

# FirstOntario

C R E D I T U N I O N

NEWS RELEASE

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## **Hamilton, ON – FirstOntario Credit Union announces its intention to acquire Prime Financial Savings & Credit Union's operations.**

Two leading credit unions in Southern Ontario, FirstOntario Credit Union and Prime Financial Savings & Credit Union announce they have entered into discussions and commenced due diligence activities with the intention to merge operations. The transaction is expected to close in early 2011.

A Letter of Intent has been signed by both credit unions, subject to the completion of the due diligence activities, approval of the transaction by the respective Board of Directors and approval by the membership of Prime Financial Savings & Credit Union. Once the transaction concludes, operations will continue under the FirstOntario Credit Union banner. "We are extremely pleased with this opportunity to expand our presence within Hamilton and introduce ourselves into some new communities as well," said Kelly McGiffin, President and CEO of FirstOntario Credit Union, "FirstOntario and Prime Financial have much in common, including a shared grass roots credit union approach that will offer a full spectrum of competitive banking products and services without compromise. By joining forces with other credit unions in the past, both FirstOntario and Prime Financial have grown within our communities over the years. We are both passionate advocates for the people and families within our communities. This acquisition will allow us to build on each other's strengths and enhance our ability to help everyone in our communities prosper."

The Board of Directors for both credit unions strongly supports the proposed transaction and sees tremendous benefits to the Members of each credit union as well as the local communities. These benefits range from an increased branch and banking machine network, to a broader financial product base, enhanced services and an improved Member experience. "Prime Financial Savings & Credit Union is very excited about the opportunities that a merger with FirstOntario would present to our Membership and to our Employees," said Jennifer Saunders-Finlay, Interim CEO of Prime Financial Savings & Credit Union. "We will continue to share our progress as we work diligently towards this mutually beneficial alliance."

In business since 1939, FirstOntario Credit Union serves over 76,000 Members and offers a full suite of banking products including daily banking, mortgages, lines of credit, loans and investments. FirstOntario has over \$2.5 billion in funds under management and currently has 17 branches serving 11 communities within the Hamilton, Halton, Niagara and Haldimand/Norfolk regions. Membership is open to everyone. FirstOntario is a proud advocate of the people and communities we serve and supports many important community organizations such as the Advanced Coronary Treatment (ACT) Foundation, Co-operative Young Leaders (CYL) and Living Rock.

Prime Financial Savings & Credit Union recently completed its 62<sup>nd</sup> year of operations having begun as a closed bond credit union serving the employees of the Firestone Tire and Rubber Company based in Hamilton, Ontario. Prime Financial, formerly Industrial Family Credit Union became an open bond credit union when it merged with Keen Credit Union in 1989. Today Prime Financial offers complete banking, borrowing, investing, and insurance products and services to over 6600 members from its five branches located in Hamilton, Stoney Creek, London, and Ingersoll.

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