The Co-operators and Central 1 to streamline partnership

Guelph, Ont. and Vancouver, BC, March 15, 2018 – To strengthen the core businesses of both organizations, The Co-operators and Central 1 Credit Union are announcing a change in their partnership.

To create a stronger focus on key strategic priorities, Central 1 will remove its ownership interest in the CUMIS insurance operations, which it has shared with The Co-operators since 2009. CUMIS General Insurance Company and CUMIS Life Insurance Company will then become fully owned subsidiaries of The Co-operators.

"This change simplifies our structure and operations," says Rob Wesseling, president and CEO, The Co-operators. "We continue to enjoy a strong relationship with Central 1 through our shared interest in Aviso Wealth, and mutual commitment to credit unions."

"As Central 1 launches its new strategic plan, it's critical that we concentrate our efforts on products and services where our expertise is best leveraged," says Mark Blucher, CEO of Central 1. "This shift allows us to focus our attention and resources on banking and payments solutions that provide the greatest value to our clients and their customers."

With a vision of being the national partner of choice for financial, digital banking and payment solutions, this shift allows Central 1 to invest more in those areas where its scale and knowledge provide a competitive advantage, and supports the well-being of members, clients and consumers.

"This direction is firmly based on our three strategic pillars of client centricity, operational excellence and system leadership," adds Blucher. "Our goal is for Central 1 to be the partner of choice who puts the focus on our clients and their needs, and creates a system environment that helps credit unions and their members thrive."

The Co-operators will retain the CUMIS brand in the credit union marketplace.

"The Co-operators has recognized the strength and significance of the CUMIS brand for many years; it was part of the reason we sought to acquire CUMIS almost a decade ago," adds Wesseling. "We remain deeply invested in the success of credit unions, and our products and services will continue to evolve to meet their needs."

All due diligence has been completed in the required legal, tax, valuation and financial areas for the benefit of both organizations, their members and clients.

The transaction is expected to close March 31, 2018, subject to approval from regulators and compliance with customary closing conditions. Immediately following the transaction, CUMIS General Insurance Company will be restructured to become a subsidiary of Co-operators General Insurance Company.

Announced in December, Aviso Wealth (www.aviso.ca) was created to meet the expanding wealth management needs of clients and credit union members across the country. It will be a Canadian financial services leader with notable strengths in wealth management, asset management, online brokerage and digital advice, mutual funds and correspondent services.

About The Co-operators and CUMIS

The Co-operators Group Limited is a Canadian co-operative with more than $48 billion in assets under administration. In addition to wealth management products, The Co-operators offers home, auto, life, group, travel, commercial and farm insurance. The Co-operators is well known for its community involvement and its commitment to sustainability, and is listed among the Best Employers in Canada by Aon Hewitt and Corporate Knights' Best 50 Corporate Citizens in Canada. The CUMIS Group Limited (CUMIS), which is jointly owned by Co-operators Life Insurance Company and Central 1 Credit Union, partners with credit unions to deliver competitive insurance and financial solutions. As the leading provider of insurance-related products and services to the Canadian credit union system, CUMIS serves approximately 380 credit unions, with a total of more than five million members.

About Central 1 Credit Union

With offices in Vancouver, Mississauga and Toronto, Central 1 holds on balance sheet approximately $18.1 billion in assets. It provides wholesale financial products, trust services, payment processing solutions and direct banking services to about 300 credit unions and institutional clients from coast to coast. In addition, Central 1 is the primary liquidity manager, payments provider and trade association for its 42 member credit unions in B.C. and 67 Ontario member credit unions. Its members represent a consumer-oriented, full-service retail financial network that collectively serves 3.4 million members and holds more than $126.8 billion in assets. For more information, visit www.central1.com.

Caution Regarding Forward Looking Statements

This press release contains forward-looking statements based on assumptions, uncertainties and management's best estimates of future events. These include, without limitation, statements contain the words “may,” “will,” “intends” and “anticipates” and other similar words and expressions. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made. Actual results may differ materially from those currently anticipated. Securityholders are cautioned that such forward-looking statements involve risks and uncertainties. Certain important assumptions by the companies noted above (“the companies”) in making forward-looking statements include, but are not limited to, competitive conditions, economic conditions and regulatory considerations. Important risk factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements include economic risks, regulatory risks and other risks detailed from time to time in the companies' periodic reports filed with securities regulators. Given these risks, the reader is cautioned not to place undue reliance on forward-looking statements. The companies undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable laws.

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