

**SPECIAL RESOLUTIONS OF THE
MEMBERS OF
SMITHS FALLS COMMUNITY CREDIT
UNION LIMITED**

**SPECIAL RESOLUTION #001 - BY-LAW TO AMEND THE BY-LAWS OF SMITHS FALLS
COMMUNITY CREDIT UNION LIMITED**

WHEREAS:

- A. The Board of Directors of Smiths Falls Community Credit Union Limited ("**Smiths Falls**") has passed a by-law (the "**By-Law Amendment**") to allow for the redemption of membership shares of Smiths Falls in the context of the sale of all the assets of Smiths Falls to another credit union in exchange for membership shares of that other credit union; and
- B. The members wish to adopt the By-law Amendment by way of a special resolution.

RESOLVED, AS A SPECIAL RESOLUTION THAT, the by-laws of Smiths Falls be amended by adding a new Section 3.15 to the bylaws, as follows:

"3.15 Redemption on Sale of Assets - If a sale of the Credit Union as a going concern to another credit union (the "**Purchaser**") by way of a sale of assets is authorized and approved by a special resolution of the members of the Credit Union, then:

- a) The Credit Union may, if it is authorized to do so by the Board, purchase, redeem or otherwise acquire any of its membership shares;
- b) The redemption price for the purchase, redemption or other acquisition of membership shares may be satisfied by the issue of membership shares in the Purchaser or by a combination of the issue of membership shares in the Purchaser and cash (in each case, the "**Redemption Price**"); provided, however, the Redemption Price shall be equivalent to the amount that is credited to such member's credit in membership shares of the Credit Union; and
- c) The CEO of the Purchaser shall be appointed as attorney to act on behalf of each member of the Credit Union to execute such agreements, instruments and documents and take such actions and steps as are necessary to complete the redemption of their membership shares in the Credit Union and the issue of new membership shares in the Purchaser."

SPECIAL RESOLUTION #002 – APPROVAL OF SALE OF ASSETS

WHEREAS:

- A. Smiths Falls Community Credit Union Limited ("**Smiths Falls**") has entered into an asset purchase agreement with Kawartha Credit Union Limited (the "**Purchaser**") dated December 16, 2024 (the "**Agreement**") pursuant to which Smiths Falls will sell and the Purchaser will purchase all of Smiths Falls' assets (the "**Purchased Assets**") and the Purchaser will assume all of Smiths Falls' liabilities (collectively, the "**Transaction**"); and
- B. It is a condition of the completion of the Transaction that the members of Smiths Falls approve the sale of the Purchased Assets to the Purchaser.

RESOLVED, AS A SPECIAL RESOLUTION THAT:

1. The sale by Smiths Falls of the Purchased Assets to the Purchaser upon the terms and conditions set forth in the Agreement is hereby authorized and approved;
2. The Agreement, the entering into of the Agreement and the transactions contemplated thereby are hereby confirmed, ratified and approved;
3. Each member of Smiths Falls shall be bound by the terms and conditions of the Agreement; and
4. Any two directors or officers of Smiths Falls are authorized and directed in the name of and on behalf of Smiths Falls, to: (a) do on behalf of Smiths Falls any and all acts and things and execute all further agreements, certificates, instruments and documents, in the name and on behalf of Smiths Falls for the purpose of giving effect to the Transaction; and (b) take all such other actions as they shall deem necessary, desirable, advisable or appropriate to consummate, effect, carry out or further the transactions contemplated by and the intent and purposes of the foregoing resolutions.

SPECIAL RESOLUTION #003 – APPROVAL OF VOLUNTARY DISSOLUTION

WHEREAS:

- A. Following the completion of the Transaction, it is intended that Smiths Falls will be dissolved; and
- B. Smiths Falls will distribute all of its assets and discharge all of its liabilities prior to dissolution.

RESOLVED, AS A SPECIAL RESOLUTION THAT:

1. Subject to the completion of the Transaction, Smiths Falls is hereby authorized to submit to the Chief Executive Officer appointed under the *Financial Services Regulatory Authority of Ontario Act, 2016*, an application for an order dissolving Smiths Falls; and
2. Any two directors or officers of Smiths Falls are authorized and directed in the name of and on behalf of Smiths Falls, to: (a) do on behalf of Smiths Falls any and all acts and things and execute all further agreements, certificates, instruments and documents, in the name and on behalf of Smiths Falls for the purpose of giving effect to foregoing; and (b) take all such other actions as they shall deem necessary, desirable, advisable or appropriate to consummate, effect, carry out or further the transactions contemplated by and the intent and purposes of the foregoing resolutions.