

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT is made as of the 6th day of March, 2025

BETWEEN:

YOUR NEIGHBOURHOOD CREDIT UNION LIMITED, a credit union existing under the *Credit Unions and Caisses Populaires Act, 2020*, having its head office at 38 Executive Place, Kitchener, ON N2P 2N4

(the “**Purchaser**”)

- AND -

COMTECH FIRE CREDIT UNION LIMITED, a credit union existing under the *Credit Unions and Caisses Populaires Act, 2020*, having its head office at 220 Yonge Street, Suite 102, Toronto, ON M5B 2H1

(the “**Vendor**”)

RECITALS:

1. The Vendor has delivered to the Purchaser the Audited Financial Statements (as hereinafter defined) and, on the basis of the Audited Financial Statements, the Vendor has agreed to sell and the Purchaser has agreed to purchase all of the assets of the Vendor and assume all of the liabilities of the Vendor, upon and subject to the terms and conditions set forth in this Agreement.
2. This Agreement is subject to the approval of the Chief Executive Officer of the Authority (as hereinafter defined), in accordance with subsection 174(5) of the Act (as hereinafter defined).
3. This Agreement is subject to the approval of the members, the holders of the Class B Shares, Series 1, 2,3 and 4, of the Vendor, the approval of its Class A Shares, Series 1, not being required because this Agreement requires their redemption prior to or at the Time of Closing.
4. The approval of the members and shareholders of the Purchaser is not required, pursuant to paragraph 2 of subsection 174(1) of the Act.

NOW THEREFORE, in consideration of the premises and the covenants and agreements contained herein, the parties hereto agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

Whenever used in this Agreement, unless there is something inconsistent in the subject matter or context, the following words and terms shall have the meanings set out below:

- (a) “**Account Balance**” means the amount shown in the records of the Vendor as owing by the Vendor to the members of the Vendor in their accounts;
- (b) “**Act**” means the *Credit Unions and Caisses Populaires Act, 2020*, S.O. 2020, c. 36, Sched. 7, as amended;
- (c) “**Affiliate**” means a person that is an affiliate of the Vendor within the meaning of the Act;
- (d) “**Agreement**” means this Asset Purchase Agreement, including all schedules and all instruments supplementing or amending or confirming this Agreement, and references to “Article” or “Section” mean and refer to the specified Article or Section of this Agreement;
- (e) “**Applicable Laws**” means, with respect to any person, property, transaction, event or other matter, any applicable:
 - (i) statute, law, constitution, treaty, order, code, ordinance, rule, regulation, instrument, common law, judgement, decree, by-law or rule of law of any Governmental Authority;
 - (ii) relevant policies, guidelines, notices or protocols of any Governmental Authority to the extent that they have the force of law and if any such guidelines do not have the force of law, are generally compiled with by Ontario credit unions as if such regulatory guidelines have the force of law; and
 - (iii) consent, exemption, approval or licence of any Governmental Authority;
- (f) “**Assumed Liabilities**” means (i) the Deposits, (ii) retail and commercial loan commitments of the Vendor, and (iii) any other liability of the Vendor disclosed on the Vendor’s Closing Balance Sheet as of the Effective Time, but excluding the Excluded Liabilities;
- (g) “**Assumption of Liabilities Agreement**” means the agreement to be entered into between the Vendor and the Purchaser providing for the assumption by the Purchaser of the Assumed Liabilities, substantially on the form attached hereto as Schedule “B”;

- (h) **“Audited Financial Statements”** means the audited financial statements of the Vendor as of December 31, 2024;
- (i) **“Authority”** shall have the meaning given to that word in the Act;
- (j) **“Books and Records”** means all books and records of the Vendor or any of its Affiliates in respect of the Purchased Assets, the Assumed Liabilities and the business, including customer lists, credit and pricing information, and plans and projections of or relating to the Purchased Assets, the Assumed Liabilities or the business, client directions or instructions to the Vendor as to the manner of delivery of documents, statements for Accounts, records relating to compliance with Applicable Laws, and all other documents, files, records, correspondence, and other data and information, financial or otherwise, which are relevant to the Purchased Assets, the Assumed Liabilities or the business, including all data and information stored electronically or on computer related media;
- (k) **“Business Day”** means a day other than Saturday, Sunday or a statutory or civic holiday in Ontario;
- (l) **“Cash”** means the Vendor’s cash on hand as disclosed on the Vendor’s Closing Balance Sheet as at the Effective Time;
- (m) **“Chief Executive Officer”** shall have the meaning given to that phrase in the Act;
- (n) **“Closing”** means the completion of the sale to and purchase by the Purchaser of the Purchased Assets and assumptions by the Purchaser of the Assumed Liabilities under this Agreement;
- (o) **“Closing Balance Sheet”** has the meaning given in Section 2.7;
- (p) **“Closing Date”** means July 31, 2025, or such other date as may be agreed between the Parties in writing;
- (q) **“Commissioner of Competition”** means the Commissioner of Competition appointed pursuant to subsection 7(1) of the Competition Act or any other person duly authorized to perform duties on behalf of the Commissioner of Competition;
- (r) **“Competition Act”** means the Competition Act (Canada);
- (s) **“Competition Act Clearance”** means the occurrence of either of the following:
 - (i) The Commissioner has issued an advance ruling certificate pursuant to section 102 of the Competition Act in respect of the transactions contemplated in this Agreement; or
 - (ii) Both (A) the applicable waiting period under subsection 123(1) of the Competition Act shall have expired or have been waived in accordance with subsection 123(2) of the Competition Act or the obligation to provide a

premerger notification in accordance with Part IX of the Competition Act shall have been waived in accordance with paragraph 113(c) of the Competition Act and (B) unless waived by the Purchaser in its sole discretion, the Commissioner shall have advised the Parties in writing that the Commissioner does not, at that time, intend to make an application under section 92 of the Competition Act in respect of the transactions contemplated in this Agreement.

- (t) “**Consent**” has the meaning given in Section 6.1(e);
- (u) “**Credit Agreement**” has the meaning given in Section 6.2;
- (v) “**Deposits**” means sums placed on deposit with the Vendor which are payable by the Vendor on a demand basis or on a specified date;
- (w) “**Effective Time**” means 11:59 p.m. on the Closing Date, or such other time as may be agreed between the Parties in writing;
- (x) “**Employees**” means all persons employed by the Vendor as at the Effective Time as set forth in Schedule “D”;
- (y) “**ETA**” means the *Excise Tax Act* (Canada).
- (z) “**Excluded Liabilities**” means: (i) any financial obligations of the Vendor under a service agreement with a third party supplier that may be terminated by the Vendor, at no financial cost, on or before the Closing Date and which the Purchaser has not specifically indicated to the Vendor an intention to assume after the Closing Date; (ii) any liability of the Vendor created by a chargeback after the Effective Time, for which there are insufficient funds on deposit from which the Purchaser can be reimbursed, or based on a finding that a fiduciary obligation of a member depositor has been transferred to the Vendor, on any of the following grounds: (A) knowing assistance by the Vendor or a breach of trust or of a fiduciary obligation in respect of the property of a depositing member; (B) knowing receipt by the Vendor of funds impressed with trust or fiduciary obligations owed by a depositing member; or (C) knowing and unauthorized meddling by the Vendor in the administration of a trust to which a depositing member was a party; and (iii) all employee benefit plans, policies, arrangements, or agreements that are sponsored, maintained, contributed to or required to be contributed to by the Vendor and all liabilities and contracts thereunder.
- (aa) “**Final Unaudited Financial Statements**” has the meaning given in Section 2.5;
- (bb) “**Fixed Assets**” means all of the equipment, fixtures, furnishings, furniture, computer equipment, software, other equipment and all other fixed assets owned by the Vendor as at the Effective Time;
- (cc) “**General Conveyance and Assumption of Liabilities Agreement**” means the agreement to be entered into between the Vendor and the Purchaser providing for

the general assignment and conveyance to the Purchaser of all of the Vendor's right, title and interest in, to and under, or in respect of the Purchased Assets and the assumption by the Purchaser of the Assumed Liabilities, substantially in the form attached hereto as Schedule "A";

- (dd) **“Governmental Authority”** means (i) any court, judicial body or arbitral body, (ii) any domestic or foreign government whether multinational, national, federal, provincial, territorial, state, municipal or local, governmental agency, governmental authority, governmental tribunal or governmental commission of any kind whatever, regulatory authority, central bank, minister, governor-in-counsel, cabinet commission, board, bureau, agency, commissioner or instrumentality, (iii) any subdivision or authority of any of the foregoing, (iv) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the above, and (v) any supranational or regional body;
- (ee) **“Investments”** means those investments owned by the Vendor at the Effective Time;
- (ff) **“Leased Real Property”** means the following properties:
 - (i) 5099 Creekbank Road, Mississauga, Ontario L4W 5N2
 - (ii) 637 King Street West, Toronto, Ontario M5V 1M5
 - (iii) 501-4499 Bath Road, Amherstview, Ontario K7N 1A6
 - (iv) 572 Princess Street, Kingston, Ontario K7L 1C9
 - (v) 363 Bank Street, Ottawa, Ontario K2P 1X9
 - (vi) 102-220 Yonge Street, Toronto, Ontario M5B 2H1
- (gg) **“Leases”** means all leases and subleases related to the Leased Real Property;
- (hh) **“Loan Account”** means a loan account established by the Vendor pursuant to a Loan contract and designated by the Vendor as a loan account under which the Vendor extends credit, as principal, to the obligor under such Loan and includes any overdraft facilities extended by the Vendor on a Deposit account;
- (ii) **“Loans”** means all personal and commercial loans and lines of credit outstanding on the Closing Balance Sheet of the Vendor as at the Effective Time, including overdrafts of customers (including but not limited to overdrafts made pursuant to an overdraft protection plan or similar extensions of credit in connection with deposit accounts) and all amendments, modifications, renewals, extensions, refinancings, and refundings of or for any of the foregoing;
- (jj) **“Member”** means a member of the Vendor;

- (kk) **“Membership Share Subscription Amount”** has the meaning in Section 6.11;
- (ll) **“Mortgages”** means those residential or commercial mortgages shown in the loans ledger of the Vendor as at the Effective Time, including all further security held by the Vendor in respect thereof;
- (mm) **“Parties”** means the Vendor and the Purchaser collectively, and **“Party”** means any one of them;
- (nn) **“Promissory Note”** has the meaning in Section 2.4(c);
- (oo) **“Purchase Price”** has the meaning given in Section 2.3;
- (pp) **“Purchased Assets”** means all of the Vendor’s right, title and interest in, to and under the assets stated in the Closing Balance Sheet, including, without limitation, the Cash, the Fixed Assets, intangible assets, deferred tax assets, the Investments, the Loans, the Loan Accounts, the Mortgages and all Related Security, the Books and Records, accrued interest on Investments and Loans, all accounts receivable, the rights of the Vendor in and to intellectual property and all goodwill associated with the business of the Vendor;
- (qq) **“Non-Operating Credit Union Subsidiary”** means a subsidiary of a credit union which is itself another credit union, but is subject to an agreement that it not carry on any business except as may be required for its dissolution;
- (rr) **“Qualifying Offer of Employment”** has the meaning given in Section 5.8;
- (ss) **“Real Property”** means 531 Danforth Avenue, Toronto, Ontario M4K 1P7.
- (tt) **“Redemption Amount”** has, with respect to any particular class or series of shares, the meaning given in the articles of incorporation of the Vendor,
- (uu) **“Recognized Years of Service With the Vendor”** shall mean the recognized start date in the employee records of the Vendor for each of the Vendor’s employees, and as stated on Schedule “D” hereto;
- (vv) **“Related Security”** means, with respect to any Loan Account:
 - (i) all of the Vendor’s right, title and interest in, to and under all security interests (including hypothecs) from time to time, to the extent they secure or purport to secure payment of any amounts payable pursuant to receivables on account of finance charges;
 - (ii) all of the Vendor’s right, title and interest in, to and under all guarantees, indemnities, all payments and proceeds made under any such guarantee or indemnity and all other agreements or arrangements of whatsoever character from time to time supporting or securing payment of receivables on account of finance charges;

- (iii) the Vendor's interest in all credit life policies and title insurance policies issued for the properties that secure the Loan Accounts from and after the Closing Date;
 - (iv) the Vendor's interest in all property/liability insurance policies pertaining to the properties that secure the Loan Accounts from and after the Closing Date;
 - (v) all Books and Records relating to receivables on account of finance charges or to any of the foregoing; and
 - (vi) all proceeds of or relating to the foregoing, including to receivables on account of finance charges;
- (ww) **"Retained Members"** has the meaning given in section 6.13;
- (xx) **"Rights"** has the meaning given in Section 2.9(a);
- (yy) **"Time of Closing"** means 5:00 p.m. on the Closing Date, or such other time as may be agreed upon by the Parties;
- (zz) **"Transferring Members"** means the Members as at the Time of Closing, other than the Retained Members, based on the Books and Records that have, either individually or as joint account holders with other Members, an account with the Vendor as at the Time of Closing; and
- (aaa) **"Vendor's Information Mailing"** means the mailing to all members of the Vendor by the Vendor at the equally shared expense of the Vendor and Purchaser, in which the Vendor and the Purchaser will provide information to the members of the Vendor regarding the transactions contemplated by this Agreement, but does not include the mailing of notices of meetings, proxy forms, ballots, or management information circulars, which are the sole expense of the party mailing them.

1.2 Headings

The division of this Agreement into Articles, Sections and Subsections, and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. Unless otherwise specified, the words "Article", "Section" and other subdivision followed by a number mean and refer to the specified Article, Section or other subdivision of this Agreement (and any Schedule referenced in any such Article, Section or other subdivision) and the word "herein", "hereunder" or "hereof" and similar expressions are references to this Agreement and not to a particular Article, Section or subdivision hereof. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles, Sections and Subsections are to Articles, Sections and Subsections of this Agreement.

1.3 Extended Meanings

In this Agreement, words importing the singular number only include the plural and vice versa and words importing any gender include all genders. The words “including”, “includes” and “include” mean “including (or includes or include) without limitation”. Unless the context otherwise requires, a definition applies to other forms of the word.

1.4 Currency

Unless otherwise indicated herein, all references to currency herein are to lawful money of Canada.

1.5 References to Persons, Agreements and Statutes, etc.

Any reference in this Agreement to a Person includes its successors and permitted assigns. Any reference in this Agreement to any agreement or statute, regulation or other law includes such agreement or statute, regulation or other law as it may from time to time be amended, modified, supplemented, restated or re-enacted.

1.6 Schedules

The following are the Schedules annexed hereto and incorporated by reference and deemed to be part hereof:

Schedule "A" – General Conveyance

Schedule "B" – Assumption of Liabilities Agreement

Schedule "C" – Audited Financial Statements

Schedule "D" – List of Vendor's Employees and Recognized Years of Service

Schedule "E" – Form of Promissory Note

Schedule "F" – Transition Advisory Committee Terms of Reference

ARTICLE 2 **SALE AND PURCHASE**

2.1 Action by Vendor and Purchaser

At the Time of Closing (but with effect as of and from the Effective Time):

- (a) **Purchase and Sale of Purchased Assets** – the Vendor shall sell and the Purchaser shall purchase the Purchased Assets for the Purchase Price payable as provided in this Agreement;
- (b) **Assumption of Assumed Liabilities** – the Purchaser shall assume the Assumed Liabilities; and
- (c) **Payment of Purchase Price** – the Purchaser shall deliver to the Vendor the Purchase Price as provided in Section 2.4.

2.2 No Assumption of Obligations

For greater certainty, the Parties acknowledge that the Purchaser is not assuming any of the liabilities, debts and obligations of the Vendor, whether present or future, absolute or contingent and whether or not relating to the Purchased Assets, other than the Assumed Liabilities.

2.3 Purchase Price

The amount payable by the Purchaser for the Purchased Assets (the “**Purchase Price**”) shall be an amount equal to the fair market value of the Assumed Liabilities plus the amount of the Promissory Note; provided that, if the Chief Executive Officer of the Authority does not approve the Purchaser’s application to acquire the Vendor as a non-operating subsidiary, the Purchase Price will be revised to a sum equal to fair market value of the Assumed Liabilities, and the Promissory Note will become void.

2.4 Satisfaction of Purchase Price

The Purchaser shall satisfy the Purchase Price by:

- (a) assuming the Assumed Liabilities;
- (b) issuing a maximum of 21,932,005 shares of a series, or of multiple series, of Class A Shares of the Purchaser with attributes substantially equivalent to the Class B Shares, Series 1, 2, 3 and 4 of the Vendor, to the Vendor or as the Vendor may direct, and
- (c) delivering to RZCD Law Firm LLP a demand Promissory Note in the amount of \$11,721,000 in the form attached hereto as Schedule D (the “Promissory Note”), to be held in escrow pending the successful application by the Purchaser for approval by the Chief Executive Officer of the Authority of its acquisition of the Vendor as a non-operating subsidiary, as contemplated in subsection 4.2.1(a). Upon review by the Parties of the Final Unaudited Financial Statements, the Promissory Note shall be replaced by a substitute note in the event that the amount thereof must be adjusted to ensure that it is equal to the difference between the fair market value of the assets purchased and the fair market value of the liabilities assumed. Thereafter, upon the Vendor becoming an approved non-operating subsidiary of the Purchaser, the Parties will cause RZCD Law Firm LLP to return the final version of the Promissory Note to the Purchaser to enable the Purchaser to complete the process of winding up the Vendor. If the Authority does not approve the Purchaser’s acquisition of the Vendor as a non-operating subsidiary, the Parties will cause RZCD Law Firm LLP to return the Promissory Note to the Purchaser, for destruction by the Purchaser.

2.5 Adjustments Based on Final Unaudited Financial Statements

The Vendor hereby agrees to prepare and deliver to the Purchaser unaudited financial statements for the period ending on the Closing Date (“**Final Unaudited Financial**

Statements”) as soon after the Closing Date as is reasonably possible. The Parties agree that, following delivery of the Final Unaudited Financial Statements, the Final Unaudited Financial Statements shall prevail for all purposes in connection with this Agreement.

2.6 Place of Closing

The Closing shall take place at the Time of Closing at the offices of the Purchaser, or such other place as maybe agreed upon by the Parties.

2.7 Adjustments Based on Closing Balance Sheet

Within ninety (90) days after the Closing Date, the Purchaser shall prepare and deliver to the Vendor: (A) the closing balance sheet setting out the book value of the Purchased Assets and the book value of the Assumed Liabilities, including the Membership Share Subscription Amount, in each case as of the Effective Time, and including any adjustments in respect of the Leased Real Property (the “**Closing Balance Sheet**”); (B) the actual Purchase Price as of the Effective Time in each case based on and consistent with the Closing Balance Sheet. The Parties agree that, following delivery of the Closing Balance Sheet, the Closing Balance Sheet shall prevail for all purposes in connection with this Agreement.

2.8 Allocation of Purchase Price

The Purchase Price shall be allocated among the Purchased Assets in accordance with their fair market value, in the case of assets that are intangible, and, in the case of tangible assets, reasonably allocated by agreement of the Parties, having regard to tax implications. Any surplus shall be treated for accounting purposes as contributed surplus on the books of the Purchaser. The Vendor and Purchaser agree to report the purchase and sale of the Purchased Assets in any returns to be filed under the *Income Tax Act* (Canada) and other taxation statutes in accordance with this Agreement.

2.9 Non-Transferable Assets Held in Trust

- (a) To the extent that any of the Purchased Assets purchased pursuant to Section 2.1 or any claim, right or benefit arising thereunder or resulting therefrom (collectively, the “**Rights**”) is not, or is alleged by a third party not to be, capable of being sold, assigned or conveyed without the approval, consent or waiver of a third party, including any Governmental Authority, and such approval, consent or waiver has not been obtained, or if a third party alleges that such sale, assignment or conveyance does or would constitute a breach of any obligation or contract or a violation of any Applicable Law, this Agreement shall not constitute a sale, assignment or conveyance of the legal title thereto until, in the first case, the approval, consent or waiver alleged to be required has been obtained or, in either case, a court of competent jurisdiction has declared (as the case may be) that no such approval, consent or waiver is required or that such sale, assignment or conveyance does not or would not constitute a breach of any obligation or contract or a violation of any Applicable Law.

- (b) Without limiting the Vendor's obligations under Section 6.1(f) following the Closing Date and until the date upon which all the Rights are fully sold, assigned and conveyed to the Purchaser:
- (i) the Vendor shall apply for and use commercially reasonable efforts to obtain such consents, approvals or waivers to assign or transfer the Rights relating thereto, in a form satisfactory to the Purchaser acting reasonably, as soon as possible after Closing;
 - (ii) the Vendor shall assign or transfer such Purchased Asset to the Purchaser as soon as such consents, approvals or waivers are obtained;
 - (iii) the Purchaser shall have beneficial ownership of the Rights and the Vendor shall hold all the Rights as bare trustee for the benefit and account of the Purchaser. The Vendor shall have no powers, and shall not take any action, with respect to the Rights without instructions from the Purchaser. In furtherance of the foregoing, the Vendor shall, at the request and expense and under the direction of the Purchaser, in the name of the Vendor:
 - (A) co-operate with the Purchaser in any reasonable arrangements requested by the Purchaser which are designed to provide the benefits of such Rights to the Purchaser;
 - (B) enforce any rights of the Vendor arising from such Rights against the issuer thereof or the other party or parties thereto; and
 - (C) take all such action and do or cause to be done all such things as are, in the opinion of the Purchaser, necessary or proper in order that the obligations of the Vendor thereunder may be performed in such manner that the value of such Rights is preserved and enures to the benefit of the Purchaser and that any monies due and payable or to become due and payable to the Purchaser in respect of the Rights are received by the Purchaser.

For greater certainty, the Vendor shall receive in trust and forthwith upon receipt remit to the Purchaser all funds it receives in respect of the Rights.

2.10 Section 22 Income Tax Act (Canada) Election

The Vendor and the Purchaser shall at the Time of Closing jointly execute an election pursuant to section 22 of the *Income Tax Act* (Canada) as to the sale of the Loans and Mortgages hereunder, shall designate therein the applicable portion of the Purchase Price referred to in Section 2.8 hereof as the consideration paid by the Purchaser therefor, and shall file such election with the Canada Revenue Agency forthwith after the Closing Balance Sheet has been delivered.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

3.1 Vendor's Representations and Warranties

The Vendor represents and warrants to the Purchaser that:

- (a) **Incorporation** – the Vendor is a corporation duly incorporated, existing and subsisting as a credit union under the laws of the Province of Ontario;
- (b) **Due Authorization** – the Board of Directors of the Vendor has approved the transactions contemplated by this Agreement and the Vendor has good and sufficient power, authority and right to execute and deliver this Agreement and to carry out the provisions of this Agreement subject to the Vendor's conditions precedent;
- (c) **Absence of Conflicting Agreements** – there is no contract, option or any other rights of another binding upon or which may at any time in the future become binding upon the Vendor to sell, transfer, assign, pledge, charge, mortgage or in any other way dispose of or encumber any of the Purchased Assets, other than pursuant to the provisions of this Agreement;
- (d) **Tax Matters** – the Vendor is not a non-resident of Canada for the purposes of the *Income Tax Act* (Canada);
- (e) **Title** – the Vendor will be on Closing the absolute beneficial owner of the Purchased Assets, with good and valid title, free and clear of all encumbrances except for those in favour of Central 1 Credit Union, and is exclusively entitled to possess and dispose of the Purchased Assets;
- (f) **Financial Statements** – The Audited Financial Statements have been prepared in accordance with international financial reporting standards applied on a basis consistent with that of the preceding period and present fairly:
 - (i) all of the assets, liabilities and financial position of the Vendor as at December 31, 2024 and
 - (ii) the earnings, results of operation and changes in financial position of the Vendor for the 12-month period ended December 31, 2024;
- (g) **Employee List** – Schedule “D” sets forth a true and complete list of all individuals who serve as employees to the Vendor (or who are expected to be employees of the Vendor as of the Closing Date), including, in respect of each such employee, the name, position, base compensation payable, bonus opportunity (and, with respect to any bonus payments, a three year history of amounts received), commission opportunity (and, with respect to any commission payments, a three year history of amounts received), any other incentive schemes to which the employee is entitled, the nature of any benefits to which the employee is entitled from the Vendor, date

of hire, location of employment, employment status (full-time or part-time), the status as active or non-active employee (and for each non-active employee, the nature of the absence (leave of absence, layoff, etc.), whether they are expected to return to work and, if so, when, and the nature of any benefits to which such non-active employee is entitled from the Vendor), vacation entitlement and accrual, overtime eligibility (exempt or non-exempt) of each such individual, particulars of all other material terms and conditions of employment of the employees (including any rights of any such employee with respect to any particular contractual entitlement on, or notice of, termination in excess of those to which such employee would be entitled under Applicable Laws.

(h) **Real Property**

- 1) the Vendor has not received any notice from any governmental authority with respect to any by-law change affecting the Real Property or relating to any threatened or pending condemnation or expropriation of the Real Property or any part thereof from any governmental authority, except as otherwise disclosed to the Purchaser in accordance with the terms of this Agreement;
- 2) no work order or deficiency notice thereof has been received by the Vendor that remains outstanding;
- 3) no part of the Real Property is leased to any commercial tenant on such terms and conditions that the lease cannot be terminated, as of the Closing Date, except on greater than 90 days' notice;
- 4) the Real Property, including any leasehold improvements and all buildings erected thereon, shall, at the Closing Date, be materially in the same condition and state as at the date of acceptance of this Agreement, reasonable wear and tear excepted;
- 5) the Vendor has provided the Purchaser with all reports in its possession or control with respect to the condition of the Real Property, including environmental, structural or engineering reports;
- 6) on the Closing Date, all amounts for labour and materials relating to the construction or repair of any improvement or any building situate on the Real Property shall have been fully paid and no one shall have the right to file a lien under the Construction Lien Act (Ontario) in respect of such construction or repair; and
- 7) there are no outstanding options to purchase or rights of first refusal to purchase the Real Property that have not expired or been waived and no person other than the Purchaser now has or will on Closing have any agreement or option or other right capable of becoming an agreement for the acquisition of the Real Property.

- (i) **Absence of Undisclosed Liabilities** – Since December 31, 2024 but subject to the Purchaser’s consent pursuant to Section 6.2, the Vendor has not incurred any liabilities or obligations (whether accrued, absolute, contingent or otherwise), which continue to be outstanding, except those incurred in the ordinary course of business; and
- (j) **Absence of Changes** – Since December 31, 2024, there has not been:
 - (i) any material change in the financial condition, operations or prospects of the Vendor or the Purchased Assets other than changes in the ordinary and usual course of business, none of which has been materially adverse; or
 - (ii) any damage, destruction, loss, labour trouble or other event, development or condition of any character (whether or not covered by insurance) materially and adversely affecting the business, assets, properties or future prospects of the Vendor.
- (k) **Credit Agreement**– Other than the Credit Agreement and a line of credit, previously disclosed to the Purchaser, the Vendor is not a borrower under any credit or other borrowing facility or agreement.

3.2 Purchaser’s Representations and Warranties

The Purchaser represents and warrants to the Vendor that:

- (a) **Incorporation** – the Purchaser is a corporation duly existing, organized and subsisting as a credit union under the laws of the Province of Ontario;
- (b) **Due Authorization** – the Board of Directors of the Purchaser has approved the transactions contemplated by this Agreement and the Purchaser has good and sufficient power, authority and right to execute and deliver this Agreement and to carry out the provisions of this Agreement subject to the Purchaser’s conditions precedent; and
- (c) **Transferring Members and Retained Members** – the Transferring Members and Retained Members are eligible to become members of the Purchaser on Closing.

ARTICLE 4 **PURCHASER’S CONDITIONS PRECEDENTS**

The obligation of the Purchaser to complete the purchase of the Purchased Assets under this Agreement shall be subject to the satisfaction of, or compliance with, each of the following conditions precedent (each of which is acknowledged to be inserted for the exclusive benefit of the Purchaser and may be waived by it in whole or in part). If all of the conditions precedent in this Section 4.1 hereof are satisfied on or before the Time of Closing, the Purchaser must complete the purchase of the Purchased Assets in escrow:

4.1 Conditions Precedent at or Before the Time of Closing

4.1.1 Lease Assignments

The Vendor shall have obtained, at its expense, the assignment of the Leases to the Purchaser, on terms and conditions no less favourable than those currently enjoyed by the Vendor.

4.1.2 Employee Matters-Termination of Employment

The Vendor shall have terminated its contractual arrangements with all Employees who have not accepted a Qualifying Offer of Employment from the Purchaser 15 days following receipt of the Qualifying Offer of Employment, and shall have obtained and provided to the Purchaser a copy of a full and final release of both the Vendor and also the Purchaser from any liability which has arisen, arises, or may arise from their employment by the Vendor from such Employees.

4.1.3 Articles of Amendment

The Vendor shall have, effective no later than the day prior to the Time of Closing, amended its Articles of Amalgamation to permit the Vendor to redeem, at its own initiative, all of its issued special shares prior to the Time of Closing, and shall have obtained from the Authority any necessary variation of the requirements under section 84 of the Act in respect of same.

4.1.4 Redemption of Class A Shares, Series 1

The Vendor shall have redeemed for the Redemption Amount thereof all of its Class A Shares, Series 1.

4.1.5 Redemption of Class B Shares, Series 1, 2, 3 and 4

The Vendor shall have, effective no later than the day prior to the Time of Closing, redeemed all of its issued Class B Shares, Series 1, 2, 3 and 4, by directing the Purchaser to issue a series of Class A Shares of the Purchaser with an equivalent redemption value and substantially equivalent attributes as the Class B Shares, Series 1, 2, 3 and 4, of the Vendor to each shareholder holding Class B Shares, Series 1, 2, 3 and 4, of the Vendor immediately prior to such redemption on a 1:1 basis in full satisfaction of the Redemption Amount for such shares of the Vendor.

4.1.6 Investment of Vendor in Purchaser

The Authority shall have approved the Vendor's investment in the membership shares of the Purchaser contemplated in section 6.14 hereof.

4.1.7 Due Diligence

The Purchaser shall have completed its due diligence investigation of the business of the Vendor, including the Purchased Assets and Assumed Liabilities, and shall, in its sole discretion, be satisfied with the results of such due diligence investigation.

4.1.8 Payment to Retiring Directors

The Vendor shall have paid, to each of its directors as of March 31, 2025 who remains a director as of the Closing Date, the sum of Ten Thousand Dollars (\$10,000), not exceeding the sum of Ninety Thousand Dollars (\$90,000) in the aggregate in accordance with the Directors Departure Package within its Corporate Governance Policy.

4.1.9 Truth and Accuracy of Representations of Vendor at the Time of Closing

All of the representations and warranties of the Vendor made in or pursuant to this Agreement shall be true and correct as at the Time of Closing and with the same effect as if made at and as of the Time of Closing (except as such representations and warranties may be affected by the occurrence of events or transactions expressly contemplated and permitted by this Agreement), and the Purchaser shall have received a certificate from the Chief Executive Officer of the Vendor, confirming, to the best of his knowledge, information and belief (after due inquiry), the truth and correctness of the representations and warranties of the Vendor.

4.1.10 Performance of Obligations

The Vendor shall have performed or complied with, in all respects, all its pre-Closing obligations, covenants and agreements under this Agreement.

4.1.11 Receipt of Closing Documentation

All instruments of conveyance and other documentation relating to the sale and purchase of the Purchased Assets, including, without limitation, documentation relating to the due authorization and completion of such sale and purchase, and all actions and proceedings taken on or prior to the Closing in connection with the performance by the Vendor of its pre-Closing obligations under this Agreement, shall be satisfactory to the Purchaser, acting reasonably, and the Purchaser shall have received copies of all such documentation or other evidence as it may reasonably request in order to establish the consummation of the transactions contemplated by this Agreement and the taking of all corporate proceedings in connection with such transactions in compliance with these conditions, in form (as to certification and otherwise) and substance satisfactory to the Purchaser.

4.1.12 Consents, Authorizations and Registrations

All consents, approvals, orders and authorizations of any person or Governmental Authority (or registrations, declarations, filings or recordings with any such authorities), required in connection with the completion of any of the transactions contemplated by this Agreement, the execution of this Agreement, the Closing or the performance of any of the terms and conditions of this Agreement, including, but not limited to, the approval of the Chief Executive Officer of the Authority and the Competition Act Clearance and shall have been obtained at or before the Time of Closing. There shall be no injunction or restraining order issued preventing, and no pending or threatened claim, action, litigation or proceeding, judicial or administrative, or investigation against any Party by any Governmental Authority, for the purpose of enjoining or preventing the consummation of the transactions contemplated in this Agreement, or otherwise claiming that this Agreement or the consummation thereof is improper or would give rise to proceedings under any statute or rule of law.

4.1.13 Encumbrances

The Purchaser shall have received evidence satisfactory to it that the Purchased Assets are free and clear of all encumbrances except for those in favour of Central 1 Credit Union, in respect of which the Purchaser shall have received a satisfactory undertaking from Central 1 Credit Union to discharge such encumbrances subsequent to closure of the Vendor's accounts with Central 1 Credit Union.

4.1.14 No Laws

No laws shall have been enacted, introduced or announced which materially and adversely affect the Purchased Assets as a whole.

4.1.15 Members

Not less than five Business Days prior to the Closing Date, the Vendor shall deliver to the Purchaser, a certificate, in form and substance satisfactory to the Purchaser, acting reasonably, outlining the total number of Transferring Members as of the date of such certificate.

4.1.16 Enabling Actions and Proceedings

The actions and proceedings transactions necessary to enable the parties to fully carry out their respective pre-Closing obligations under this Agreement, as described in the recitals, shall have been completed.

4.1.17 Termination of Service Agreements

The Vendor shall have, effective no later than the Closing Date, terminated all service agreements with third party suppliers that the Purchaser has not indicated an intention to assume, whether or not they are capable of being so terminated without financial penalty to the Vendor.

4.1.18 Forbearance Agreement

The Purchaser and the Financial Services of Authority of Ontario shall have entered into a forbearance agreement (“Forbearance Agreement”) relating to the Vendor being a non-operating credit union after Closing, on terms and conditions satisfactory to the Purchaser, and such Forbearance Agreement shall be in effect and take effect as of the Closing.

4.1.19 Borrowing

The Vendor shall not have withdrawn any amounts from its line of credit or any other borrowing facilities (including the Credit Agreement) with any lender during the period from and including the date of this Agreement to and including the Closing Time except with prior notice to the Purchaser pursuant to Section 6.2.

If any one or more of the foregoing conditions in Section 4.1 has/have not been fulfilled by Closing, the Purchaser may terminate this Agreement by notice in writing to the Vendor, in which event the Purchaser is released from all obligations under this Agreement, and unless the Purchaser can show that the condition relied upon could reasonably have been performed by the Vendor, the Vendor is also released from all obligations under this Agreement. However, the Purchaser may waive compliance with any condition in whole or in part if it sees fits to do so, without prejudice to its rights of termination in the event of non-fulfillment of any other condition, in whole or in part, or to its rights to recover damages for the breach of any representation, warranty, covenant or condition contained in this Agreement.

4.2 Post-Closing Conditions Precedent to the Release from Escrow

4.2.1 Purchase by the Purchaser of the Membership Shares of the Retained Members of the Vendor

The Retained Members shall have entered into separate agreements to transfer their membership shares to the Purchaser in exchange for either membership shares of equal value in the Purchaser, or in cash in an amount equal to their redemption amount as at the Closing Date. Furthermore:

- (a) The Authority shall have approved the purchase of the Vendor’s membership shares by the Purchaser, and the Purchaser’s acquisition of the Vendor as a non-operating subsidiary;
- (b) The Board of Directors of the Vendor shall have approved the transfer of membership shares by the Retained Members to the Purchaser, effective following the passage of the special resolution described in (c) below: and
- (c) The Retained Members shall have passed a special resolution irrevocably authorizing Davinder Birak and/or Michael Neely to submit to the Chief Executive Officer of the Authority, on behalf of the Vendor, an application for an order dissolving the Vendor after the transfers of membership shares from the Retained Members to the Purchaser have been completed.

If one of more of the foregoing conditions in section 4.2 has//have not been fulfilled or satisfied on or before July 31, 2026, neither the Purchaser nor the Vendor may terminate this Agreement and neither the Purchaser nor the Vendor is released from its obligations under this Agreement. However, at its option, the Purchaser may elect to either extend the escrow period to permit the parties additional time to fulfill or satisfy the outstanding condition(s), or, declare that the outstanding condition(s) is/are unfulfilled or unsatisfied. In the latter event, the Promissory Note shall thereupon become void and of no effect and Sections 2.3 and 2.4 shall have been deemed to have been amended by deleting all references to the Promissory Note. In other words, the Purchase Price shall be reduced by the amount of the Promissory Note. Upon such deemed amendment, the Parties will confirm in writing to each other that the purchase and sale of assets contemplated by this Agreement is completed and all deliverables are released from escrow.

Upon due fulfillment or satisfaction of the conditions in this Section 4.2, or the waiver of compliance with any such outstanding conditions by the Purchaser, the Parties will confirm in writing to each other that the purchase and sale of assets contemplated by this Agreement is completed, and that all deliverables are released from escrow.

ARTICLE 5

VENDOR'S CONDITIONS PRECEDENT

The obligations of the Vendor to complete the sale of the Purchased Assets under this Agreement shall be subject to the satisfaction of or compliance with, at or before the Time of Closing, each of the following conditions precedent (each of which is acknowledged to be inserted for the exclusive benefit of the Vendor and may be waived by it in whole or in part):

5.1 Bylaw Amendment; Director Election Policy Amendment

The Purchaser will have amended its by-laws and director election policy to permit its director qualification requiring length of membership in the Purchaser to be satisfied by length of membership in a credit union the assets of which the Purchaser is purchasing. The Purchaser will further have presented to its members, and its members shall have confirmed, a special resolution amending the Purchaser's bylaws to increase the size of the Purchaser's Board by three (3) directors, with effect from the Closing Date, with those vacancies restricted to directors of the Vendor, as of the date hereof and then to decrease the size of the Board by one (1) director as of the conclusion of the Purchaser's annual general meetings held in each of 2027, 2028 and 2029. The Purchaser further will have appointed to those vacancies, with effect from the Closing Date, the individuals selected by the Vendor, all of whom shall be directors of the Vendor as of the date hereof.

5.2 Investment of Vendor in Purchaser

The Authority shall have approved the Vendor's investment in membership shares of the Purchaser contemplated by section 6.14 hereof.

5.3 Truth and Accuracy of Representations of the Purchaser at Time of Closing

All of the representations and warranties of the Purchaser made in or pursuant to this Agreement shall be true and correct as at the Time of Closing and with the same effect as if made at and as of the Time of Closing (except as such representations and warranties may be affected by the occurrence of events or transactions expressly contemplated and permitted by this Agreement) and the Vendor shall have received a certificate from the Chief Executive Officer of the Purchaser, confirming, to the best of his knowledge, information and belief (after due inquiry), the truth and correctness of the representations and warranties of the Purchaser

5.4 Performance of Obligations

The Purchaser shall have performed or complied with, in all respects, all its obligations, covenants and agreements under this Agreement.

5.5 Receipt of Closing Documentation

The Vendor shall have received all instruments of conveyance and other documentation relating to the sale and purchase of the Purchased Assets, including, without limitation, documentation relating to the due authorization and completion of such sale and purchase, and all actions and proceedings taken on or prior to Closing in connection with the performance by the Purchaser of its obligations under this Agreement (which shall be satisfactory to the Vendor, acting reasonably). The Vendor shall also have received copies of all such documentation or other evidence as it may reasonably request in order to establish the consummation of the transactions contemplated by this Agreement and the taking of all corporate proceedings in connection with such transactions in compliance with these conditions, in form (as to certification and otherwise) and substance satisfactory to the Vendor.

5.6 Consents, Authorizations and Registrations

All consents, approvals, orders and authorizations of any person or Governmental Authority (or registrations, declarations, filings or recordings with any such authorities), required in connection with the completion of any of the transactions contemplated by this Agreement, the execution of this Agreement, the Closing or the performance of any of the terms and conditions of this Agreement, including but not limited to, the approval of the Authority and the Competition Act Clearance, shall have been obtained at or before the Time of Closing. There shall be no injunction or restraining order issued preventing, and no pending or threatened claim, action, litigation or proceeding, judicial or administrative, or investigation against any Party by any Governmental Authority, for the purpose of enjoining or preventing the consummation of the transactions contemplated in this Agreement, or otherwise claiming that this Agreement or the consummation thereof is improper or would give rise to proceedings under any statute or rule of law.

5.7 Approvals

This Agreement shall have been approved as described in the recitals.

5.8 Employee Matters

The Purchaser specifically acknowledges The CFCU Clerical Employees' collective agreement with Unifor and its Local 6007 which bind the Vendor as of the Closing Date will bind the Purchaser after the Closing Date with respect to the bargaining units as defined therein.

The Purchaser shall have delivered to each of the Employees of the Vendor as of the date such offers are made, other than the Chief Executive Officer of the Vendor, at least 30 days prior to the Time of Closing, an offer of employment with the Purchaser, conditional on, and effective as of the day after, the Closing Date, that meets all of the following standards:

- (a) the offered position must involve a level of responsibility reasonably similar or more favourable terms and conditions to the position occupied by the Employee with the Vendor as of the date such offer was made, provided that the Purchaser shall be entitled to reserve to itself the right to make changes in the Employee's job description and roles/responsibilities, and the Employee shall be required to, in writing, accept his or her new role and responsibilities in good faith positively and undertake to actively support and promote the future business plans of the Purchaser with the scope of his or her new responsibilities;
- (b) the offered total compensation shall be equivalent or more favourable to those provided to the Employee by the Vendor as of the date the offers are made;
- (c) specifically, without limiting the generality of the foregoing all of his or her Recognized Years of Service with the Vendor shall be recognized by the Purchaser as years of service with the Purchaser for all purposes; and
- (d) The Purchaser's human resources policies and procedures, particularly, without limiting the generality of the foregoing, with respect to access to training and other professional development opportunities, promotion, and performance management, shall apply to the Employee without amendment or variation.

An offer of employment that meets all of the above standards shall be referred to in this Agreement as a **"Qualifying Offer of Employment"**.

If any one or more of the foregoing conditions in this Article has/have not been fulfilled by Closing, the Vendor may terminate this Agreement by notice in writing to the Purchaser, in which event the Vendor is released from all obligations under this Agreement, and unless the Vendor can show that the condition relied upon could reasonably have been performed by the Purchaser, the Purchaser is also released from all obligations under this Agreement. However, the Vendor may waive compliance with any condition in whole or in part if it sees fit to do so, without prejudice to its rights of termination in the event of non-fulfillment of any other condition, in whole or in part, or its rights to recover damages for the breach of any representation, warranty, covenant or condition contained in this Agreement.

ARTICLE 6
COVENANTS OF THE PARTIES

6.1 Conduct of the Vendor's Business Prior to Closing and Post-Closing

During the period from the date of this Agreement to the Time of Closing, and, as applicable, after the Time of Closing to the date of release from escrow of all deliverables on Closing, the Vendor will do the following:

- (a) **Conduct Business in the Ordinary Course** – except as otherwise contemplated or permitted by this Agreement or with the prior written consent of the Purchaser, conduct its business in the ordinary and normal course, in accordance with and as required by the Act, at the Vendor's expense, until the Time of Closing. The Vendor agrees to not, without the prior written consent of the Purchaser, enter into any transaction which, if effected before the date of this Agreement, would constitute a breach of the representations, warranties or agreements of the Vendor contained in this Agreement. The Vendor shall also not declare any dividends to its members or the holders of any class or series of its shares, without the prior written consent of the Purchaser. Without limiting the generality of the foregoing, the Purchaser acknowledges that the planned payment by the Vendor of a dividend on its Class B Shares, Series 1, 2, 3 and 4, not exceeding \$800,000 in the aggregate, is expressly permitted by this Agreement;
- (b) **Approvals** – co-operate with the Purchaser and use all reasonable efforts and diligently pursue obtaining approval of this Agreement by the Authority;
- (c) **Communication with Members and Shareholders** – communicate with its members in a manner designed to facilitate the transfer of the Purchased Assets and the Assumed Liabilities, and as approved by the Purchaser. Such communication shall include the forwarding of the Vendor's Information Mailing;
- (d) **Approval of Members** – diligently pursue, and use all reasonable efforts to obtain, the approval of this Agreement by the Vendor's membership as required by the terms of this Agreement.
- (e) **Consents, Waivers and Amendments** - use commercially reasonable efforts to obtain by the Time of Closing such non-disturbance agreements and estoppel certificates as the Purchaser may require, and all consents of any person or Governmental Authority (or registrations, declarations, filings or recordings with any such authorities) (collectively, the "**Consents**"), and waivers of third parties required to consummate the transactions contemplated by this Agreement. For the purposes hereof, the Vendor shall be responsible for all costs and expenses that are required in the applicable contracts to be paid by the Vendor in order to obtain any consent or approval, including any fees required to be paid (including ordinary course transfer fees) or expenses to be incurred or reimbursed by the Vendor as contemplated in any contract in respect of reasonable legal fees incurred by third parties in connection with a request for a consent or approval but expressly

excluding the expenses of the Purchaser in obtaining such consents and approvals; and

- (f) **Post-Closing Activities** – diligently pursue and use all reasonable efforts to obtain, the approval of the Board of Directors of the Vendor and the Retained Members to the transfer of the membership shares of the Retained Members to the Purchaser and the subsequent dissolution of the Vendor, after the Closing. Notwithstanding the foregoing, the Vendor will forever cease all other business operations as of the Effective Time, except as otherwise provided in Section 6.15.

6.2 Borrowing Facilities

The Vendor is a party to a credit agreement with Central 1 Credit Union dated July 4, 2023 (the “**Credit Agreement**”), pursuant to which the Vendor may borrow funds from Central 1 Credit Union from to time to time in order to fund its business operations. The Vendor agrees that it will not borrow any funds, including pursuant to the Credit Agreement during the period from and including the date of this Agreement to and including the Closing Time without the prior notice to the Purchaser. In the event that the Vendor wishes to borrow funds including pursuant to the Credit Agreement, the Vendor shall provide a notice in writing to the Purchaser setting out the date on which the funds are to be borrowed, the amount to be borrowed and the purpose for which the funds are to be used, along with any other information that may reasonably be required by the Purchaser; and the Vendor may only borrow such funds after providing notice to the Purchaser. The Vendor agrees that it shall only use funds advanced pursuant to the Credit Agreement for the purposes for which the Vendor has advised the Purchaser in the relevant notice.

6.3 Purchaser’s Obligations Prior to Closing and Post-Closing

During the period from the date of this Agreement to the Time of Closing, and, as applicable, after the Time of Closing, the Purchaser will:

- (a) cooperate with the Vendor and use all reasonable efforts and diligently pursue obtaining approval of this Agreement by the Authority;
- (b) use all reasonable efforts to pursue satisfying all the other conditions set out in Article 5 in a timely fashion;
- (c) after the Time of Closing, maintain the books and records of the Vendor from prior to the Time of Closing for a period of seven years after the Time of Closing;
- (d) after the Time of Closing, maintain relationships with the Vendor’s community partners, groups and footprint, including, without limitation, unions, charities, Bell Canada, firefighters and federal employees. This shall require, but not be limited to, spending at least \$80,000 annually, indexed to the consumer price index for Toronto, for at least eight years after the Time of Closing;
- (e) after the Time of Closing, operate as branches of the Purchaser two locations in Toronto, two branches in Kingston area, one branch in Ottawa and one branch in

Mississauga whether at locations formerly operated as branches, or at locations substituted therefor, until the renewal of any lease for each branch premises or, if there is no lease in place or the remaining term is five years or less, for five years after the Time of Closing the purchaser commits to retaining these locations for a minimum of five years; and thereafter to review the operations of those locations to determine the highest and best use.

- (f) after the Time of Closing, create a Transition Advisory Committee made up of the directors of the Vendor's as of the date hereof who do not become Directors of the Purchaser as the Time of Closing, with the terms of reference attached hereto as Schedule F and continue that committee for a minimum of three years after the Time of Closing; these Directors will have access to the Vendors online training; and
- (g) after the Time of Closing and after the data conversion contemplated by section 6.7 hereof, create distinct web and mobile landing pages tailored to targeted affinity groups.

6.4 Access for Investigation

The Vendor, during the period from the date of this Agreement to the Time of Closing, shall permit the Purchaser and its representatives, without interference to the ordinary conduct of the Vendor's business, to have free and unrestricted access during normal business hours to the premises of the Vendor and to all of its books and records, and to the properties and assets used in the Vendor's business, and shall furnish the Purchaser with such financial and operating data and other information with respect to the Vendor's business and the Purchased Assets, as the Purchaser shall from time to time reasonably request to enable confirmation of the matters warranted in this Agreement. Without limiting the generality of the foregoing, it is agreed that the representatives of the Purchaser shall be afforded ample opportunity to make a full investigation of all aspects of the financial affairs of the Vendor.

6.5 Competition Act

6.5.1 The Parties shall use commercially reasonable efforts to obtain, or cause to be obtained, the Competition Act Clearance prior to the Closing Date. The Parties shall:

- (a) If requested by the Purchaser at its sole discretion, each submit to the Commissioner a merger notification in respect of the transaction pursuant to Part IX of the Competition Act within 10 business days of such request;
- (b) The Purchaser, with the support of the Vendor, shall submit to the Commissioner a letter requesting that the Commissioner issue an advance ruling certificate under section 102 of the Competition Act in respect of the transaction or, in the alternative, a "no action" letter indicating that the Commissioner does not intend to make an application under section 92 of the Competition Act in respect of the transaction as soon as practicable; and

(c) Each shall use commercially reasonable efforts to submit all supplemental filings, submissions, information and documentation that are, in the opinion of the Purchaser acting reasonably, necessary or advisable to obtain Competition Act Clearance, and to respond to the Commissioner's requests for additional information or documentation in respect of the transaction.

6.5.2 Nothing in this Agreement shall require the Purchaser to propose, negotiate, accept, agree to and/or effect, by consent agreement or otherwise, (A) the sale, assignment, amendment, license, separate holding, divestiture, disposition or termination of any assets, properties, products, businesses, contracts, licenses or financing arrangements of either the Purchaser or any of its affiliates, or the Vendor or any of its subsidiaries, (B) any behavioral or other remedy or undertaking imposing conditions, restraints, amendments or limitations on the assets, properties, products, businesses, contracts, licenses or financing arrangements of either the Purchaser or any of its affiliates, or the Vendor or any of its subsidiaries, or (C) any other arrangement as may be necessary to avoid the commencement of litigation in respect of the transaction that may have the effect of delaying or preventing the completion of the transaction.

6.5.3 The Purchaser shall determine and direct all matters, efforts and strategy relating to obtaining the Competition Act Clearance, consider the views and input of the Vendor and their external counsel in good faith, and keep the Vendor reasonably informed as to the status of the proceedings related to obtaining such Competition Act Clearance.

6.5.4 The Parties shall otherwise coordinate and cooperate in exchanging information and supplying assistance that is reasonably requested in connection with its preparation of any filing or submission necessary or, in the opinion of the Purchaser acting reasonably, advisable to obtain the Competition Act Clearance, including (A) providing each other with advanced copies of and reasonable opportunity to comment on all filings, submissions, notices, information, documentation and material correspondence (including emails) submitted to or filed with any Governmental Entity, and (B) promptly providing to each other copies of all filings, submissions, notices, information, documentation, material correspondence (including emails) and requests received from any Governmental Entity; notwithstanding this obligation, any filings, submissions, notices, information, documentation, material correspondence or requests to be provided pursuant to this Section that are, in the reasonable opinion of the providing Party, competitively sensitive, may be provided only to the external legal counsel and/or the external experts of the other Party.

6.6 Confidentiality

(a) During the period between the date of this Agreement and the Closing Date, the Parties shall, and shall cause their employees, officers, directors, shareholders, outside advisors, agents and representatives to, treat any data and information relating to the other Party's business confidentially and with commercially reasonable care and discretion, and will not disclose any such information to third parties; provided, however, that the foregoing confidentiality protections shall not apply to:

- (i) information in the public domain or that becomes public through disclosure by any party other than the recipient or its representatives, so long as such other party is not in breach of a confidentiality obligation of which the recipient is aware;
 - (ii) information that is required to be disclosed by Applicable Laws, regulatory or legal proceeding;
 - (iii) information that was already in the recipient's possession at the time of disclosure as shown by the recipient's written records;
 - (iv) information that was independently developed by the recipient without the use of or reference to information disclosed by the other Party as shown by the recipient's written records; or
 - (v) information that is disclosed by a Party or its representatives on a confidential basis, to any of their respective agents, accountants, or attorneys in connection with or related to the consummation of the transaction contemplated hereby.
- (b) In particular, but without limiting the generality of the foregoing, regarding personal information of the members of the Parties disclosed hereunder, the recipient agrees to:
- (i) use and disclose that personal information solely for purposes related to the transaction contemplated by this Agreement; and
 - (ii) protect that information by security standards appropriate to the sensitivity of the information and in accordance with Applicable Laws.
- (c) In the event that this Agreement is terminated, the recipient, upon the written request of the discloser, shall, and shall cause its representatives to, promptly deliver to the discloser any and all documents or other materials furnished by the discloser or its representatives to the recipient in connection with this Agreement, and, in particular, without limiting the generality of the foregoing, any personal information disclosed by the discloser to the recipient regarding any of the discloser's members, without retaining any copy thereof unless such retrieval and/or delivery is not commercially practicable (in which case any retained information will be held in accordance with the confidentiality obligations contained herein). In the event of such request, all other documents, whether analyses, compilations or studies, which contain or otherwise reflect the information furnished by the discloser shall be destroyed by the recipient or shall be returned to the discloser at the recipient's sole option.
- (d) Both Parties hereto recognize and agree that, in the event of a breach by the Purchaser or the Vendor of this section, money damages would not be an adequate remedy for such breach and, even if money damages were adequate, it would be impossible to ascertain or measure with any degree of accuracy the damages

sustained therefrom. Accordingly, if there should be a breach or threatened breach by either Party of the provisions of this Section 6.5, the non-breaching Party shall be entitled to an injunction restraining the breaching Party from any further breach without showing or proving actual damage sustained. Nothing in the preceding sentence shall limit or otherwise affect any remedies that the Parties may otherwise have under Applicable Laws.

6.7 Data System Requirements

The conversion of the Vendor's member information to the Purchaser's banking system will occur as soon as practicable after the Closing Date. The Purchaser shall be responsible, at its expense, for importing the Vendor's data onto the Purchaser's banking system, and the Vendor and the Purchaser shall verify and confirm in writing, each to the other, that the financial data, as imported, balances with the data on the Vendor's records as at the time of conversion. The Purchaser agrees that the planning and key processes of data conversion shall begin as soon as practical after the Time of Closing and shall place utmost priority on the experience of the Vendor's members. The Purchaser agrees that time is of the essence for this process and that the Vendor's staff will receive adequate training on its banking system to facilitate the transition.

6.8 General Conveyance and Assumption of Liabilities Agreement

At the Time of Closing, the Purchaser shall execute and deliver to the Vendor the General Conveyance and Assumption of Liabilities Agreement. Notwithstanding anything contained herein, should this Agreement not be completed, the Purchaser shall not be liable for the Assumed Liabilities.

6.9 Transfer of Member Files

Upon Closing, the Vendor agrees to deliver to the Purchaser all member files in its possession in respect of the Transferring Members. The transferred member files shall include, without limitation, all computer files and all relevant promissory notes, security agreements, insurance documentation and registration documents. The Vendor shall cause the Retained Members to apply for membership with the Purchaser and, upon acceptance into membership, to fulfill all conditions of membership, including the purchase of the required membership shares, on or before the Closing Date, notwithstanding their status as Retained Members of the Vendor. The Vendor files for such Retained Members shall not be transferred to the Purchaser until such time as their membership shares in the Vendor are transferred to the Purchaser, at mutually convenient time after closing.

6.10 No HST Election

At the reasonable request of the Purchaser, the Purchaser and the Vendor shall jointly make the election provided for in paragraph 167(1)(b) of the ETA to have subsection 167(1.1) of the ETA apply to the sale and purchase of the Purchased Assets and shall make any equivalent election provided for in any applicable provincial legislation. The Purchaser shall file such election(s) within the time prescribed by subsection 167(1.1) of the ETA and the equivalent provisions of any provincial legislation.

6.11 Issuance of Membership Shares

Subject to the Closing, effective as of the Time of Closing: (a) the Purchaser agrees to issue to each Transferring Member one membership share; and (b) the Vendor shall pay the subscription price for all such membership shares in the Purchaser on behalf of the Transferring Members (such aggregate amount being the “**Membership Share Subscription Amount**”). Transferring Members of the Vendor will be issued additional membership shares in the Purchaser in consideration of the remaining membership shares of the Vendor they hold. For greater certainty, the Vendor shall pay the Membership Share Subscription Amount by paying to the Purchaser an amount equal to the Membership Share Subscription Amount forthwith following the Closing; and if the Membership Share Subscription Amount is adjusted in the Final Unaudited Financial Statements such that it is greater than the amount paid following the Closing, paying to the Purchaser, such Adjustment.

6.12 Transfer of Vendor’s Transferring Members

Transferring Members shall be deemed to have become members of the Purchaser as of the first moment of the first day following the Effective Time, with all of the rights and obligations of such membership.

6.13 Retained Members of Vendor

Certain members of the Vendor (“the Retained Members”) will not exchange their membership shares for membership shares of the Purchaser at the Effective Time, but instead shall retain their membership shares of the Vendor until the time the Vendor is either dissolved or their shares are transferred to the Purchaser with the approval of the Authority, whichever comes first. The Retained Members shall be restricted in number to no greater than thirty (30) members and shall be selected by agreement of the parties, provided that no Retained Members shall be a person who was not a director or employee of the Vendor as at the date hereof, or the spouse, parent or child of such a person.

The Purchaser covenants and agrees that each Retained Member who is not otherwise a member of the Purchaser at the time of purchase of his or her membership shares by the Purchaser (or dissolution of the Vendor) at some time after the Closing Date shall receive credit in his or her membership share account with the Purchaser for such amount as was standing to his or her credit in the membership share capital account of the Vendor as at the Effective Time, and such credit(s) shall be payment in full of the purchase price for said shares. In the case of Retained Members who are already members of the Purchaser at the time of the purchase of their membership shares in the Vendor by the Purchaser (or dissolution of the Vendor), the Purchaser shall pay to the Retained Member, in cash, the purchase price of said membership shares.

6.14 Vendor’s Purchase of Membership Shares of Retained Members

Notwithstanding subsection 6.13, following the Date of Closing, the Vendor shall cause the Retained Members to enter into separate agreements to transfer their membership shares to the Purchaser in exchange for either membership shares of equal value in the

Purchaser, or cash at their Redemption Amount, and if the Authority approves the purchase of membership shares by the Purchaser, the Board of Directors of the Vendor shall:

- (a) call a meeting of the Board to approve of all such transfers of membership shares, and approve the transfers of such meeting, to take effect immediately following the meeting of members described in clause (b) below, provided that the special resolution is passed by the Retained Members, and
- (b) call a meeting of Retained Members for the purpose of considering a special resolution irrevocably authorizing Davinder Birak and/or Michael Neely to submit to the Chief Executive Officer of the Authority, on behalf of the Vendor, an application for an order dissolving the Vendor after the transfers of membership shares from the Retained Members to the Purchaser have been completed.

6.15 Vendor Conduct after the Closing Date

Notwithstanding the Closing of the transaction in escrow on the Closing Date, as contemplated by this Agreement, the Vendor shall cause its Board of Directors to continue to thereafter conduct meetings, but only for the purpose of approving such acts and taking such steps as necessary to facilitate the Vendor's dissolution.

For greater certainty, commencing on the date following the Closing Date, the Vendor shall not accept deposits, grant any loans, or conduct any transactions other than those directly related to the completion its obligations in this Section 6.15. The Vendor shall deliver to the Purchaser, on Closing, an undertaking to this effect. The Purchaser shall pay all expenses associated with this post-Closing activity of the Vendor.

6.16 Assignment of Security Documentation

The Purchaser shall be responsible, at its expense, for the preparation and registration of any specific assignments of security documentation (including, without limitation, any registrations under the *Personal Property Security Act* (Ontario) and the Related Security), which assignments shall be satisfactory to the Purchaser, acting reasonably, as to form and content. The Vendor agrees, as soon as possible after Closing, to execute such assignment documents as may be required by the Purchaser, and not to charge any fee for the execution of such documents. Notwithstanding the foregoing, the Vendor is not obligated to assign to the Purchaser any security for any of the Purchased Assets which is not assignable by the Vendor, but the Vendor shall hold any such non-assignable security in trust for the Purchaser until any necessary consent to its assignment is obtained, following which said security will be assigned forthwith to the Purchaser.

6.17 Notice of Assignment of Loans and Mortgages

At least 10 clear days prior to the Closing Date, the Purchaser and the Vendor shall deliver a joint notice to the Vendors' members who have outstanding loans from the Vendor, notifying them that their Loans and Mortgages have been assigned to the Purchaser and

that payments due and payable on or after the Closing Date should be directed to the Purchaser.

6.18 Endorsement of Cheques Received After Closing

The Vendor shall endorse, without recourse, and assign to the Purchaser any and all cheques either received by it after the Effective Time or that are post-dated to a date which is the Closing Date or later, which are payable to it and relate to or represent payments on account of the Purchased Assets or the Assumed Liabilities.

6.19 Electronic and other Clearing Items

After Closing the Vendor shall deliver (and continue to deliver as received) to the Purchaser all clearing items and all electronic debit and credit items relating to the Purchased Assets and the Assumed Liabilities.

ARTICLE 7 **NON-WAIVER; SURVIVAL**

7.1 Non-Waiver

No investigations made by or on behalf of the Purchaser at any time shall have the effect of waiving, diminishing the scope of or otherwise affecting any representation or warranty made by the Vendor in or pursuant to this Agreement. No waiver of any condition or other provision, in whole or in part, shall constitute a waiver of any other condition or provision (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided. Without derogating from the Purchaser's rights in this Section 7.1, if the Purchaser gains actual knowledge of any facts which would make any representation or warranty made by the Vendor hereunder untrue, the Purchaser shall inform the Vendor of such facts and the Vendor shall have the opportunity prior to the Time of Closing, to supplement the representations and warranties in respect of any matter arising after the date of this Agreement that, if existing at the date of this Agreement, would have been required to make the applicable representation and warranty true and correct (each a "**Supplemental Representation and Warranty**"). Any such Supplemental Representation and Warranty shall, if acceptable to the Purchaser, be effective to modify this Agreement to qualify the representations and warranties in Article 3; provided that any such Supplemental Representation and Warranty shall not cure any misrepresentation or breach of a representation that is determined by the Purchaser to be fundamental or material. The Parties acknowledge that any such Supplemental Representation and Warranty shall not affect the ability of the Purchaser to pursue a claim for misrepresentation or breach of representation and warranty as at the date of this Agreement with respect to any other misrepresentation or warranty, or to the Supplemental Representation and Warranty. The Parties further acknowledge that any Supplemental Representation or Warranty shall not affect the covenants of the Parties set forth in Article 6.

7.2 Nature and Survival

- (a) Subject to subsection (b), all representations, warranties and covenants contained in this Agreement on the part of each of the parties shall survive the Closing, the execution and delivery under this Agreement of any bills of sale, instruments of conveyance, assignments or other instruments of transfer of title to any of the Purchased Assets.
- (b) All representations and warranties shall only survive for a period of two years after the Closing Date. If no claim shall have been made under this Agreement against a Party for any incorrectness in or breach of any representation or warranty made in this Agreement prior to the expiry of that survival period, such Party shall have no further liability under this Agreement with respect to such representation or warranty.
- (c) Notwithstanding the limitations set out in subsection (b) any claim which is based on title to the Purchased Assets, intentional misrepresentation, or fraud may be brought at any time.

ARTICLE 8 **TERMINATION**

8.1.1 Termination Rights

This Agreement may, by notice in writing given at or prior to the Time of Closing, be terminated:

- (a) by the Purchaser if there has been a breach of the Vendor's representations, warranties, covenants or agreements, only if that would cause the failure of any of the conditions in Article 4 that have not been satisfied or waived as of the Time of Closing and such breach is either not capable of being cured prior to the Time of Closing or, if such breach is capable of being cured, is not so cured within a reasonable amount of time (and in any event prior to the Time of Closing); provided that the Purchaser is not in material breach of its obligations under this Agreement;
- (b) by the Vendor if there has been a breach of any of the Purchaser's representations, warranties, covenants or agreements, only if that would cause the failure of any of the conditions in Article 5 that have not been satisfied or waived as of the Time of Closing and such breach is either not capable of being cured prior to the Time of Closing or, if such breach is capable of being cured, is not so cured within a reasonable amount of time (and in any event prior to the Time of Closing); provided that the Vendor is not in material breach of its obligations under this Agreement;
- (c) by either Party if after the date of this Agreement any Applicable Law is enacted or made (or any Applicable Law is amended) that makes the consummation of any of the transactions contemplated by this Agreement or any ancillary agreements illegal or otherwise prohibited or enjoins the consummation of any of the transactions contemplated by this Agreement or any ancillary agreements, and such Applicable Law (if applicable) or enjoinder shall have become final and non-appealable.

8.1.2 Effect of Termination

- (a) If a Party waives compliance with any of the conditions, obligations or covenants contained in this Agreement, the waiver will be without prejudice to any of its rights of termination in the event of non-fulfilment, non-observance or non-performance of any other condition, obligation or covenant in whole or in part.
- (b) If this Agreement is terminated pursuant to Section 8.1.1, the Parties are released from all of their obligations under this Agreement, this Agreement shall forthwith become void and all obligations of the Parties hereunder shall terminate without liability of any Party to the other, other than under Section 6.56 (Confidentiality), Section 9.8 (Costs, Fees and Expenses), Section 9.10 (Amendment and Waiver), Section 9.11 (Notices) and Section 9.12 (Governing Law; Attornment), all of which will survive the date of termination; provided however, that no termination shall relieve any Party of any liability resulting from any breach of such Party's covenants or other agreements set forth in this Agreement existing at the time of such termination, and each Party may seek such remedies against any other Party with respect to such breach as are available at law or in equity.

ARTICLE 9 **GENERAL**

9.1 Further Assurances

Each of the Vendor and the Purchaser shall from time to time execute and deliver all such further documents and instruments and do all such acts and things as any other party may, either before or after the Closing Date, reasonably require to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement.

9.2 Time of the Essence

Time shall be of the essence of this Agreement.

9.3 Benefit of the Agreement

This Agreement shall enure to the benefit of and be binding upon the respective successors and permitted assigns of each of the Parties. No Party may assign any rights under this Agreement without the written consent of the other Party.

9.4 Entire Agreement

The Agreement, together with the agreements and other documents to be delivered pursuant to this Agreement, constitute the entire agreement between the Parties pertaining to the subject matter of this Agreement and cancel and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties. There are no warranties, representations or other agreements between the Parties in connection with the subject matter of this Agreement except as specifically set forth in this Agreement and any document delivered pursuant to this Agreement.

9.5 Successors

All terms and conditions of this Agreement shall be binding on and enure to the benefit of the successors and assigns of the Parties. Except as otherwise specifically provided in this Agreement, nothing expressed or referred to in this Agreement is intended or shall be construed to give any other person any legal or equitable right, remedy or claim under or with respect to this Agreement or any provision contained herein, it being the intention of the undersigned that this Agreement, the obligations and statements of responsibilities hereunder, and all other conditions and provisions hereof are for the sole and exclusive benefit of the undersigned and their successors and assigns.

9.6 Assignment

No Party may assign this Agreement or any part hereof without the prior written consent of the other Parties concerned, which consent may not be unreasonably withheld.

9.7 Manner of Payment

All payments due under this Agreement shall be made in lawful money of Canada in immediately available funds.

9.8 Costs, Fees and Expenses

Each Party be responsible for its own costs, charges and expenses incurred in connection with this Agreement and the transaction contemplated herein, provided that if the transactions contemplated by this Agreement closes, the expenses of the Vendor in connection with this Agreement will form part of the Assumed Liabilities and be for the account of the Purchaser.

9.9 Independent Legal Advice

The Parties each acknowledges having obtained independent legal advice from its respective solicitor or having declined seeking independent legal advice despite having been given the opportunity to do so, and being advised to do so with respect to the terms of this Agreement prior to its execution, and each of the Parties further acknowledges and agrees that each of them understands the terms, and its rights and obligations under this Agreement.

9.10 Amendments and Waiver

No modification or amendment to this Agreement shall be valid or binding unless set forth in writing and duly executed by both the parties hereto, and no waiver of any breach of any term of this Agreement shall be valid or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided, shall be limited to the specific breach waived.

9.11 Notices

All notices or other communications required or permitted to be given in connection with this Agreement shall be in writing and shall be given by electronic mail addressed to the recipient as follows:

(a) To the Purchaser at:

Attention: Lisa Colangelo, President and Chief Executive Officer
Email: lcolangelo@yncu.com

(b) To the Vendor at:

Attention: Davinder Birak, Chief Executive Officer
Email: dave.birak@comtechfirecu.com

or to such other address as may be designated from time to time by notice to the other Parties.

9.12 Governing Law; Attornment

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein, without giving effect to the principles of conflicts of laws thereof. Each of the undersigned hereby irrevocably and unconditionally attorns to the non-exclusive jurisdiction of the courts of the Province of Ontario in respect of all matters arising under or in relation to this Agreement.

9.13 Electronic Execution

To evidence the fact that a person has executed this Agreement, such person may send a copy of its executed counterpart to the other persons concerned by electronic transmission and if sent by email, in Portable Document File (PDF) format. That person will be deemed to have executed this Agreement on the date it sent such electronic transmission. In such event, such sending person will forthwith deliver to the other persons concerned an originally executed counterpart of this Agreement.

9.14 Counterparts

This Agreement may be executed by the Parties in separate counterparts each of which when so executed and delivered, shall be an original, but such counterparts shall together constitute one and the same instrument. Delivery of this Agreement or any counterpart may be made by delivery of a facsimile transmission of an executed copy thereof with the original forwarded thereafter.

[Signature page follows]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the first date above written.

YOUR NEIGHBOURHOOD CREDIT UNION LIMITED

Per: Anthony Piscitelli

Per: Lia Blangels

COMTECH FIRE CREDIT UNION LIMITED

Per: Michael Neely

Per: [Signature]

SCHEDULE "A"
GENERAL CONVEYANCE

THIS AGREEMENT (the “**Agreement**”) is made as of the 31st day of July, 2025

BETWEEN:

YOUR NEIGHBOURHOOD CREDIT UNION LIMITED, a credit union existing under the *Credit Unions and Caisses Populaires Act, 2020*, having its head office at 38 Executive Place, Kitchener, ON N2P 2N4

(the “**Purchaser**”)

- AND -

COMTECH FIRE CREDIT UNION LIMITED, a credit union existing under the *Credit Unions and Caisses Populaires Act, 2020*, having its head office at 220 Yonge Street, Suite 102, Toronto, ON M5B 2H1

(the “**Vendor**”)

RECITALS:

- A. The Vendor and the Purchaser have entered into an asset purchase agreement dated as of the 6th day of March, 2025 (the “**Asset Purchase Agreement**”), pursuant to which the Vendor has agreed to sell and the Purchaser has agreed to purchase all of the assets, property and undertaking of the Vendor.

NOW THEREFORE, in consideration of the premises and the covenants and agreements contained herein and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the parties hereto agree as follows:

ARTICLE 1
INTERPRETATION

1.1 **Definitions** – Whenever used in this Agreement, unless there is something in the subject matter or context inconsistent therewith, the following words and terms shall have the respective meaning ascribed to them as follows:

- (a) “**Agreement**” means this general conveyance, including all schedules and all instruments supplementing or amending or confirming this Agreement, and references to “**Article**” or “**Section**” mean and refer to the specified article or section of this Agreement;
- (b) “**Purchased Assets**” has the meaning as defined in the Asset Purchase Agreement;
- (c) “**Effective Date**” has the meaning as defined in the Asset Purchase Agreement; and

(d) “**Real Property**” means 531 Danforth Avenue, Toronto, Ontario M4K 1P7.

Other capitalized terms, not specifically defined herein, have the meaning attributed to them in the Asset Purchase Agreement.

- 1.2 **Headings** – The division of this Agreement into articles and sections, and the insertion of headings, is for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms “the Agreement”, “hereof”, “hereunder” and similar expressions refer to this Agreement and not to any particular article, section or other portion hereof, and include any agreement supplemental hereto. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles and Sections are to articles and sections in this Agreement.
- 1.3 **Number** – In this Agreement, words importing the singular number only shall include the plural and vice versa, words importing the masculine gender shall include the feminine and neuter genders and vice versa, and words importing persons shall include individuals, partnerships, associations, trusts, unincorporated organizations and corporations and vice versa.
- 1.4 **Schedules** - The following are the Schedules annexed hereto and incorporated by reference and deemed to be a part hereof:

Schedule “A” – **GENERAL CONVEYANCE**

ARTICLE 2 **CONVEYANCE**

- 2.1 **Conveyance** – The Vendor hereby grants, transfers, conveys, assigns and sets over to the Purchaser, its successors and assigns, without recourse, all of its right, title and interest, if any, in and to the Purchased Assets, which includes its Real Property, together with the benefit of all notes, bills, liens, covenants, chattel mortgages, security interests and all security of any nature and kind with respect to the Purchased Assets, with effect as at and from the Effective Date. The Vendor further agrees to enter into Agreements of Purchase and Sale with the Purchaser for its Real Property, which are attached as Schedules A and B to this Agreement.
- 2.2 **Non-Assignable Assets** – This Agreement shall not constitute an assignment or attempted assignment of any of the Purchased Assets which are not assignable without the consent or approval of any third party (a “**Third Party Consent**”) where such Third Party Consent has not been obtained. In respect of such Purchased Assets, the Vendor shall:
- (a) use all reasonable efforts (other than the payment of money), in cooperation with the Purchaser, to secure any Third Party Consent required in connection with the assignment of such Purchased Assets; and
 - (b) pending the effective transfer of such Purchased Assets, hold all rights, benefits and entitlements with respect thereto for and on behalf of and in trust for the exclusive benefit of the Purchaser, provided that the Purchaser shall pay, perform and

discharge all obligations arising or accruing with respect thereto during such period, all to the same effect as if such Purchased Assets had been absolutely transferred to the Purchaser as at the Effective Date with such Third Party Consents having been obtained.

- 2.3 **Reliance on Own Inquiries** - The Purchaser itself has been, and will continue to be, solely responsible for making its own independent appraisal of and investigations into the credit worthiness, affairs, status and nature of each of the Purchased Assets, and has not relied and will not hereafter rely on the Vendor, its directors, officers, employees, agents, auditors or legal counsel in connection with the credit worthiness, affairs, status or nature of any of the Purchased Assets, other than as set out in the Asset Purchase Agreement or any agreement, certificate or document delivered in connection with the closing of the transaction contemplated by the Asset Purchase Agreement.

ARTICLE 3 **SUBSTITUTION AND SUBROGATION**

- 3.1 **Substitution and Subrogation** – The conveyance of the Purchased Assets to the Purchaser hereunder is with full rights of substitution and subrogation of the Purchaser to the extent possible, in and to all certification, covenants and warranties by others heretofore given or made in respect of the Purchased Assets or any part thereof.

ARTICLE 4 **REMEDIES**

- 4.1 **Remedies** – The rights and remedies conferred hereunder are not intended to be exclusive of any other rights or remedies available to any party hereto in connection with the breach or failure of any of the covenants, warranties, representations or other obligations of any other party hereunder, and nothing contained herein shall be construed in any manner as restricting or derogating from any other such rights or remedies.

ARTICLE 5 **FURTHER ASSURANCES**

- 5.1 **Further Assurances** – The Vendor will from time to time and at all times hereafter, upon every reasonable request of the Purchaser and at the expense of the Purchaser, do and perform, or cause to be done or performed, all such further acts and things, and execute or cause to be executed all such further deeds, documents, writings or other instruments, and give all such further assurances as may be required by the Purchaser effectively to carry out the intent and meaning hereof.

ARTICLE 6 **GENERAL**

- 6.1 **Enurement** – This Agreement shall enure to the benefit of and be binding upon the successors and assigns of the parties hereto.

- 6.2 **No Superseding or Merger** – The provisions contained in this Agreement shall not supersede or merge with any provision contained in the Asset Purchase Agreement, as such may be amended from time to time. The provisions contained in this Agreement shall not merge in any transfer, assignment, novation agreement or other document or instrument issued pursuant hereto or in connection herewith.
- 6.3 **Governing Law** – This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.
- 6.4 **Counterparts** – This Agreement may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original, but such counterparts shall together constitute one and the same instrument. Delivery of this Agreement or any counterpart may be made by delivery of a facsimile transmission of an executed copy thereof, with the original forwarded thereafter.

[Signature page follows]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

**YOUR NEIGHBOURHOOD CREDIT
UNION LIMITED**

Per: _____
Title:

Per: _____
Title:

**COMTECH FIRE CREDIT UNION
LIMITED**

Per: _____
Title:

Per: _____
Title:

SCHEDULE "A" TO THE GENERAL CONVEYANCE

Agreement of Purchase and Sale for 531 Danforth Avenue, Toronto, Ontario M4K 1P7

to be inserted

SCHEDULE "B"
ASSUMPTION OF LIABILITIES AGREEMENT

THIS AGREEMENT (the “**Agreement**”) is made as of the 31st day of July, 2025

BETWEEN:

YOUR NEIGHBOURHOOD CREDIT UNION LIMITED, a credit union existing under the *Credit Unions and Caisses Populaires Act, 2020*, having its head office at 38 Executive Place, Kitchener, ON N2P 2N4

(the “**Purchaser**”)

- AND -

COMTECH FIRE CREDIT UNION LIMITED, a credit union existing under the *Credit Unions and Caisses Populaires Act, 2020*, having its head office at 220 Yonge Street, Suite 102, Toronto, ON M5B 2H1

(the “**Vendor**”)

RECITALS:

- A. The Vendor and the Purchaser have entered into an asset purchase agreement dated as of the 6th day of March, 2025 (the “**Asset Purchase Agreement**”), providing for the sale of all of the assets and undertakings of the Vendor to the Purchaser.
- B. Under the terms of the Asset Purchase Agreement, the Purchaser agreed to assume all of the liabilities of the Vendor and to indemnify and save harmless the Vendor in respect of such liabilities.

NOW THEREFORE, in consideration of the premises and the covenants and agreements contained herein and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the parties hereto agree as follows:

- 1. **Assumption of Liabilities.** With effect as at and from the Effective Time (as defined in the Asset Purchase Agreement), the Purchaser hereby assumes, and shall indemnify and save harmless the Vendor in respect of, all of the liabilities of the Vendor.
- 2. **Further Assurances.** The Purchaser will from time to time and at all times hereafter, upon every reasonable request of the Vendor and at the expense of the Vendor, do and perform, or cause to be done or performed, all such further acts and things, and execute or cause to be executed all such further deeds, documents, writings or other instruments, and give all such further assurances as may be required by the Vendor effectively to carry out the intent and meaning hereof.

3. **Succession and Assigns.** This Agreement shall enure to the benefit of and be binding upon the successors and assigns of the Parties.
4. **No Merger.** The provisions of this Agreement shall not supersede or merge with any provision contained in the Asset Purchase Agreement. The provisions contained in this Agreement shall not merge in any transfer, assignment, novation agreement or other document or instrument issued pursuant hereto or in connection herewith.
5. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.
6. **Counterparts.** This Agreement may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be original, but such counterparts shall together constitute one and the same instrument. Delivery of this Agreement or any counterpart may be made by delivery of a facsimile transmission of an executed copy thereof, with the original forwarded thereafter.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

YOUR NEIGHBOURHOOD CREDIT UNION LIMITED

Per: _____
Title: _____

Per: _____
Title: _____

COMTECH FIRE CREDIT UNION LIMITED

Per: _____
Title: _____

Per: _____
Title: _____

SCHEDULE "C"
AUDITED FINANCIAL STATEMENTS

SCHEDULE "D"

LIST OF VENDOR'S EMPLOYEES AND RECOGNIZED YEARS OF SERVICE

SCHEDULE "E"
FORM OF PROMISSORY NOTE

DEMAND PROMISSORY NOTE

Amount: \$11,721,000

Date: July 31, 2025

On demand, for value received, Your Neighbourhood Credit Union Limited promises to pay to the order of Comtech Fire Credit Union Limited the sum of \$11,721,000.00.

Each party to this note, whether as maker, endorser or guarantor, severally waives presentment for payment, demand, protest and notice of protest and dishonour of same.

**YOUR NEIGHBOURHOOD CREDIT UNION
LIMITED**

Per: _____
Chief Executive Officer

Per: _____
Chief Financial Officer

I/We have authority to bind the Corporation

SCHEDULE “F”
TRANSITION COMMITTEE TERMS OF REFERENCE

Purpose

As a people first organization, creating venues for member interaction and communication is vital. Initially this committee is designed to ensure strong community representation as a source of input and recommendations regarding the integration of YNCU and CFCU. Over time the committee will transition into a broader Member Advisory Committee seeking feedback and insights on YNCU operations and strategy specifically how to enhance the products and services for members, employees, branches and charitable efforts.

Composition

- Up to 6 of the previous CFCU Board who did not receive a seat on the merged YNCU board for a minimum of 3 years
 - At the board member’s option
- Up to 10 CFCU members
- The committee will be facilitated by the combined YNCU senior staff

Cadence

- Quarterly for 2 hours
- Mixture of virtual and in-person

Responsibilities

- Represent the interests of all members in the CFCU bonds
- Attend and participate constructively in meetings
- Assist in the development of communications or integration plans
- Be informed about the needs of the community and membership