

May 13, 2025

Understanding DUCA's Class A Share Redemption Process

Class A Profit-Sharing Shares ("Class A Shares") were first issued in 1999 as part of DUCA's program to share profits with members. Starting in 2022, the program was replaced with Do More Profit-Sharing Program (<https://www.duca.com/about-us/profit-sharing>). As a result, no new Class A shares have been issued since 2022.

At DUCA, we are committed to ensuring transparency and fairness in the redemption process for our Class A Shares. Below, you'll find answers to common questions about our updated redemption process, applicable for all redemptions to be paid to Members on or after January 1, 2026.

Has DUCA improved the share redemption process?

Yes. DUCA has implemented a new, centralized procedure for share redemptions to simplify and streamline the process. Under the updated process, all redemption requests are added to a single, centralized list to ensure:

- A fair, first-come, first-served system for all Members.
- Simple tracking and management of redemption requests.
- Greater efficiency for both Members and DUCA employees.

What is the process for requesting the redemption of Class A shares?

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, as required by regulation pursuant to the Credit Union and Caisses Populaires Act. To submit a redemption request, contact your local branch or call Member Connect at 1.866.900.3822.

When can I submit a redemption request?

You may submit a redemption request starting on the first business day in January of each year.

Note: Once the annual redemption limit is reached, no additional redemption requests will be approved for that year. Members whose requests have not been processed must resubmit a redemption form beginning the first business day of January.

How does DUCA determine the redemption limit?

DUCA's annual redemption limit is set at 10% of the previous year's ending share balance, as required by regulation pursuant to the Credit Union and Caisses Populaires Act. This ensures we maintain adequate capital while offering Members the opportunity to redeem their shares.

What happens if the redemption limit is reached?

If the annual redemption limit is reached, additional requests will not be processed in the current year. You will need to submit a new request when the redemption process opens again for the following year. Members will be notified by email or phone whether their request has been accepted or not.

How much shares can I redeem? Can I redeem a portion of my shares, or do I need to redeem all my shares?

Date of Redemption Request	Redemption Factor Applied	% Forfeited
Prior to 1 st anniversary date from date of issuance	0%	100%
Prior to 2 nd anniversary date from date of issuance	50%	50%
Prior to 3 rd anniversary date from date of issuance	60%	40%
Prior to 4 th anniversary date from date of issuance	70%	30%
Prior to 5 th anniversary date from date of issuance	80%	20%
Prior to 6 th anniversary date from date of issuance	90%	10%
After 6 th anniversary date from date of issuance	100%	0%

You can redeem a portion of your shares or all your shares. You can specify the number of shares you wish to redeem when submitting your request.

Please note that Class A shares are subject to a redemption factor linked to the number of years the shares were held, as outlined in the table below.

For example, on January 1, 2026, you submit a request to redeem 100 Class A Shares issued on March 1, 2020. Since the request is before the 6th anniversary date from the date of issuance, a factor of 90% is applied to the 100 Class A Shares such that only 90 shares are eligible for redemption on January 1, 2026. The remaining 10 shares are forfeited.

Please note that for redemption requests related to Estate accounts, 100% of Class A shares will be eligible for redemption regardless of how many years have passed since the shares were issued.

What about estate redemption requests or Members who are no longer with DUCA?

In the event of a Member's passing, estate redemption requests will receive special consideration. Similarly, Members who have been expelled from DUCA will also receive priority. If such a request is made after the annual redemption limit has been reached, it will be added to the following year's list automatically, even though the list is not yet open to other Members.

Can I cancel or modify my redemption request after it has been submitted?

Yes, you can cancel or modify your redemption request before it is processed. Please contact your [local branch](#) or call Member Connect at [1-866-900-3822](tel:1-866-900-3822) to make changes.

Note: Any changes to your redemption request would require a new form to be completed and signed, or you may initial a change to the original form submitted.

Are there any fees associated with redeeming my shares?

No, there are no fees associated with submitting a redemption request or redeeming your shares.

How long does it take to process a redemption request?

Requests are reviewed as soon as the redemption period opens. Processing times for redemption requests depend on the volume of requests and are handled on a first-come, first-served basis.

If your redemption request is approved, redemptions start on the first business day of January each year.

Note: All redemptions are subject to the annual 10% redemption limit, as required by regulation pursuant to the Credit Union and Caisses Populaires Act, and some requests may not be honored if this limit is reached.

What happens if my contact information changes after submitting a request?

If your contact information changes, please notify DUCA immediately to ensure you receive important updates regarding your redemption request.

What documentation is required to submit a redemption request?

Members are typically required to provide identification and complete the necessary redemption forms. Additional documentation may be required for estate redemptions. Please contact us for details.

Are there any restrictions on who can submit a redemption request?

Redemption requests must be submitted by the Member or an authorized representative. For estate requests, documentation verifying executor or administrator authority will be required.

What should I do if I encounter issues submitting my redemption request?

If you experience any difficulties, please contact Member Connect at [1-866-900-3822](tel:1-866-900-3822) or your local branch for assistance.

For any further questions, please contact your [local branch](#) or call Member Connect at [1-866-900-3822](tel:1-866-900-3822).