



Invest locally, grow collectively



Investment Share Offering
4.50%^{*†}
Limited Time Offer

- » Minimum dividend rate of 4.50%^{*†}.
- » The minimum investment is \$1,000 to a maximum of \$1,000,000 per Member, but no more than 5% of the total Class B Investment Shares, Series 5[†] will be sold to any one Member.
- » There is no market through which these securities may be sold, and shares may only be redeemed through DUCA.
- » Investment Shares are not redeemable until five years after the Issue Date, and redemption is subject to board approval.[†]
- » Investment shares are eligible for both registered plans (RSP, RIF, and TFSA) as well as non-registered accounts.
- » Available for purchase at any **DUCA branch** or by calling **1.866.900.3822**
- » Investment Shares can be purchased by Members only.

* Rate as of July 29, 2025.

† Dividend rate is 4.50% annually for five years if and when dividends are declared. Declaration of dividends is not guaranteed and dividends are non-cumulative. Redemption of the Class B Investment Shares, Series 5 is subject to approval by DUCA's Board of Directors and will be conducted on a first come, first served basis. Shares may not be redeemed until five years or more after the Issue Date, after which redemption is subject to an annual limit of 10% of Class B Investment Shares outstanding as of the previous year end. For more information about the redemption process, please refer to the FAQs available at www.duca.com. The Class B Investment Shares, Series 5 are not deposits and are not insured by the Deposit Insurance Reserve Fund (DIRF). Class B Investment Shares, Series 5 are available only by Offering Statement. This is not an Offering Statement. It is important that you review the Offering Statement for full details prior to purchase. Offer available only to DUCA Members. To become a Member and participate in this Offer, call 1.866.900.3822 or visit a DUCA branch.

Frequently Asked Questions

What is the cooling-off period for reversing a share purchase, and how do I initiate it?

Members may reverse their decision to purchase investment shares if notice is provided within two business days (excluding weekends and holidays) of signing the subscription form.

Notice is acceptable in ANY of the following three methods:

1. **Email:** Send an email to the staff member who sold you the investment shares.
2. **In Person or Via Phone:**
In Person: Visit the originating branch and speak directly with the staff member who sold you the shares, or
Via Phone: Call and speak directly with the staff member who sold you the shares.
3. **Member Connect Assistance:** If you cannot reach the person who sold you the shares or the branch is closed, call Member Connect at 1-866-900-3822 for assistance.

In all cases, a Cancellation of Share Subscription form must be completed and retained by DUCA, with a copy provided to the Member for their records.

Why is DUCA selling Class B Investment Shares, Series 5[†]?

The purpose of this offering is to add to DUCA's Regulatory Capital in order to provide for the future growth, development and stability of the credit union.

What is the difference between Membership Shares and Investment Shares?

The difference between Membership Shares and Investment Shares is that Membership Shares must be purchased in order to become a Member of DUCA, while Investment Shares are an optional investment opportunity for DUCA Members.

How can I purchase DUCA's Investment Shares?

You can buy Investment Shares at any DUCA branch or by calling 1.866.900.3822. Investment Shares will be available for purchase for six months, until the maximum number of Investment Shares for sale in this Offering is sold, or until the Board decides to close the Offering.

Why would I buy Investment Shares instead of a Term Deposit?

Term deposits provide a guaranteed return and principal and interest protection up to \$250,000 for insurable deposits held in non-registered accounts aggregated together and unlimited for insurable deposits held in registered accounts. In contrast, Investment Shares potentially offer higher returns but come with additional risks such as 1) no deposit insurance 2) no guarantee dividends will be paid and 3) redemption is only permitted after five years, subject

to annual limits and board discretion, and is conducted on a first come, first served basis. This means you may not be able to redeem when you require the funds. A suitability assessment will be performed by DUCA in consultation with you to determine whether Investment Shares are appropriate investments for you.

How do I redeem Investment Shares?

When you're ready to redeem your investment shares, it's important to understand the process and how it might impact your access to funds. Here's a detailed explanation to help you navigate the redemption process:

Eligibility for Redemption: You can submit a request to redeem your investment shares five years or more after the issue date. Please note that redemption is not automatic and involves several steps and considerations.

Redemption Limit: The credit union limits redemptions to no more than 10% of Class B Investment Shares outstanding as of the previous year end. This cap is part of our strategy to manage financial stability and ensure fairness to all Members. This is also a regulatory requirement.

First Come, First Serve: DUCA maintains a centralized redemption list to ensure equity among all Members. Redemption requests are time-stamped and processed on a first-come, first-served basis, subject to an annual redemption limit of 10% of the previous year's ending share balance. To submit a redemption request, a branch or Member Connect should be contacted. Estate settlement and expulsion of Members may take priority especially if redemption was not able to be accommodated in the year of death/expulsion in which case it will be prioritized in the following year.

Understanding these details will help you plan effectively for the redemption of your shares. If you have further questions or need assistance with the redemption process, please contact your local branch.

Can I redeem a term deposit (GIC) that is currently invested in a fixed term in order to purchase Investment Shares?

Yes, DUCA will provide Term Deposit investors with an opportunity to transfer all or a portion of their existing term deposits into Investment Shares at any time—with no fees or penalties, and you'll still receive the interest earned up to the date of transfer.

How are dividends paid?

Dividends, if declared, can be paid in cash in additional Class B Investment Shares, Series 5[†], or in a combination of both.

Will the dividend always be at 4.50%?

It's important for Members considering investment in DUCA to understand the nature of dividend payments thoroughly. While DUCA has a history of paying an annual dividend and has set a target rate of 4.50% for Class B Investment Shares, Series 5 until December 31, 2030, dividends are not guaranteed.

Dividend Dependence on Profitability: The ability of DUCA to pay dividends is dependent on its profitability in any given year. This means that if the credit union does not achieve sufficient profits, it might not distribute dividends.

Discretion of the Board: The term "at the discretion of the board" means that the decision to declare a dividend each year is made by DUCA's board of directors based on a number of factors, including the credit union's financial health and future needs. Even if profits are adequate, there may be other strategic reasons for retaining earnings within the credit union.

Non-Cumulative Dividends: If a dividend is not declared in a year, it is not owed in the future. Dividends are non-cumulative, meaning they do not accumulate if not declared in any year.

Post-2030 Dividend Adjustments: After December 31, 2030, the dividend target will be adjusted to fall within a range of 4.50% and the average monthly yield of Government of Canada 5-year bonds plus 125 basis points. This adjustment will reflect market conditions and DUCA's financial strategies at that time.

How are the cash dividends of the Investment Shares treated for income tax purposes?

The dividend is taxable as interest income, but is RSP, RIF, and TFSA eligible.

Can Investment Shares be held in a Locked-In Retirement Account (LIRA) or a Life Income Fund (LIF)?

No, they cannot be held in a LIRA or a LIF.

Are investment shares covered by the Deposit Insurance Reserve Fund (DIRF)?

No, investment shares are not covered by the Deposit Insurance Reserve Fund (DIRF) or any other form of deposit insurance. This means that if you purchase investment shares, your money is not protected by insurance that typically covers savings and checking accounts. Additionally, there is a significant risk that investment shareholders may not recover their capital if the credit union fails. Investment shares rank lower in priority of payment, behind other creditors including depositors and subordinated debenture holders but ahead of claims of holders of Class A Shares and Membership Shares upon liquidation or dissolution of the Credit Union.

Can non-Members purchase these Investment Shares?

No. The Class B Investment Shares, Series 5[†] are offered to Members only.

Please review the Offering Statement online at duca.com/invest and then discuss it with a **DUCA representative at a branch or by calling 1.866.900.3822.**

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