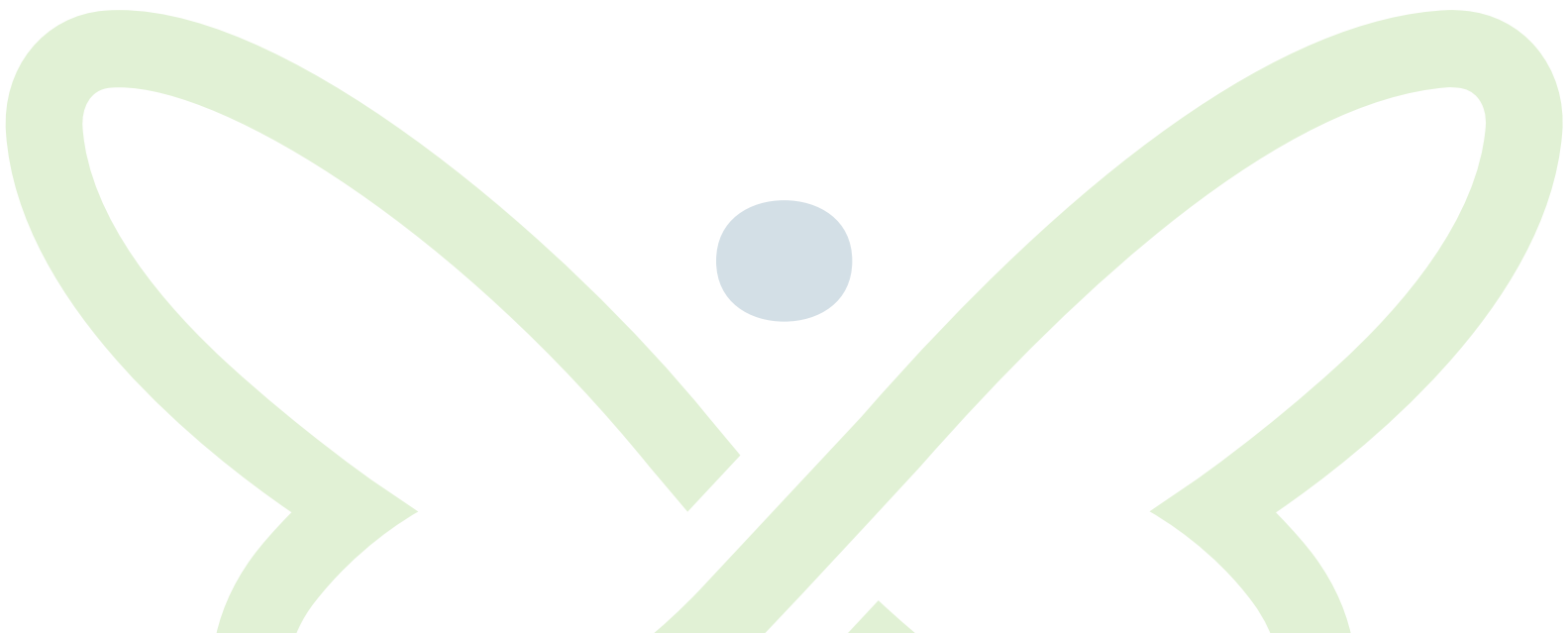




Proposed Merger: Member Voting Information

Innovation Federal Credit Union and ABCU Credit Union Ltd., with your support, would like to merge. Learn more about this exciting proposal and how you can vote.



Simplified Banking for Canadians: The First Ever Federal-Provincial Merger

Vote yes to this groundbreaking merger!

Innovation Federal Credit Union (Innovation) and ABCU Credit Union Ltd. (ABCU), with your support, would like to merge (the Proposed Merger). The Proposed Merger would involve ABCU becoming a federal credit union under the *Bank Act* (Canada), immediately following which ABCU and Innovation would amalgamate and continue to carry on business as one credit union under the legal name “Innovation Federal Credit Union” (the Merged Credit Union).

This proposed federal-provincial merger would be one of the first in the Canadian credit union landscape!

Like-Minded Credit Unions Serving You Better

Both Innovation and ABCU have a common desire to provide the best banking services possible to you and support your communities through a commitment to co-operative principles. We want to bring a no-fee bank account and Member Rewards to ABCU members, additional special offers, world class online banking, and extended call centre hours to name a few. In return, ABCU gives us additional capital, increased membership, local presence and exciting growth opportunities in Alberta.

Alignment to Strategy

Innovation is a culmination of over twenty credit unions merging over time, clearly demonstrating that amalgamations have always been a part of our organic growth strategy.

This new opportunity is expected to deliver direct benefits to stakeholders by combining ABCU’s local presence and growth potential in Alberta with Innovation’s digital platform and national reach. As an example, there are more potential members within Edmonton than all of Saskatchewan!

An amalgamation will result in more cost-effective banking, improved member experience, and a broader range of products. We’re excited to bring our trademarked Responsible Banking™ philosophy to Alberta!

Expanding Our Footprint in Alberta

Innovation continues to attract members all over Canada with a growing membership in Alberta. The Alberta market has significant growth potential and with the proposed amalgamation with ABCU, we would add over 7,000 members and two advice centres in Edmonton and

Bringing together the combined strengths and shared values of both credit unions will create a more competitive, resilient, and sustainable financial institution that will benefit members, staff, and our communities.



Beaumont to our merged credit union. We believe our no-fee banking and digital platform will be a compelling offering to the Alberta market.

Cultural Alignment

It is imperative that any potential amalgamation partner shares our values and culture, specifically in our approach to members, employees and co-operative values. ABCU and Innovation are very strongly aligned, which is clearly reflected in our Amalgamation Business Case.

Stakeholder Value

Any partnership we pursue must have value for our members, the community, employees, and both credit unions.

Members: Both credit union members will have access to cost-effective banking, an improved digital experience, and a wide array of products.

The Community: A larger credit union doesn't mean losing local presence. Because we share our profits with our communities, the more we grow, the more our communities' benefit.

Employees: Employees will have increased job security and career opportunities.

The Credit Unions: The economy of scale ensures a more efficient use of resources resulting in improved financial results for the amalgamated credit union. This means giving back more to members and communities.

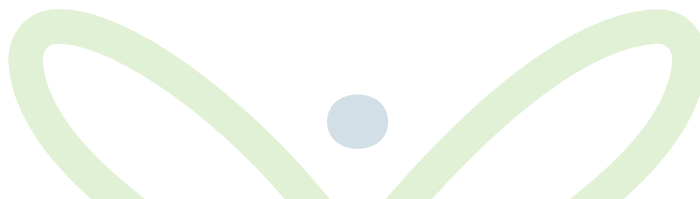
Merger/Amalgamation Playbook

The trend toward credit union mergers has continued and is unlikely to slow down given the economic, consumer, and regulatory drivers. While Innovation already has extensive provincial merger experience, this amalgamation provides an opportunity to build a playbook for merging a provincial credit union into a federal credit union. Given the need for credit unions to achieve scale and the benefits of being federal, we will become an even more attractive merger partner after this successful amalgamation.

You Can Vote Soon!

You will be able to vote on the Proposed Merger electronically between June 2, 2025, and June 12, 2025. This will be a Special Resolution approving the Proposed Amalgamation, the full text of which is set forth under the heading "Special Resolution".

The results of the voting will be presented at the Annual and Special Meeting at 7 PM (CST) on June 26, 2025.



Special Resolution

Leading up to the Annual and Special Meeting to the end of the voting period, members will be asked to vote on the following special resolution (the Special Resolution).

“BE IT RESOLVED as a Special Resolution that:

1. (a) Innovation Federal Credit Union (Innovation) is authorized to apply to the Minister of Finance (Canada) to amalgamate (the Amalgamation) with ABCU Credit Union Ltd. (ABCU) in accordance with and subject to the terms and conditions set forth in the amalgamation agreement between ABCU and Innovation dated May 8, 2025, included as Schedule A to the voting information package, as the same may be modified or amended in accordance with its terms, (the Amalgamation Agreement); and

(b) the Amalgamation Agreement and all transactions contemplated therein, including the Amalgamation in accordance with and subject to the terms and conditions set forth therein, are hereby authorized, approved and adopted.

2. Any director or officer of Innovation is authorized and directed, for and on behalf of Innovation, to do, or cause to be done, all such acts and things and to execute and deliver, or cause to be delivered, such other applications, documents, agreements, certificates, undertakings and statements, as any such director or officer may deem necessary or desirable in order to carry out this resolution and the transaction contemplated hereby, the authority for the execution of such documents, agreements, certificates, undertakings and statements, and the doing of such other acts or things, to be conclusively evidenced thereby.

3. All actions previously taken by any directors, officers, employees or agents of Innovation in connection with the Amalgamation are approved, ratified and confirmed effective as at the date such action was first taken.

4. Notwithstanding that this resolution has been passed by Innovation members, the directors of Innovation are hereby authorized and empowered, at their discretion, without further notice to or approval of the members, but subject to the terms of the Amalgamation Agreement, not to proceed with the Amalgamation.”

The Special Resolution must be approved by at least 66⅔% of the votes cast by members of Innovation at the Annual and Special Meeting. The *Bank Act* and our by-laws require a quorum for the Annual and Special Meeting of at least 50 members.

The Board of Directors of Innovation recommends that our members vote in favor of the Special Resolution.

Steps Involved

1. We require the members of Innovation to approve the Amalgamation Agreement by way of special resolution.
2. As set forth above, we require the Special Resolution to be approved by at least 66⅔% of the votes cast by members of Innovation at the Annual and Special Meeting.
3. In addition to such member approvals, we require approvals from the following:
 - the Minister of Finance (Alberta);
 - the Credit Union Deposit Guarantee Corporation;
 - Office of the Superintendent (OSFI); and
 - the Minister of Finance (Canada).

The application process will take time and there are no guarantees that the required regulatory approvals will be obtained. ABCU will continue to be governed by and organized under the Credit Union Act (Alberta) until the approval process has been completed and the Proposed Merger effected.

Voting Details

Kindly review this voting information package thoroughly to ensure you make a well-informed decision.

Following thorough deliberation as noted above, we recommend our members vote in favor of the Special Resolution approving the Proposed Merger. Electronic voting will be available beginning June 2, 2025, to the end of the voting period, June 12, 2025.

This voting information package contains details to help you understand the implications of the Proposed Merger for you and your credit union.

Additionally, you can further inform yourself by:

- Visiting our merger information webpage: <https://www.innovationcu.ca/abcu-innovation-merger.html>
- Attending one of our five (5) in person or virtual informational meetings in advance of our Annual General Meeting:
 - o May 20th - Swift Current, SK in-person
 - o May 21st - Gravelbourg, SK in-person
 - o May 22nd - North Battleford, SK in-person
 - o May 22nd - Meadow Lake, SK in-person
 - o June 3rd - virtual
- Calling us at 1.866.446.7001.

You have a say in the future of your credit union. It is one of the greatest parts of being a member. Please vote for this exciting amalgamation. Your vote matters.

What You Are Voting On

You are voting on a Special Resolution to approve an amalgamation with ABCU, all in accordance with and subject to the terms and conditions set forth in the amalgamation agreement between ABCU and Innovation dated May 8, 2025, (the Amalgamation Agreement). A complete copy of the Amalgamation Agreement is included in this voting information package as Schedule A. The Amalgamation Agreement must also be approved by the members of Innovation by way of special resolution.

Pursuant to the Amalgamation Agreement, the Proposed Merger will result in every five common shares of ABCU being exchanged for one membership share of the Merged Credit Union and every one membership share of Innovation being exchanged for one membership share of the Merged Credit Union. Each existing Innovation member will continue to hold one vote in respect of the Merged Credit Union with the total dollar value of their membership remaining the same. The head office of the Merged Credit Union will be located in Swift Current, Saskatchewan and the officers of Innovation in office immediately prior to the effective date of the Amalgamation will continue to hold the same offices with the Merged Credit Union until determined otherwise by the Board of Directors of the Merged Credit Union.

The Merged Credit Union will have 13 directors, including one existing director of ABCU and Innovation's Chief Executive Officer. The individuals who will be the initial directors of the Merged Credit Union are expected to be as scheduled to the Amalgamation Agreement provided that ABCU and Innovation may make changes to the initial directors prior to the Proposed Merger becoming effective in certain limited circumstances as set forth in the Amalgamation Agreement. Following the Proposed Merger, members will continue to be eligible to be nominated for and vote for candidates for the Board of Directors of the Merged Credit Union. Innovation's bylaws will be adopted by the merged credit union.

Further information with respect to the Board of Directors and officers of the Merged Credit Union can be found on Innovation's website: <https://www.innovationcu.ca/about-us/Leadership/Board.html>



Risks

Capital and Liquidity

Credit unions are required to maintain a percentage of assets as liquid assets to ensure they can meet their financial obligations, including loans, deposit withdrawals, routine operating expenses, and unexpected events. Both credit unions have strong capital and liquidity positions. Extensive due diligence and financial forecasts have been conducted to ensure there are no material negative impacts to either credit union because of the amalgamation.

Integration Plan

A detailed integration plan is required to ensure a smooth transition. This includes system integration, employee onboarding, third party management, data migration and member engagement. A detailed project plan has been built to ensure all aspects of the project are considered and the impact on internal resources are understood. We will prioritize member experience and ensure disruption is limited.

Regulatory Approvals

We have looked extensively at the regulatory requirements for completing the Proposed Merger and have engaged in detailed discussions with the relevant regulatory bodies, however, the application process will take time and there are no guarantees that the required regulatory approvals will be obtained.

ABCU will continue to be governed by and organized under the Credit Union Act (Alberta) until the approval process has been completed and the Proposed Merger effected. If ABCU does not obtain the necessary approvals, they will not become a federal credit union or merge with Innovation and will continue serving their members as a credit union under Alberta law.

Voting FAQs

When is the vote taking place?

The vote will take place electronically beginning on June 2 2025, until the end of voting period, June 12, 2025.

Who is eligible to vote?

You can vote if you hold membership shares of Innovation as of May 10, 2025, and are 16 years of age or older. You may cast only one ballot.

How and where can I vote?

Instructions on how to vote will be provided with the Notice of Meeting on May 30. A link to the voting site will also be available on our website during the voting period.

When will the results be announced?

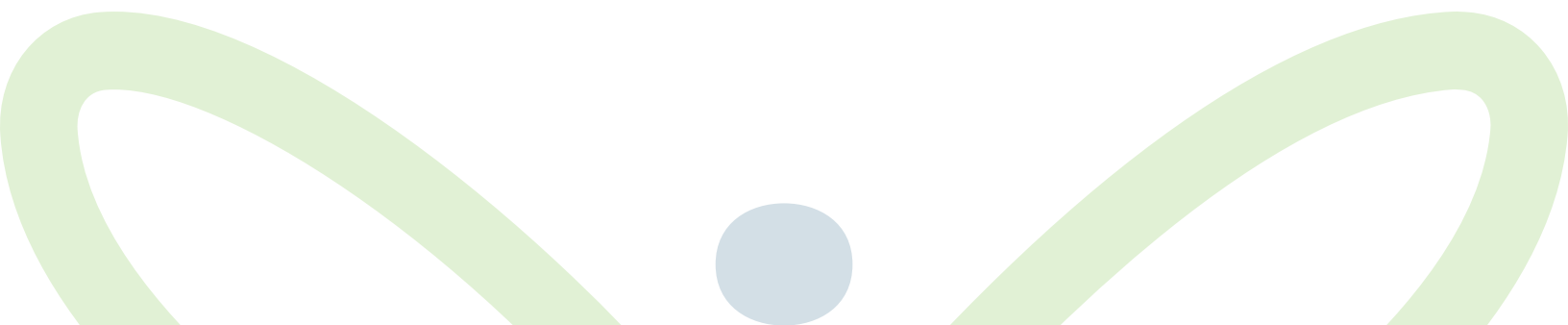
We will announce the results at the Annual and Special Meeting on June 26, 2025, and on our website shortly thereafter.

How are the votes counted?

We use an independent 3rd party electronic voting system to manage the voting process. This ensures your vote is anonymous and accurately accounted for.

What will the Merged Credit Union be named?

It will be called Innovation Federal Credit Union.



Our Assumptions

This document outlines the expected benefits and risks from the Proposed Merger and what might happen if the Proposed Merger is not approved by members or does not occur for any other reason. Our forward-looking statements, beliefs, plans, expectations and forecasts are based on assumptions we consider reasonable at this time. However, we cannot predict the future, and unexpected changes may occur which could result in materially different outcomes. We want you to be well-informed when voting.

For more details on the Proposed Merger, including governance, risks, and benefits:

- Visit www.innovationcu.ca,
- Attend an informational meeting,
- Visit an advice centre,
- Email us at webmail@innovationcu.ca or
- Call us toll-free at 1.866.446.7001.

