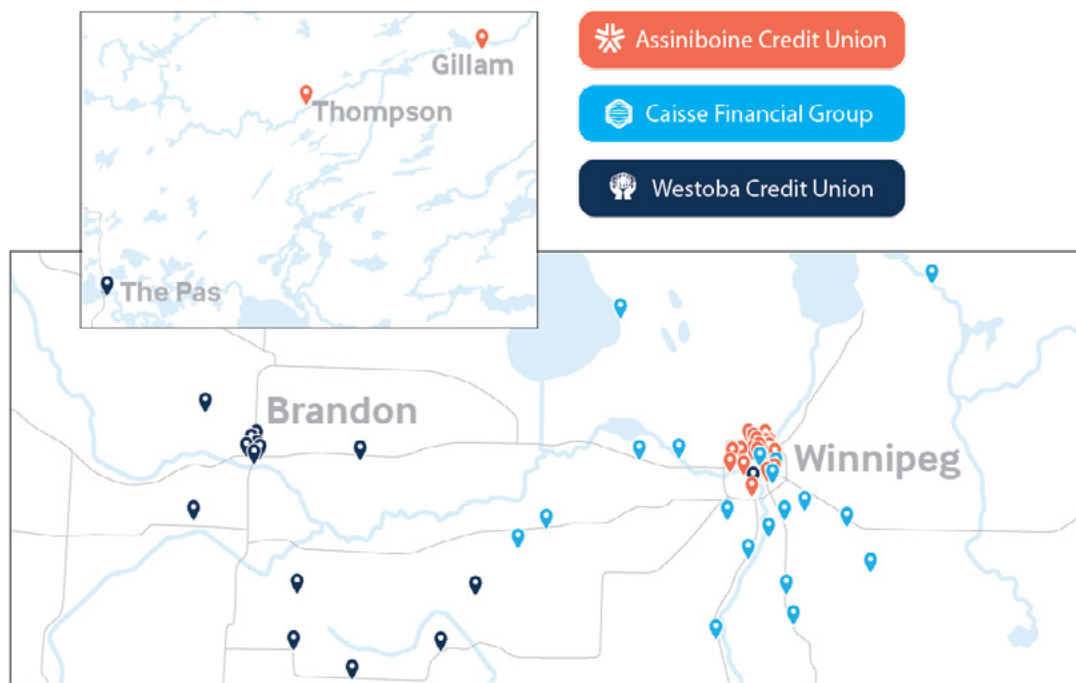
The merger of Assiniboine Credit Union, Caisse Financial Group, and Westoba Credit Union will create a unique financial co-operative in Manitoba. It will be the first time a credit union will have such wide geographic reach, offering French language services, and serving both urban and rural members through a values-based approach to banking.

A Stronger Voice

As one of the largest financial co-operatives in Manitoba and moving into the top 10 largest credit unions in Canada, the merged entity will have a strengthened voice at the provincial and national levels. We will be in a better position to influence the strategic direction of the credit union system, suppliers, and strategic partners, which will ultimately benefit members.

Branch Locations

The merged credit union is geographically unique and will have the widest distribution of branches of any financial co-operative in Manitoba.





Our Name

The merged organization will be the only purpose-driven financial co-operative in Manitoba to carry a French and English name – Assiniboine Credit Union / Caisse Assiniboine³ which allows either the English version or the French version to be used. We feel this is an imperative long-term commitment to honour the unique role that Francophone communities and French language services played in the history of the credit union/caisse movement and continue to play in the province of Manitoba.

We want to assure you our discussions around name were not taken lightly, especially with the long and rich histories attached to Assiniboine Credit Union, Caisse Financial Group, and Westoba Credit Union and the deep connections that employees, members, and community partners have to their names. The reasons to operate as Assiniboine Credit Union in predominately English-speaking locations and Caisse Assiniboine in Francophone markets include:

- Assiniboine is the same in English and French and the Assiniboine name and brand are well-known and respected within our communities. By adopting the name Assiniboine, we aim to extend the values that have guided Assiniboine Credit Union through the years in support of all members, employees, and communities.
- The Rivière Assiniboine River flows through Manitoba and for centuries has connected and supported the rural and urban communities we are looking to bring together through a proposed merger. By embracing the name “Assiniboine,” we honour the urban and rural foundations on which our credit unions/caisse were built and our ongoing commitment to serving the specific needs of these communities, ensuring they remain an integral part of our identity and future growth.
- Just as the Rivière Assiniboine River has changed course numerous times over past centuries, Assiniboine Credit Union / Caisse Assiniboine will evolve, innovate, grow, and progress in ways that ensure member, employee and community needs and wants can be met now and in the future.
- We believe that coming together under the Assiniboine name is important as it demonstrates our commitment to working as partners and as one strong credit union to better meet your financial needs now and into the future.

Start Date & Registered Office

If members vote in favour of merging and the regulators approve, the merged entity is expected to take effect on January 1, 2025. The registered office address, for legal purposes, will be 200 Main St., Winnipeg, MB, R3C 1A8.

3 Assiniboine Credit Union Limited / Caisse Populaire Assiniboine Limitée

Shares

The existing member shares, and all classes of share capital of each credit union and caisse, will be converted to shares of equal value, terms, and conditions in the merged organization.

Products and Services

The merged organization will initially continue to offer all current Assiniboine, Caisse and Westoba products and services of each, and through each legacy credit union/caisse. Within the first 12 months following the merger, harmonization and rationalization of products and services across the organization will start. That work will be finalized when the banking systems are integrated.

The Board of Directors

The new credit union will be governed by a 12-member board, which includes six members from Assiniboine and three each from Caisse and Westoba. Future elections will be held on an at-large basis providing a minimum of two directors who meet our definition of a “Francophone individual”⁴, and a minimum of two directors who meet our definition of a “rural individual”⁵.

Inaugural director terms will be staggered, with the first one-third of the terms expiring at the Annual General Meeting (AGM) held in spring 2026, the next one-third at the 2027 AGM and the final one-third at the 2028 AGM. The merged credit union recognizes the importance of ensuring its board as a whole possesses the knowledge, skills, diversity of backgrounds and lived experiences to effectively steward and oversee the strategic direction of the organization.

Qualities of Our First Directors

The first directors of the merged organization have been carefully chosen based on their deep knowledge and understanding of financial co-operatives, their impressive skills and expertise, which are needed for this unique merger, and their deep commitment to our shared values and their respective communities.



We are entering this opportunity as partners. We all value each others’ strengths and what makes us unique.



Assiniboine employees recognize Orange Shirt Day

⁴ A “Francophone individual” means a person who is a resident of the province of Manitoba and whose first language is French or who has a special affinity for the French language and uses it on a regular basis in their daily life.

⁵ A “rural individual” is a resident of the Province of Manitoba and whose primary residence is located outside of the Winnipeg CMA (Census Metropolitan Area).

Here is your Board of Directors for the merged credit union:



Jim Abernethy

Jim Abernethy, Vice-Chair of Westoba's Board of Directors, is a cattle producer from Glenboro. With a diploma in Agriculture from the University of Manitoba, Jim previously chaired Westoba's Board (2016–2021) and contributed to various boards, including Assiniboine Hills Conservation District, Glenboro Consumers Co-op, and a Provincial Advisory Board for Credit Union Central of Manitoba.



Jane Brown

Jane Brown, Audit and Risk Committee Chair with Westoba's Board of Directors, also has past experience on the IT Oversight Committee. Jane is from Rivers, Manitoba having spent 26 years at Behlen Industries, where she held diverse roles spanning accounting to IT. Jane's retirement from her family business, HiWay Esso, has allowed her to serve on various boards, including Career Connections and Family Visions.



Stéphane Dorge

Stéphane Dorge, Vice-Chair of the Caisse's Board of Directors, brings extensive experience through his leadership position in governance services and as Corporate Secretary of the Réseau Compassion Network. A graduate in management and law from the University of Ottawa, he has held key positions in the public and legal sectors.



Patrick Fortier

Patrick Fortier is a member of Caisse's Board of Directors and has served on many non-profit boards. He holds a master's degree in public administration and a BA in economics. A graduate of the Leadership Winnipeg program, Patrick is currently the Managing Director of the Internal Trade Secretariat. He lives in St. Boniface and is Francophone and Métis.



Don Johal

Don Johal is passionate about automobiles, commerce, and people, which led to leadership roles in the vehicle rental industry — as a licensee/franchisee and as President of the Manitoba Car and Truck Rental Association. Don has served on ACU's Governance & Ethics, and Human Resources Policy & Compensation Committees, and as Vice-Chair and Chair of Entegra Credit Union.



Jacqueline Keena

Jacqueline Keena, a professional Agrologist of Métis descent, is Managing Director of EMILLI, a Manitoba-based non-profit, working to increase the adoption of intelligent technologies into agriculture. In 2023, she was appointed to the Premier's Business and Jobs Council, where she chairs the AI, Technology, and Jobs committee. Jacqueline has served as Chair of ACU's Nominating Committee and Human Resources Policy & Compensation Committee, and is also past-chair of the Women's Enterprise Centre of Manitoba.



Crystal Laborero

Crystal Laborero, a member of Sapotaweyak Cree Nation, is ACU's Board Chair. She is a graduate of the Institute of Corporate Directors and has served on each of ACU's board committees and other committees within the credit union system. Her experience in banking includes opening the first on-reserve RBC branch in Manitoba, at Peguis First Nation. She is the owner of Laborero Consulting, a management and HR consulting firm that focuses on innovative projects that positively impact communities.



Jeff Leclerc

Jeff Leclerc is a proud Franco-Manitoban who has dedicated his education and career to board governance. For the past two decades, he has held the position of University Secretary, the senior governance officer of the University of Manitoba. Jeff has served on the ACU Nominating Committee and has also held director roles on the boards of United Way Winnipeg and the University of Manitoba Pension Plan.



Garnet McBurney

Garnet McBurney, Chair of Westoba's Board of Directors, hails from a grain farm in southwestern Manitoba. With extensive experience in accounting since 1988, including serving as Controller for major Brandon-based companies, he now leads Venture Accounting Group Ltd. Garnet's passion lies in nurturing new business start-ups and mentoring entrepreneurs.



Priti Mehta-Shah

Priti Mehta-Shah (FCPA,FCA,CBV, ICD.D) is a leading transaction advisor who has provided guidance to clients in Canada and around the world for the past 30 years. Priti's expertise includes assisting clients with buy-side and sell-side transactions, mergers and acquisitions, management buyouts, and placing financing for the acquisition. She has served on ACU's Audit & Risk and Nominating Committees and is dedicated to promoting entrepreneurship for women.



Alain Molgat

Alain Molgat is a Certified Public Accountant and Certified Management Accountant with 30+ years' experience in auditing, financial management, and business advisory services. Alain is a Franco-Manitoban and as President of Alain Molgat Consulting, provides management and consulting services primarily to Indigenous-owned enterprises. Since first elected, Alain has served on each of ACU's Board Committees, most recently as Chair of the Audit & Risk Committee.



Darrel Nadeau

Caisse board member Darrel Nadeau, originally from La Broquerie, has an extensive background in non-profit management. Currently VP of Visitor Experience at the Canadian Museum for Human Rights, he brings valuable environmental, social, and governance knowledge due to current and past roles on boards such as Pride Winnipeg, Winnipeg Arts Council, and the International Bureau for Children's Rights.

Executive Leadership

Following a thorough selection process, all three boards unanimously recommended current Assiniboine President & CEO Kevin Sitka as President & CEO of the new organization. Caisse CEO Joël Rondeau and Westoba President & CEO Jim Rediger will continue in leadership roles to support the post-merger entity. The process to identify the right people for the remaining leadership team is underway and will continue after the vote.

Bylaws

The bylaws of the new organization will provide members with assurance that the credit union will operate prudently and conservatively while maximizing opportunities to serve the current and emerging needs of members.

BOOKMARK IT



CollaborationMB.ca is a bilingual website hosted by the three partners where you can find everything you need to know about the proposed merger. Whether you're a member or employee, the website is your go-to source for why it's **imperative** to Vote Yes and Oui.

[CollaborationMB.ca](https://www.collaborationmb.ca)

Expected Financial Highlights

Projections

The merger of Assiniboine, Caisse, and Westoba will create one of Canada's largest financial co-operatives. By combining resources and more effectively using our combined assets, the merged credit union will be more efficient and productive than each organization would be if they remained independent. The new credit union is projected to start generating more pre-tax income beginning in the second year. It's estimated that the merger will generate annual pre-tax earnings that are approximately \$12.8 million more than we could generate individually by 2029. The cumulative efficiencies will result in improved pre-tax income of more than \$36 million over 5 years.



Caisse employee appreciation event

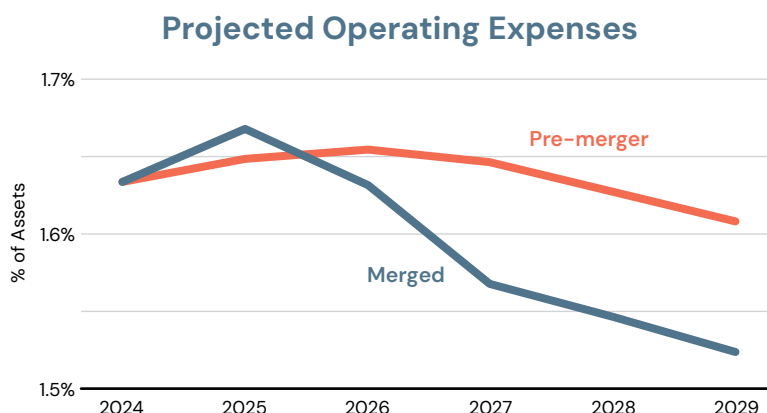
Merged Organization Projected Financials

	2025	2026	2027	2028	2029
Total Revenue	212,428,831	226,767,381	246,058,029	253,208,387	260,567,471
Total Operating Expense	169,581,262	171,620,585	170,303,254	175,876,148	181,637,923
Net Income	27,057,683	35,993,908	50,995,100	52,103,590	53,226,137

In the first year, we will focus on starting the integration of our technologies, core banking system, and digital and payments platforms to align operations across all branches and regions. By the second year, the efficiencies gained through amalgamating operations will begin to contribute to additional earnings.

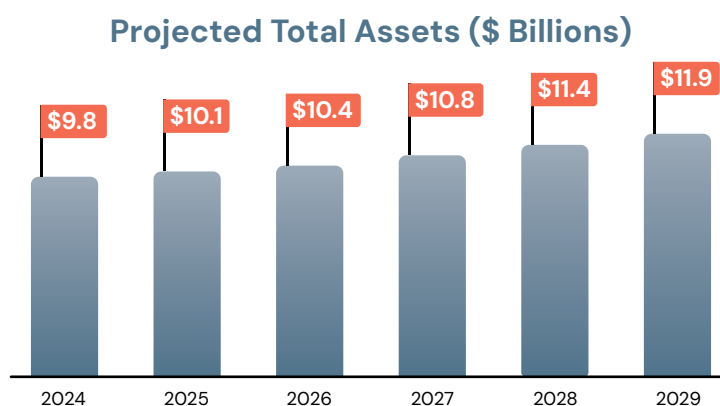
The additional earnings, based on projections, are possible because we will:

- Bring economies of scale to lending opportunities
- Bring scale and purchasing power to key vendor contracts
- Support incremental balance sheet growth without an increase in expenses
- Avoid duplicate costs through a consolidation of resources, for example, moving to one banking system.



Projected Asset Growth

The merged organization is projected to grow its assets from the \$9.8 billion forecasted at the end of 2024 to \$11.9 billion by 2029. Additional asset growth will be realized as we will have access to an expanded market, and increased opportunities in commercial and agricultural lending supported by regionally located branches, employees, and expertise.

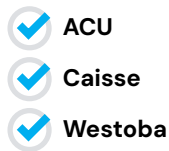


➤ Please see page 31 for [Cautionary Note Regarding Forward-Looking Statements](#).

Voting

Each member 18 years of age and older who holds at least one common membership share at one of the partner organizations gets to vote on the proposed merger. Each partner will provide their members with instructions on voting and their Special Meeting of Members.

Voting Results



If at least 67% of voting members of each of the three entities voted Yes and Oui, the merger will proceed as planned.



If at least 67% of Assiniboine voting members voted Yes and Oui and one of the other entities votes at least 67% Yes and Oui, the merger will proceed with the two who vote in favour.



If less than 67% of Assiniboine voting members voted Yes and Oui, then the merger does not proceed, regardless of how Caisse or Westoba members vote.

BOOKMARK IT



CollaborationMB.ca is a bilingual website hosted by the three partners where you can find everything you need to know about the proposed merger. Whether you're a member or employee, the website is your go-to source for why it's imperative to Vote Yes and Oui.

[CollaborationMB.ca](https://collaborationmb.ca)

Frequently Asked Questions

1 It seems like there are a lot of caisse/credit union mergers going on. Is this merger necessary?

There have been more mergers in the financial services industry in the last 20 years than any other point in history, and for good reason. We are all faced with the same technological, regulatory, and competitive challenges and we simply can't be our very best on our own. When caisses/credit unions combine resources and bring more members together – co-operatively – we can give you more of the services that you are looking for now and into the future, like competitive rates and easy-to-use digital experiences. We are stronger and more sustainable as one, and together we can create something that is uniquely Manitoban. That's what we are all about – co-operatively finding solutions to our common challenges in the best interests of our members, employees, and local communities.

2 What happens in five years; is it possible Francophone or rural communities wouldn't be represented on the board?

We are co-operatives with regular board of director democratic elections where members decide who best represents their interests. The bylaws of the proposed merged organization ensure that in the future at least two French-speaking and two rural Manitobans will always serve on the board. There could be a day where a majority of the board is French-speaking or represents rural Manitoba or both, if that's how members vote. We know this merger makes our ability to meet members', employees' and communities' current and future needs and wants possible.

3 Assiniboine is one of the largest credit unions in Manitoba; I feel like my caisse/credit union is getting swallowed up. Is that what's happening?

Not at all. We are all faced with the same technological, regulatory, and competitive challenges and we simply can't be our very best on our own. As partners, we have all come to the same conclusion: together we are stronger for our members, employees, and communities, now and into the future. As we have worked together for several months exploring a future as a merged organization, over that time we have confirmed we have so much in common. All three organizations are deeply committed to employees, supporting communities, and helping our members meet their financial needs



Caisse employees at Festival du Voyageur

and realize their dreams. We're excited about the prospect of doing that as one strong, enduring, and unique financial co-operative across Manitoba.

4 **Are you trying to be like a big bank?**

Financial co-operatives are a long way from being like a bank. All the things you like about your caisse or credit union – like talking with the person at the counter in French, the branch employees knowing your name, investing in your local projects, supporting your local grants and sponsorships – will still be the same. We're still a co-operative at our roots.

5 **I like being able to meet with my caisse/ credit union business representative to negotiate a loan for my Agriculture/ Commercial business. Am I still going to be able to do that?**

Yes. The things you value at your local caisse/ credit union will remain the same. Decisions on loans are made locally with experts that understand your business. In fact, some of our members require multi-million-dollar loans that we have been challenged to or could not meet in the past. But together, a merged entity with \$10 billion in assets will be much more capable of meeting your business needs now and into the future.

6 **Will you close branches because of this merger?**

Should the merger go through, we will want to take time to evaluate our combined branch network as we want to make sure we continue to be easy to do business with and that we are meeting the needs of our members. Commitment to the communities we serve is, and will continue to be, central to our mission and purpose. Our merger exploration work as partners over the last several months has demonstrated that our branch networks complement each other well. Together we'll be better positioned to serve you in branches across Manitoba.

7 **What happens if we don't merge right now?**

Industry trends tell us we can't continue doing things the way we always have; merger makes us stronger, more sustainable. We all need size and scale to meet member, employee, and community needs and wants now and into the future. We believe it's important to do it now because we are entering this proposed merger as three true partners. We all bring something to the table that the other partners value. If we wait, mergers will continue to happen all around us, within our province and beyond, the landscape will change dramatically and the opportunities to enter a merger as a valued partner will decline. In this proposed merger, we have found partners who want what we want: a strong and enduring financial co-operative that uniquely represents Manitoba.



Assiniboine volunteers support Habitat for Humanity build

8 Will employees lose their jobs?

Attracting and keeping talented, knowledgeable, caring, hardworking employees is our priority. Our employees are our greatest strength and we're going to make every effort to find a place for everyone. We are excited for the possibilities that a merged organization will offer employees to work in new roles, departments, or locations or to use and learn new skills.

9 Will French services still be offered in the new organization?

We are committed to offering members a range of financial services in French in branches in designated Francophone areas and by other methods, such as mobile and online banking, contact centres, and social media into the future. As part of the proposed merger, a French-Language Services Policy has been developed to document the commitment of the combined organization to make financial services in the French language available to members, including the businesses, organizations, and institutions that serve Manitoba's Francophone community. The process to integrate caisse/credit union systems and operations and make offerings available in French will take considerable time and effort. We believe greater size and scale provide the strength we need to address the challenges we experience today and in the future in providing French financial services to Manitoba's Francophone community.



Westoba employees attending the Pragati Kite Festival in Brandon

10 What's in it for me as a member?

Our members have told us they want competitive rates and diverse products and services that resemble the experiences they enjoy with Apple/Google/Samsung Pay, specialized agriculture lending, and improved digital banking experience, just to name a few. These services are expensive for an individual organization to offer to members. However, when we pool our resources and come together co-operatively, we can better meet your needs and wants while still investing in our communities. Together, it is possible to offer the services you want and expect, now and in the future.

11 How will the employees benefit?

This merger creates more career opportunities for employees who want to explore new locations or new career paths, learn new skills, and take on new challenges within their roles. Our employees are our greatest strength, and this new merged organization offers a lot of career possibilities. We are creating a uniquely Manitoban organization, and we are excited for all our employees to be a part of it from the beginning.

12

Why are you proposing the name Assiniboine Credit Union / Caisse Assiniboine?

We want to assure you our discussions around name were not taken lightly, especially with the long and rich histories attached to Assiniboine Credit Union, Caisse Financial Group, and Westoba Credit Union and the deep connections that employees, members, and community partners have to their names. The reasons to operate as Assiniboine Credit Union in predominately English-speaking locations and Caisse Assiniboine in Francophone markets include:

- Assiniboine is the same in English and French and the Assiniboine name and brand are well-known and respected within our communities. By adopting the name Assiniboine, we aim to extend the values that have guided Assiniboine Credit Union through the years in support of all members, employees, and communities.
- The Rivière Assiniboine River flows through Manitoba and for centuries has connected and supported the rural and urban communities we are looking to bring together through a proposed merger. By embracing the name “Assiniboine,” we honour the urban and rural foundations on which our credit unions/caisse were built and our ongoing commitment to serving the specific needs of these communities, ensuring they remain an integral part of our identity and future growth.
- Just as the Rivière Assiniboine River has changed course numerous times over past centuries, Assiniboine Credit Union / Caisse Assiniboine will evolve, innovate, grow, and progress in ways that ensure member, employee and community needs and wants can be met now and in the future.
- We believe that coming together under the Assiniboine name is important as it demonstrates our commitment to working as partners and as one strong credit union to better meet your financial needs, now and into the future.

13

Will the local festivals, sports clubs and community organizations and events still receive their sponsorships?

Our contributions and investments in our communities through grants, sponsorships and volunteering is a great source of pride for all of us and will continue in the future. This is an area of shared strength and importance as we continue to learn about the breadth and depth of commitment to communities in each organization. We recognize we are better able to support our communities’ local festivals, sports clubs, and community organizations and events with size and scale. One of the important goals of this proposed merger is creating a thriving, strong and sustainable organization, with even more opportunities to support our communities.



14 How was the CEO of the new organization selected?

Following a thorough selection process, all three boards unanimously recommended current Assiniboine President & CEO Kevin Sitka as President & CEO of the new organization. The process involved an independent consultant who worked to support a committee of the boards of directors. The committee established the desired skills and competencies required for the merged organization’s President & CEO role, and each Board confirmed Kevin’s skill set, expertise, and leadership qualities met or exceeded the requirements.

Westoba President & CEO Jim Rediger and Caisse CEO Joël Rondeau will continue in leadership roles to support the post-merger credit union.



Assiniboine donation to support refugee settlement at IRCOM

15 What happens if one of the partners votes no?

The goal for the new organization is to be a better, stronger, more sustainable, uniquely Manitoban financial co-operative. We can only fully realize that goal if the memberships of all three organizations vote in support of the proposed merger. If Assiniboine votes yes, and either Caisse or Westoba vote yes, the merger will still proceed with the two who vote in favour.

16 What unique leadership features may our new credit union include?

We envision senior leadership in the merged credit union that is focused on each area of core differentiation including Francophone services, rural support, and values-based banking.

17 You keep mentioning this merger is “uniquely Manitoban”; how so?

As partners exploring a potential merger, we have confirmed that each partner would contribute uniquely to a merged entity and the collective breadth and depth of those contributions will make us even stronger. Through a merger we will use these collective contributions to build new value for our employees, our members, and our communities. As with other mergers, that value will translate into quality service, convenient solutions, more competitive rates, and fees for members. Unique to this proposed merger, the value will also translate into ongoing commitment to urban, rural, and agricultural communities, French language services, and values-based approach to banking.



Westoba employees participating at a golf tournament

How To Contact Us

Maybe you still have some questions?
Need something clarified?

We get that. We're ready for you.

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Cautionary Note Regarding Forward-Looking Statements

This Guide, including documents incorporated by reference herein, contains forward-looking statements and information. The use of any of the words “expect”, “anticipate”, “continue”, “estimate”, “objective”, “ongoing”, “may”, “will”, “project”, “should”, “believe”, “plans”, “intends”, “potential”, “pro forma” and similar expressions are intended to identify forward-looking statements or information. Forward-looking information presented in such statements or disclosures may, among other things, relate to: (i) the anticipated benefits from the Proposed Merger; (ii) the expected completion and implementation date of the Proposed Merger; (iii) certain operational and financial information; (iv) the nature of the Merged Credit Union’s operations following the Proposed Merger; (v) sources of income; (vi) forecasts of capital expenditures, including general and administrative expenses; (vii) anticipated income taxes; (viii) The Merged Credit Union’s business outlook following the Proposed Merger; (ix) plans and objectives of management for future operations; (x) forecast cost savings; and (xi) anticipated operational and financial performance.

Various assumptions or factors are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information. Those assumptions and factors are based on information currently available to Assiniboine, Caisse and Westoba, as applicable, including information obtained from third-party industry analysts and other third-party sources. You are cautioned that the following list of material factors and assumptions is not exhaustive. The factors and

assumptions include, but are not limited to:

- The approval of Assiniboine members
- The approval of Caisse members
- The approval of Westoba members
- Satisfaction of the other conditions for completion of the Proposed Merger, including the receipt of all required regulatory and third-party approvals to complete the Proposed Merger
- The completion of the Proposed Merger
- No material changes in the legislative and operating framework for the business of Assiniboine, Caisse and Westoba, as applicable
- No material adverse changes in the business of either or all three of Assiniboine, Caisse and Westoba; and
- No significant events occurring outside the ordinary course of business of Assiniboine, Caisse or Westoba, as applicable such as a natural disaster or other calamity.

The forward-looking information contained in statements or disclosures in this information circular (including the documents incorporated by reference herein) is based (in whole or in part) upon factors which may cause actual results, performance or achievements of Assiniboine, Caisse or Westoba, as applicable, to differ materially from those contemplated (whether expressly or by implication) in the forward-looking information. Actual results or outcomes may differ materially from those predicted by such statements or disclosures. While Assiniboine, Caisse and Westoba

do not know what impact any of those differences may have on their respective businesses, results of operations and financial conditions may be materially adversely affected.

You are further cautioned that the preparation of financial statements in accordance with International Financial Reporting Standards requires management to make certain judgments and estimates that affect the reported amounts of assets, liabilities, revenues, and expenses. These estimates may change, having either a negative or positive effect on net earnings, as further information becomes available, and as the economic environment changes.

You are cautioned that the foregoing list is not exhaustive. Readers should carefully review and consider the risk factors described under "Risks of Proposed Merger" and other risks described

elsewhere in this information circular and in the documents incorporated by reference herein.

The forward-looking statements and information contained in this Guide (including the documents incorporated by reference herein) are made as of the date hereof and thereof and Assiniboine, Caisse and Westoba undertake no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, except as required by applicable laws. Because of the risks, uncertainties and assumptions contained herein, and, in the documents, incorporated by reference herein, members should not place undue reliance on forward-looking statements or disclosures. The forward-looking information and statements contained herein, and the documents incorporated by reference herein, are expressly qualified in their entirety by this cautionary statement.

Appendix A: Financial Statements

To see the partners' financial information, please visit:



Assiniboine Credit Union

acu.ca/en/about/governance/annual-impact-reports



Caisse Financial Group

caisse.biz/en/about-us/annual-reports/



Westoba Credit Union

westoba.com/about-us/publications/annual-reports/
westoba.com/about-us/publications/financial-statements/

Appendix B: Bylaws

Information available after Notice of Special Meeting of Members is issued.



CollaborationMB.ca