

## ***Two Historic Credit Unions Join Forces to Give Ontarians Clear Alternative to Big Banks***

*Co-operative banking movement leads PACE Credit Union and Alterna Savings to form first federated operating structure in Ontario*

**TORONTO, April 4, 2014** - The Boards of Directors of PACE Credit Union and Alterna Savings, two of Ontario's strongest community-based co-operative financial institutions, are pleased to announce they have signed a Letter of Intent indicating their intention to join together as one operating entity. The outcome will be a credit union with increased entrepreneurship, skills, services and capacity that will maintain their local brands, personalities and local community spirit through a federated operating structure.

Duncan Munn, Chair of Alterna Savings, and Gerry Robin, Chair of PACE Credit Union, noted that, "By coming together, the credit unions lay a framework for an exciting future for the Ontario co-operative system".

Larry Smith, President & CEO of PACE and Rob Paterson, President & CEO of Alterna Savings, believe that in the ever-competitive financial services environment, it's important to be able to invest in their members' future, and provide them with great access to quality advice and financial services.

The proposed credit union entity will operate 39 branches in diverse communities under both the PACE and Alterna Savings banners, employ 600 staff, and serve a growing membership of 140,000 who hold \$4.1 billion in assets under administration. No reduction in staff is anticipated, and no branches will close as a result. "We are looking to provide members with greater geographical access to our unique blend of financial services and local community spirit" said Larry Smith of PACE.

"This is a perfect partnership that benefits our members and our employees" stated Rob Paterson of Alterna Savings. "We have been serving communities beside each other for years, and our common focus and co-operative spirit have made this an easy and logical decision".

Alterna Savings' Rob Paterson will serve as CEO, with PACE's Larry Smith holding the role of President. "We complement each other, and share a common vision for the future and a passion for our members," stated Larry and Rob. "We look forward to working together and continuing the history of two great brands that are focused on our communities, service excellence and honest advice."

Larry and Rob hope to welcome other credit unions in Ontario under the federated model, while continuing to grow and build a strong co-operative banking movement in Ontario.

The proposed transaction is still subject to a due diligence process, regulatory approval and approval by the credit unions' respective memberships.

### **About Alterna Savings**

As Canada's first co-operative financial institution outside Quebec founded in 1908, Alterna Savings and Credit Union Ltd. is a full-service, member-owned credit union. Alterna Savings serves over 100,000 members throughout the province of Ontario, and currently holds C\$3.3 billion in assets under administration. From trustworthy financial advice to local investment and support, Alterna Savings offers a fresh alternative to the 'Big Banks'. Learn about the Alterna Savings difference at [alterna.ca](http://alterna.ca), or follow us on Twitter and like us on Facebook.

### **About PACE Credit Union**

PACE Credit Union's Ontario roots trace back over 60 years including the membership of Farmunited Co-op, the first credit union incorporated under the new Credit Union Act of 1940. Over the decades, PACE has grown, meeting their members' and community's financial needs. Headquartered in Vaughan, Ontario, PCU serves its 40,000 members holding over \$800 million in assets under administration through 15 locations. To find out more about co-operative banking, visit [pacecu.ca](http://pacecu.ca), follow @PACECU on Twitter, or find us on Facebook.