

**Liquidation Proceedings of PACE Savings & Credit Union Limited (“PACE”)**  
**Frequently Asked Questions for PACE Members**

On August 24, 2022, pursuant to an Order of the Ontario Superior Court of Justice (the “**Liquidation Order**”), KPMG Inc. was appointed as liquidator (in such capacity, the “**Liquidator**”) of all of the remaining assets, undertakings and properties of PACE pursuant to section 240 of the *Credit Unions and Caisses Populaires Act, 2020*.

These Frequently Asked Questions have been prepared for PACE members to address potential questions arising from the Liquidation Order and related liquidation proceedings. These Frequently Asked Questions may be updated periodically by the Liquidator should additional questions arise.

**1. What does the liquidation proceeding of PACE mean?**

The liquidation proceeding of PACE is a court-supervised process through which PACE’s remaining assets and liabilities will be addressed and which will allow for the ultimate winding-up of the PACE legal entity.

The Liquidator will deal with PACE’s remaining assets, address any claims against PACE by its creditors and oversee the ongoing recovery litigation and other matters. Once that process is complete, the Liquidator will determine what amounts may be available to be distributed to the creditors and shareholders of PACE.

**2. How long will the liquidation proceedings last?**

The Liquidator cannot provide a specific timeframe as it will depend on numerous factors and the resolution of matters, including potential and outstanding pending litigation, that are not known at this time.

Updates on the liquidation proceedings will be posted to the Liquidator’s website: [www.home.kpmg/ca/pacecu](http://www.home.kpmg/ca/pacecu).

**3. Is PACE still under administration by FSRA?**

No. The Liquidator is now responsible for winding-up the PACE legal entity, under the court’s supervision. However, FSRA will continue to support the Liquidator in its effort

**4. How can I contact the Liquidator?**

The Liquidator will post updates on the winding-up of the PACE legal entity to its website: [www.home.kpmg/ca/pacecu](http://www.home.kpmg/ca/pacecu). The Liquidator can also be reached by email at [pacecu@kpmg.ca](mailto:pacecu@kpmg.ca) or phone at 1-833-812-1699.

**5. Will this cause any disruption to my existing banking or financial products (chequing accounts, savings accounts, loans, etc.) that were held with PACE?**

No. Your day-to-day banking, deposits and loans were transferred to Alterna Savings & Credit Union Limited (“**Alterna**”) as part of a transaction completed on June 30, 2022. They are not subject to the liquidation proceedings.

**6. Will this cause any change to my local PACE Branch?**

No. The PACE branches, employees, and members were transferred to Alterna as part of the transaction mentioned above. They are not subject to the liquidation proceedings.

**7. What is happening to my investment, profit and/or membership shares held in PACE?**

Any investment, profit and/or membership shares that you hold in PACE remain with the PACE legal entity that is subject to the liquidation proceedings and will be addressed in these proceedings.

If there are sufficient proceeds from asset realizations following the payment of creditor claims and liquidation administration costs, those proceeds will be allocated to investment, profit and membership shares in the order of their respective legal priorities.

**8. Where can I get detailed information on the amount of PACE investment, profit and/or membership shares that I hold?**

You will have received your June PACE account statement in July. This statement will be the last statement provided that will show the amount of your PACE investment, profit and membership shares.

Please keep this statement for your records. You can also find a copy of your June statement in your online banking platform or you may ask for a copy by visiting your local PACE branch.

**9. Why can I no longer see these shares on my Alterna statements?**

The investment, profit and membership shares of PACE were not transferred to Alterna as part of the transaction and therefore you will not see them on your future account statements or online banking going forward.

Please note that this information is saved electronically, and those records are available and accessible to the Liquidator.

**10. Will I be able to redeem my PACE investment, profit and/or membership shares?**

No. You are not able to redeem your PACE investment, profit and/or membership shares at this time. Those shares will be dealt with as part of the liquidation proceedings and you will be provided with updates should there be amounts available for distribution in respect of those shares.

**11. Do I need to submit any information or confirm the amount of PACE investment, profit and/or membership shares that I hold?**

No. *There is no action required on your part at this time* as the Liquidator is in possession of the records that indicate your investment, profit and/or membership shareholding balances as well as your contact information.

**12. What happens if there is a distribution available to investment, profit and/or membership shareholders?**

Should there be amounts available for distribution to members who hold investment, profit and/or membership shares in PACE, the Liquidator will contact you at that time. *At this time, there is no further action for you to take.*

**13. Is there a timeline for potential distributions?**

No. As stated above, the Liquidator cannot provide a specific timeframe as it will depend on numerous factors and the resolution of matters that are not known at this time.

**14. Will I be advised of any other updates to the liquidation proceedings?**

Updates on the liquidation proceedings will be posted to the Liquidator's website: [www.home.kpmg/ca/pacecu](http://www.home.kpmg/ca/pacecu).

As stated, should there be amounts available for distribution to members who hold investment, profit and/or membership shares in PACE, you will receive notification thereof.

**15. What happens if my contact information (mailing address, email address, phone number) changes from what was provided to PACE previously?**

Any updates to your contact information should be provided to the Liquidator to ensure that our information is accurate and up to date. Should your contact information change, please reach out to the Liquidator via email: [pacecu@kpmg.ca](mailto:pacecu@kpmg.ca) or via telephone: 1-833-812-1699 to provide your updated contact information.