



Common Share

Disclosure Statement



strong together in the Bow Valley

BOW VALLEY CREDIT UNION LTD.
(The "Credit Union")

Price: \$1.00 per common share

NOTICE TO PROSPECTIVE INVESTORS IN COMMON SHARES:

COMMON SHARES ARE RISK CAPITAL. THEY ARE NOT DEPOSITS AND THEY ARE NOT INSURED OR GUARANTEED BY ANY GOVERNMENT OR GOVERNMENT AGENCY, BY THE CANADIAN DEPOSIT INSURANCE CORPORATION OR BY ALBERTA'S CREDIT UNION DEPOSIT GUARANTEE CORPORATION, AND NO SUCH INSTITUTION HAS CONSIDERED THE MERITS OF THE SHARES AS AN INVESTMENT. THERE IS NO ASSURANCE THAT, IN THE EVENT OF THE LIQUIDATION OR DISSOLUTION OF THE CREDIT UNION, IT WILL HAVE ENOUGH ASSETS TO RETURN YOUR INVESTMENT TO YOU.

COMMON SHARES ARE AN IMPORTANT PART OF THE EQUITY OF THE CREDIT UNION

ANY RIGHTS YOU MAY HAVE TO DIVIDENDS OR TO HAVE THE SHARES REDEEMED BY THE CREDIT UNION OR TO TRANSFER THEM TO OTHERS ARE SUBJECT TO CERTAIN PRECONDITIONS, WHICH ARE REFERRED TO IN THIS DISCLOSURE STATEMENT.

THE SHARES ARE NOT TRADABLE ON ANY STOCK EXCHANGE OR SIMILAR MARKET. YOU MAY BE ABLE TO TRANSFER YOUR SHARES IN LIMITED CIRCUMSTANCES.

THE SECURITIES ACT DOES NOT APPLY TO SHARES ISSUED BY CREDIT UNIONS.

FINANCIAL POSITION OF THE CREDIT UNION:

The Credit Union's most recent audited financial statements and its unaudited quarterly financial statements for the most recent quarter can be found on our website under BVCU > Governance > Annual Reports & Financial Statements. Those financial statements provide information on the Credit Union's assets, liabilities, equity (deficit) and income (loss).

Although there will have been some changes in the ordinary course of the Credit Union's business since the dates of those annual and quarterly financial statements, to the best of the knowledge of the Board of Directors they continue to present a reasonably accurate picture of the Credit Union's financial position as of the date of this Disclosure Statement. If applicable, any statements of any "material changes" (as defined in the Regulations) that have occurred in the last 5 years and that may still have a significant effect on the value of the common shares will be located on the website as well.

You will also be entitled to obtain from the Credit Union copies of annual and quarterly financial statements and any material change statements issued in the future. These will be available at any branch of the Credit Union, on request, and displayed prominently on our website.

BUSINESS OF THE CREDIT UNION:

The Credit Union is incorporated and regulated under Alberta's Credit Union Act. It provides a full range of financial services in the communities of Airdrie, Banff, and Calgary, Canmore, Cochrane, and their surrounding areas.

If you have any questions about the business of the Credit Union, its management, the geographic area it serves or the legal or regulatory status of Alberta Credit Unions generally, be sure you have those questions answered to your satisfaction, either by the Credit Union or by your professional advisers, before purchasing any Common Shares.

CREDIT UNION SHARE CAPITAL:

The Credit Union is permitted to issue the following kinds or classes of shares:

Common Shares and Investment Shares

The rights attached to common shares are set out in the Credit Union Act and its Regulations and, to some extent, in the Credit Union's by-laws. They are an important part of the equity of the Credit Union. The attached financial statements show the number and the total value of the Credit Union's Common Shares currently issued and outstanding.

This class of shares does not carry voting rights since credit unions operate on the principle of one vote per member. You must, however, hold the required minimum number of Common Shares to be a member of a Credit Union.

COMMON SHARE DISCLOSURE DISCLOSURE STATEMENT

DESCRIPTION OF COMMON SHARES:

Voting Rights:

Members are entitled to one vote each at annual and special meetings.

Dividends:

Common Shareholders are entitled to dividends at a rate determined by the board of directors, in accordance with the dividend policy determined by the board of directors from time to time. Dividends will not be paid if the Credit Union is or would become insolvent. Directors have the discretion to pay dividends or to retain earnings for operational purposes.

Redemptions:

Common Shares are redeemed when the Credit Union buys them back from you and you sell them back to the Credit Union.

Where a person holding common shares wishes to request the Credit Union redeem their shares, they shall make such a request in writing to the credit union. Subject to the section 110 of the Credit Union Act and the Credit Union's by-laws, the Credit Union shall after deduction of all amounts due from the person to the Credit Union then remit to them the balance due in respect of the shares redeemed.

Rules regarding redemption of Common Shares are established by the Board of Director's in compliance with the Credit Union's by-laws and the Credit Union Act. The Board of Directors will consider all requests for redemption; however, redemption of Common Shares is subject to a number of preconditions. Common shares cannot be redeemed if the Credit Union is insolvent or, in certain cases, if its obligations to certain capital requirements are not met or if the redemption would cause either of those circumstances.

The Credit Union has the right to redeem Common Shares without a member's request by providing a 30-day notice to a member of such an intention. The 30-day notice period is given to enable the member to consider other investment vehicles available for the redeemed Common Shares.

Redemptions will be made at a value of \$1.00 per common share. Redemption request forms will be available at all branches of the Credit Union. Redemption requests will be approved Quarterly in January, April, July, and October.

If, in any circumstances, Common Shares are redeemed prior to a dividend payment date, the common shares redeemed will not be eligible for any dividend payments.

This redemption policy will be reviewed periodically by the Board of Directors and may be changed at their discretion.

COMMON SHARE DISCLOSURE

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CONVERSION:

Common Shares may not be converted into any other class of shares or investment shares.

EXCHANGE OF SHARES:

The shares may not be exchanged for any other series of investment shares or for common shares.

APPLICATION AND PAYMENT FOR COMMON SHARES:

Common Shares may be sold by the Credit Union at any time during normal business hours at any branch or the head office of the Credit Union or at any other premises where its business is transacted. If you already hold, or will, after the purchase, hold 3,000 or more common shares, exclusive of shares received as patronage rebates or dividends you are entitled to receive a copy of the disclosure statement and the latest audited annual financial statements, quarterly financial statements and material change statements (if any). Shares will not be issued unless fully paid for.

TRANSFER OF COMMON SHARES:

Common Shares issued by credit unions are not tradeable on any stock exchange or similar market. Under the Credit Union Act, Common Shares may not be transferred unless the transfer is between members of the credit union in the same family or results only from the death of the holder or certain other limited circumstances; the by-laws may contain further restrictions.

LIQUIDATION OR DISSOLUTION OF THE CREDIT UNION

If at some time in the future the Credit Union ceases to carry on business, the Credit Union may be dissolved and its assets sold to pay off its liabilities, including deposits. The proceeds received from the sale of assets will be used to repay deposits in the Credit Union, return of capital (repayment of initial investment) and unpaid dividends on investment shares and return of capital on Stabilization Preferred Shares before payment is made on common shares. If, after those liabilities are paid, there are sufficient remaining proceeds from the sale, the holders of common shares will receive the return of their capital investment and unpaid dividends. If there are not sufficient remaining proceeds from the sale to pay out all the capital and unpaid dividends of common shareholders fully, common shareholders will share ratably (your common shareholdings in proportion to all Common Shares) in the remaining proceeds.

COMMON SHARE DISCLOSURE

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There may also be no remaining proceeds from the sale once all liabilities, including prior claims of depositors, investment shareholders and stabilization preferred shareholders, are paid, in which case there will be no money available to pay common shareholders their capital and unpaid dividends. In this event you will lose the entire value of your investment and unpaid dividends.

NO LOSS FROM A HOLDING OF COMMON SHARES IS INSURED OR GUARANTEED; PLEASE SEE "THE NOTICE TO PROSPECTIVE INVESTOR IN COMMON SHARES" ON PAGE 1 OF THIS DISCLOSURE STATEMENT. Since a loss of your investment is possible, a decision to purchase Common Shares should reflect your judgement that the Credit Union is and will remain financially sound.

TAX CONSEQUENCES:

This summary is of a general nature only and is not intended to be, nor should it be understood as, legal or tax advice to any person. Therefore, prospective investors should inform themselves of, and if appropriate consult their own tax or other professional advisers on, the possible tax consequences of any share transactions they might enter, based on their own circumstances.

Dividends on common shares are treated as interest by Canada Revenue Agency and a T5 will be issued unless the shares have been made RRSP, RRIF or TFSA eligible.

FOR FURTHER INFORMATION:

This Disclosure Statement is only a summary. If you or your professional adviser are interested in further details, you should obtain a copy of the Credit Union Act and the regulations under it.

THIS DISCLOSURE STATEMENT APPLIES ONLY TO THE CREDIT UNION'S COMMON SHARES.

COMMON SHARE DISCLOSURE

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Per: Kevin Karpovich, Chairperson, Board of Director



Per: Brett Oland, President, and Chief Executive Officer



FULL SERVICE LOCATIONS

Airdrie Kingsview

1600 Market Street S.E., Airdrie, Alberta, T4A 0K9

Airdrie Cooper's Town

201-401 Cooper's Boulevard, Airdrie, Alberta, T4B 4J3

Banff

216 Banff Avenue, Banff, Alberta, T1L 1A8

Sage Hill Calgary

121 Sage Valley Common NW, Calgary, Alberta T3R 1T8

Canmore

810-8th Street, Canmore, Alberta, T1W 2B7

Cochrane

212-5th Avenue W., Cochrane, Alberta, T4C 2G4

Acheson

27769 Acheson Rd, Acheson AB T7X 6B1

