



Proposed Merger Update – June 2010

On March 31, 2010, we the Boards of Directors of Conexus, Innovation and Synergy Credit Unions, issued a news release detailing our intent to explore the possibility of a three way merger. Since then we have been proceeding with a merger evaluation so that we can prepare a recommendation for you, our members. We would like to remind you that the merger requires your approval through a democratic vote which is tentatively slated for early 2011. In the meantime, we have a lot of work to do to complete our due diligence and prepare for the voting process. We've already been busy preparing and planning and felt the timing was right to provide you with an update on our progress.

Building our Credit Union One Step at a Time

Should you vote in favour of the proposed merger, our goal is to build a brand new credit union characterized by the strengths of its predecessors and that serves the best interests of the community, members and employees.

We are very optimistic about the opportunities that a potential merger can offer and would like to highlight some of the benefits.

- As like-minded organizations there will be a continued commitment to our membership to carry on the legacy of our co-operative roots including community support and local representation and decision making through board representation
- Commitment to ensure that all current employees will have a place in the new organization
- Enhanced career opportunities for employees
- Expanded branch network will provide more convenient access to products and services for our members throughout the province
- Improved ability to attract and retain strong, career oriented people who will provide our members with the best possible service
- Enhanced and expanded financial products and services by becoming a stronger and more competitive credit union

As mentioned earlier, we have been making progress to support the merger evaluation with the completion of several deliverables. Some tentative deadlines have also been established. These include:

- Established a Steering Committee consisting of the CEOs from each credit union and two board representatives from each credit union
- Selected a project team with representation from each credit union
- Established terms of reference for the Steering Committee
- Submitted a letter of intent to the boards of Conexus, Innovation and Synergy for approval
- Early to mid-fall – business case presentation to boards of three credit unions
- Mid-fall 2010 to year-end 2010 – member information meetings and staff visitations
- Early 2011 – Member vote
- Following member vote to year-end 2011 - integration work, CEO selection, organizational structure defined and Executive Management in place
- Early 2012 – Merger officially finalized with introduction of new credit union

We will continue to keep you updated on our progress.

As we move forward with our evaluation of the proposed merger our excitement and commitment to this joint venture has grown. We hope our excitement is contagious. Just imagine you can be an owner of a strong and vital credit union that is based in your community, employs local people and provides you with access to network of 85 credit union branches, 12 insurance offices, six real estate offices and seven mortgage brokerage offices across Saskatchewan. We truly believe that the potential opportunities for our communities, employees and you, our members, will take us to a new level of excellence.

Randy Grimsrud
Board Chair
Conexus

Gord Lightfoot
Board President
Innovation Credit Union

Wayne White
Board President
Synergy Credit Union