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## **Coastal Community and Quadra Credit Unions Announce Merger Plans**

**VANCOUVER ISLAND, BC CANADA** - Following a two month discovery investigation, the Boards of Coastal Community and Quadra Credit Unions have signed a Memorandum of Intent to proceed with formal merger investigations between their two organizations.

The decision reflects the organizations' common goal to provide greater benefits for their members, employees, and the communities each serves. The merger will result in a stronger and more competitive financial institution, yet will remain a locally-owned, community-rooted credit union serving Vancouver Island and the surrounding Islands.

The announcement comes just shortly after Coastal Community ended merger discussions with Island Savings Credit Union citing uncertain economic conditions as the reason for not proceeding. According to Garth Sheane, President and CEO of Coastal Community, there is no contradiction. "Because the merger with Quadra is on a smaller scale than the proposed Island Savings merger, the associated effort, costs and risks are much lower than for the proposed merger with Island Savings," explains Sheane. "Of course, the decision whether to proceed with the Coastal Community-Quadra merger is still dependant on a positive business case analysis and due diligence review."

The merger fits with both Credit Unions' business philosophy that continued growth and optimizing efficiencies is essential to remaining strong and competitive. "Merging with like-minded Credit Unions when it is economically prudent to do so is the preferred way of achieving this growth and efficiency, instead of building more branches that would compete with other credit unions," says Sheane.

The proposed merger will offer Quadra members a wider range of products and services, as well as expanded branch and ATM access from Port Hardy to Victoria, and Ucluelet to the Discovery Islands. Both Credit Unions are committed to delivering the exceptional member service that will continue to be the mainstay of the proposed new organization. Together, the two Credit Unions expect to be able to compete more effectively in an increasingly challenging marketplace.

"As responsible employers, we are committed to treating our employees fairly and equitably, and we will continue to be guided by these principles as we address the employee-related issues of the merger process," assures Steven Halliday, General Manager of Quadra Credit Union. "We highly value the contributions of our employees and recognize that our success is driven by their commitment, attitude, and professionalism."

Sheane sees the merger as important to ensuring the continuance of a strong, regionally-based Credit Union that's dedicated to the economic well-being of its communities, and that can best serve the unique interests of the residents of Vancouver Island and the surrounding Islands. "As the largest Credit Union based on Vancouver Island we will continue to provide financial and community leadership, create employment, support local suppliers and businesses, and contribute to community initiatives," adds Sheane.

The next steps for the Credit Unions will be to conduct a due diligence review and business case analysis to determine the feasibility of a merger. If these and other conditions are positive, the effective merger date is scheduled for April 30, 2009. Regular updates will be posted to each Credit Union's websites at [www.cccu.ca](http://www.cccu.ca) and [www.quadracu.com](http://www.quadracu.com).

### **About Coastal Community Credit Union**

Serving Island communities for more than 60 years, Coastal Community Credit Union is Vancouver Island's largest regionally-based credit union. With more than 80,000 members, over 600 employees, and

over \$1.5 billion in assets, Coastal Community offers complete financial services and solutions through a growing network of personal banking, insurance, investment and business services centres across Vancouver Island. Passionate about the communities it serves, Coastal Community offers support to community organizations through various programs and dedicated employees. For more information, visit us on the web at [www.cccu.ca](http://www.cccu.ca).

#### **About Quadra Credit Union**

Quadra Credit Union has been proudly providing financial services to the people of the Discovery Islands since 1941. With two modern branches on Quadra Island and Cortes Island it serves over 3300 members from all walks of life and all sizes of business. In its mission as a community co-operative, Quadra Credit strives to provide equitable financial services to its members in a personal, confidential and professional manner. As active members in its communities, Quadra Credit Union offers annual bursaries and support to many worthwhile community initiatives. To learn more, visit [www.quadracu.com](http://www.quadracu.com).

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