

## PROPOSED AMALGAMATION AGREEMENT

THIS AMALGAMATION AGREEMENT (the “**Agreement**”) made the \_\_\_\_ day of \_\_\_\_\_ , 20\_\_.

### BETWEEN:

**Atlantic Edge Credit Union Limited**, a body corporate, having its registered office at 8 Branch Rd., P.O. Box 29, L’Anse au Loup, NL, A0K 3L0

- and -

**EasternEdge Credit Union Limited**, a body corporate, having its registered office at 31 Corey King Dr., Mount Pearl, NL, A1N 0A5

- and -

**Hamilton Sound Credit Union Limited**, a body corporate, having its registered office at Hwy 330, P.O. Box 272, Carmanville, NL, A0G 1N0

(Referred to herein individually as a “**Party**”; and collectively as the “**Parties**”)

**WHEREAS** each of the Parties are desirous of amalgamating pursuant to Section 114 of the *Credit Union Act*, SNL 2009, c C-37.2 (the “**Act**”).

**AND WHEREAS** pursuant to section 115 of the Act, the Parties are required to enter into an agreement setting out the terms and means of effecting the amalgamation.

**AND WHEREAS** the Parties agree and acknowledge this Agreement meets the requirements of section 115 and is subject to approval of its respective Members.

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

1. The name of the amalgamated credit union shall be Atlantic Edge Credit Union Limited.
2. The registered office of the amalgamated credit union shall be 8 Branch Rd., P.O. Box 29 L'Anse au Loup in the Province of Newfoundland and Labrador, AOK 3L0.
3. The proposed inaugural Directors of the amalgamated credit union are:

Director	Address	Term
Bert Belben	P.O. Box 78, Forteau NL	2
Rebecca Bell	48 Sargent Donald Lucas Drive, Paradise NL	1
David Evans	Lot 6 Little Harbour, Deer Lake NL	3
Tony Leamon	P.O. Box 1419, Port aux Basques NL	1
Paul Newman	2 Lawlor Pl, St. John's NL	3
Gary O'Brien	P.O. Box 1347, Channel-Port aux Basques NL	1
Orvin Roberts	9 Lushes Rd, Triton NL	1
Ginger Ryland	103 Norman Boulevard, Hammonds Plains NS	3
Dan Sheaves	13 Midway Road, Port aux Basques NL	2
Paul Summers	9 O'Mara Place, St. John's NL	2

4. Membership in the amalgamated credit union shall be open to all those conveniently served and as defined in the Act and specified in the By-laws of the amalgamated credit union.
5. The amalgamated credit union may issue an unlimited number of Member Shares at an issue price of five dollars CDN (\$5.00) per share.
6. The rights, privileges, restrictions, and conditions attached to the Member Shares shall be as defined in the Act and as set out in the By-laws of the amalgamated credit union.
7. Conversions:
  - (a) The Member Shares and Surplus Shares of Atlantic Edge Credit Union shall be converted to Member Shares and Surplus Shares of equal value in the amalgamated credit union.
  - (b) The Member Shares and Surplus Shares of EasternEdge Credit Union shall be converted to Member Shares and Surplus Shares of equal value in the amalgamated credit union.
  - (c) The Member Shares and Surplus Shares of Hamilton Sound Credit Union shall be converted to Member Shares and Surplus Shares of equal value in the amalgamated credit union.
8. The Class 1 Shares of Atlantic Edge Credit Union shall be converted to Class 1 Shares of the amalgamated credit union, with rights, privileges, restrictions and conditions attached thereto as defined in the Act and as set out in the By-laws of the amalgamated credit union.
9. The amalgamated credit union may issue other classes of shares and set the rights, privileges, restrictions and conditions attached thereto as defined in the Act and as set out in the By-laws of the amalgamated credit union.

10. The proposed auditor for the amalgamated credit union shall be Grant Thornton. The proposed remuneration of the auditor shall be fixed by the Directors of the amalgamated credit union.
11. Restrictions on the business the amalgamated credit union may carry on, are only those restrictions as defined in the Act.
12. The proposed By-laws of the amalgamated credit union are attached as Schedule "A" to this Agreement.
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. At any time before the issue of a certificate of amalgamation this Agreement may be terminated by the directors of either of the amalgamating credit unions.

**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.

<<Signatures on the next page – remainder of this page is blank>>

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**SIGNED, SEALED AND DELIVERED:**

**Atlantic Edge Credit Union Limited**

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Witness

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Per:

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Witness

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Per:

**EasternEdge Credit Union Limited**

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Witness

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Per:

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Witness

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Per:

**Hamilton Sound Credit Union Limited**

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Witness

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Per:

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Per:

**Schedule "A"**  
**Proposed By-laws**

**Schedule "B"**

**Business Case**