



NEWS RELEASE

Mainstreet Credit Union and PenFinancial Credit Union Engage in Preliminary Merger Discussions

November 1, 2023

The Board of Directors of PenFinancial Credit Union and Mainstreet Credit Union have announced their intention to explore a merger.

This announcement follows preliminary discussions between the two organizations to evaluate the potential strengths and benefits that could be realized through a merger. As a result of these initial discussions, a Letter of Intent has been signed.

The Boards of both credit unions see that the proposed merger could bring together economies of scale, which we can re-invest in the business to ultimately improve our member experience, better support our employees, and deepen our commitment to community.

"We are confident that by bringing together the combined strengths and shared values of PenFinancial Credit Union and Mainstreet Credit Union we will create a more competitive, resilient and sustainable financial institution for the benefit of members, staff and our expanded communities," offered Sandy Henderson, Board Chair for PenFinancial Credit Union. "We are excited about the possibilities that lie ahead and are dedicated to staying true to our commitment to truly local banking."

"We are excited by this opportunity which will combine our strengths to create a new credit union that will better serve our members," said Tomo Matesic, Board Chair of Mainstreet Credit Union. "The Board of Directors of both credit unions are committed to exploring the merger in a thoughtful and deliberate manner, with the goal of ensuring the best interests of their members and employees remain a top priority. This will enable us to deliver more value to our members while positioning the new entity for continued growth and innovation."

The credit unions will now enter into enhanced due diligence and stakeholder consultations to further assess the merger opportunity and develop the plan forward. The decision to merge is subject to satisfactory due diligence, stakeholder consultation, regulatory approval, and ultimately a member vote

As discussions progress, periodic updates will be communicated with the anticipation of a vote by the membership in mid-2024. If a successful member vote is achieved, the proposed effective date would be January 1, 2025.

The resulting entity will serve a combined 45,000 members via a network of 16 branches throughout southwestern Ontario and the Niagara Peninsula, and represent a combined \$2.2 billion in assets under administration as of September 2023.



About Mainstreet Credit Union

Mainstreet Credit Union is a full-service financial institution that is passionate about providing high-quality, personalized advice to each member, ensuring their financial dreams become a reality. With a network of 10 conveniently located branches in the heart of Southwestern Ontario, Mainstreet Credit Union serves over 25,000 members offering a range of services with over \$1.2 Billion in assets under management. Beyond their commitment to individual financial success, Mainstreet Credit Union is driven by a strong ethos of community involvement, committing 5% of operating income to the communities they serve.

About PenFinancial Credit Union

PenFinancial Credit Union is a truly local values-based credit union committed to improving the lives of its nearly 20,000 members and businesses. PenFinancial delivers a full range of financial services digitally and through a network of six branches across Niagara and Haldimand. Through their Truly Local Commitment, the credit union is a proud Certified B Corporation and Living Wage employer who invests a portion of their pre-tax profits into the communities it serves. PenFinancial is also proud to choose 100% renewable energy with Bullfrog Power as part of their commitment to environmental sustainability. For more information visit [PenFinancial.com](https://www.penfinancial.com).

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