

Annual General Meeting Minutes

The 85th Annual General Meeting of OMISTA Credit Union was held virtually on Wednesday, March 27, 2024.

Trisha Leaver, Remote Meeting Moderator provided a few housekeeping items prior to the official meeting start.

1. Call to Order

The land acknowledgement was read by Jack Low, Chairperson. The Chairperson asked that a moment of silence be observed to acknowledge and remember those OMISTA members, directors, friends and employees who are no longer with us.

The Chairperson called the meeting to order at 6:06 p.m.

2. Determination of Quorum

The Chairperson informed the gathering that 80 registered Members were present, which constitutes a quorum.

Joanne Belliveau, Executive Assistant, was appointed as the Recording Secretary.

Gregory MacLean, Legal Counsel with McInnis Cooper was appointed as parliamentarian.

3. Approval of Agenda

It was moved by Karen Markovich- Bailey and seconded by Willaim Hanson that the Agenda for the 2023 Annual General Meeting be approved and to permit the Chairperson to change its order if necessary.

Motion carried.

4. Introductions

The Chairperson thanked the guests for their attendance and support of OMISTA Credit Union and introduced Catherine Harrop, Moderator. Catherine Harrop then introduced the OMISTA Board of Directors and presenters.

5. Approval of the Minutes

The Chairperson referred to the Minutes of the last Annual General Meeting held on Thursday, March 30, 2023 and asked for a motion for approval.

It was moved by Dr. Richard Vaillancourt and seconded by Robert Christie that the Minutes of the 2022 Annual General Meeting be approved as presented.

Motion carried.

6. Nominating Committee Report

The Chair called upon Linda Schofield, Chairperson of the Nominating Committee.

In accordance with the current By-laws, the Board of OMISTA Credit Union shall be comprised of a total of 9 directors. Typically, directors serve for a three-year tenure and have the option of re-election, with a limit of nine consecutive years of service.

The terms of three (3) Director positions are expiring at today's 2023 Annual General Meeting. Each of the vacancies are for a three (3) year-term.

Those positions were held by Robert Christie, Ajit Gautam, and Simon Pacey. All the directors are eligible for re-election.

A call for nominations was initiated on January 2nd, 2024 to fill these positions, with an initial nomination deadline of January 29th, 2024. However, on February 1st, 2024, Director Frances LeBlanc voluntarily resigned, having served two years of her three-year term, thereby creating a fourth vacancy with a one-year term. To address this, we sought legal advice from McInnes Cooper, which advised a second call for nominations to notify members of the additional seat. This call was made on February 8th, 2024 and closed on February 16th, 2024.

As of the close of nominations on February 16th, 2024. In total, eight nominations were received and duly vetted by the committee including:

- Rayanne Brennan
- Pat Duffield
- Sean Greene
- Peter Kinney
- Jack Low
- Ketan Raval
- Roxanne Reeves
- Steve Smallwood

All eight candidates proceeded to the election. We advanced our election process through partnership with our system partner, the Credit Union Executives Society (CUES) by utilizing their fully electronic online voting platform, eVote. Members were able to easily cast their vote at home or in branch from March 1st to 20th. With a record volume of member participation, the election results were received on March 25th, 2024.

We extend our gratitude to all the candidates for their willingness to stand for election and desire to serve their fellow members. I am pleased to declare the following candidates elected through the democratic process:

- For a three-year term – Pat Duffield
- For a three-year term – Jack Low
- For a three-year term – Rayanne Brennan
- For a one-year term – Roxanne Reeves

Congratulations to our newly elected Directors.

7. Presentation of Reports

The Chairperson recommended that one motion be made to adopt all the reports once they have all been presented.

a. Board Chairperson – Report to the 2022 Annual General Meeting

Welcome my fellow members to our 85th Annual General Meeting.

Thanks to our hard-working and dedicated management and staff, we had another very good year, both financially and in terms of what was accomplished.

Your Board also had a very good year but could not have done so without the continued support of your Chief Executive Officer Tammy Christopher, your Chief Operating Officer Shawn McKinley, your Director of Finance and Risk Asha Jammula, and our Board Secretary Joanne Belliveau. I thank each of them for their dedication to your Board's success and to that of OMISTA.

I also want to thank my other Directors, all 8 of them, for their commitment and enthusiasm in their work for you and the organization.

I am going to leave the details of 2023 to Tammy and her team, but I would like to highlight what I believe are some of, but not all, the achievements of the year:

- 1. Another significant positive bottom line.*
- 2. The completion of the 1st year of our current 3-year strategic plan, the overriding emphasis of which is growth.*
- 3. The continued attraction of new and very capable people to our Team.*

4. An updating and complete revision of our employee's handbook with modern HR/people policies. Jackie Jardine was responsible for this successful effort.
5. The completion of a huge 3-year project concentrated on improving our IT security, implementing standards developed by the US National Institute of Standards and Technology and which are required by our Regulator. Now, ongoing adherence and reporting is required to maintain those standards. Thanks to Blake Reynolds for his dedicated work on this project.

There will be two very exciting projects taking place in 2024:

1. We will be moving our Cornhill Street operations to 1199 Main Street. This will give us an upgraded facility and more public exposure.
2. We will shortly begin a significant transition to a new core banking system, bringing us into the 21st century, in terms of member accessibility, easier and more efficient banking and the ability to offer many new and improved services. More on these projects later.

Our world continues to provide more and increasingly complex issues and risks, most of which have direct and indirect consequences to OMISTA. We must keep abreast of these issues and risks and try to understand them. We want to mitigate those risks we have some control over and seize whatever opportunities the issues present.

Some of the most serious issues facing OMISTA are interest rate changes especially as they are expected to begin to fall, increasing regulation, increasing competition, industry mergers, and complex social issues such as housing insecurity.

As your financial institution, it's important to understand that OMISTA is financially secure and stable, with prudent lending practices, deep knowledge of its members, and stringent oversight by your Board and our provincial regulator. You can be confident in your money being safe. We are a highly regulated financial institution with an 85-year history of strength, integrity, and resilience.

In closing, I wish to highlight some notable accomplishments of OMISTA's CEO, Tammy Christopher. In 2023, Tammy made impactful contributions to crucial discussion during Hike the Hill in Ottawa. On International Women's Day, she was featured on Canadian Credit Union Association's NewsHub, recognized among several female board members from Canadian credit unions. Additionally, she was selected as one of the TOP 50 CEOs in Atlantic Canada. What an impressive year it has been!

I continue to believe in our future. We know there will be many challenges. With challenges come opportunities. We need to take advantage of these opportunities.

Thank you.

Jack Low, Chairperson

b. Management Report from the Chief Executive Officer

Good evening and thank you members for joining us today for a look back on 2023 and the accomplishments of our Credit Union.

This past year, the Canadian economy experienced a mix of opportunities and challenges, influenced by both domestic and global factors. As prices rose across the board, the overall cost of living in New Brunswick has escalated. The impact has been widespread affecting individuals' purchasing power and economic well-being. Throughout 2023 OMISTA has been mindful of this and has worked very hard to provide innovative solutions to support our members through this period of economic uncertainty.

Despite economic uncertainties and market volatility, our net income remained robust, allowing us to continue investing in innovative products and services while maintaining a healthy capital position. This year, OMISTA was able to return almost \$1M to our members. Through our investments savings account members received an above average return on the deposits and for the first time in a decade we paid a patronage rebate to members based on their borrowing relationship.

At OMISTA Credit Union, our members are at the heart of everything we do. In 2023, we continued to prioritize member engagement and satisfaction, seeking to deepen our relationships and better understand your evolving needs.

We are pleased to report that our member satisfaction scores have remained consistently high and for the 19th consecutive year Canada's Credit Unions have received the overall customer service excellence award among all FIs in the retail banking sector.

Our exceptional member service would not be possible without our incredible team of employees. During 2023 the following employees celebrated milestones with OMISTA.

*5 Years
Diane King*

*10 Years
Nikki Doucette*

*15 Years
Alison Clipperton
Amber Holleran
Yvette Reid*

*20 Years
Blake Reynolds*

25 Years
Tracy Fraser

30 Years
Tom Saulnier

35 Years
Nancy Nowlan

Early in 2024 our long serving teammate, Tom Saulnier retired after more than 30 years of providing wise financial guidance to our members. Tom has touched so many lives and guided hundreds of members towards achieving their financial goals and dreams. We thank Tom for his tremendous service and wish him many healthy, happy years of well-deserved retirement.

As a community-based financial institution, we recognize the importance of giving back and supporting the communities we serve. Our work continues with Marcel LeBrun, founder of the 12 Neighbors Community in Fredericton. In addition to financial support, our involvement continues to evolve by providing financial literacy sessions for the residents of the community. We were honored to receive the 2022 Credit Union Coady Award. The award acknowledges credit unions who are excelling in areas of community engagement, financial inclusion, social impact, and the embodiment of cooperative values.

Throughout 2023, our commitment to food security extended beyond mere financial contributions of purchasing supplies for breakfast programs. Instead, our team went the extra mile by engaging in year-round fundraising efforts to offer sustained support at Sunbury West, Hubbard's Elementary, Edith Cavell, Beaverbrook, and Birchmount schools.

This year we launched our first community grant program, aimed at empowering local organizations making a difference in our communities. I am delighted to announce that we awarded two grants of \$10,000 each to deserving organizations:

Shelter Movers of Greater Moncton and Tri-County Ground Search & Rescue NB.

These grants will enable these organizations to further their missions and positively impact the lives of individuals in need within our communities.

From sponsoring local events to supporting charitable organizations and educational programs, we have remained actively involved in initiatives that promote financial literacy, economic development, and social welfare. Our employee volunteers completed eight Each One, Teach One sessions within our communities. We will double this to 16 sessions in 2024. If you know of an organization that could benefit from this program, reach out soon to schedule a session. These highly informative sessions book up

quickly. Through these efforts, we aim to empower individuals and strengthen the fabric of our communities, fostering a brighter and more inclusive future for all.

As we look ahead to the future, OMISTA Credit Union remains committed to our mission of simplifying the banking experience.

We aim to prove that where you bank can change everything and will continue to be the trusted and desired financial partner for our communities and local businesses.

We will continue to invest in technology, innovation, and talent development to ensure that we remain at the forefront of the financial services industry.

Moreover, we remain dedicated to upholding the values of fairness, trust, and honesty. We care for our members and empower them to succeed.

~Tammy Christopher, CEO

Tammy Christopher, CEO handed the Chair to Ajit Gautam, Audit & Risk Committee Chairperson

c. Audit & Risk Committee Report

Ajit Gautam, Chairperson of the Audit Risk & Credit Committee presented the Audit Risk & Credit Committee report. Mr. Gautam thanked the members of the Audit & Risk Committee and Deloitte LLP for preparing the audited financials.

d. External Auditor and Financial Statements

The Chairperson called upon Stephen Lund, Managing Partner for Deloitte LLP to deliver the External Auditor Opinion. In closing, Stephen Lund thanked OMISTA for their open communication throughout the audit process and look forward to working on our third year in fiscal 2024.

Stephen Lund, Managing Partner for Deloitte LLP handed the Chair to Asha Jammula, Director of Finance & Risk to present the Audited Financial Statements and review the Auditor's Report.

Asha Jammula, Director of Finance & Risk returned the Chair to Jack Low, Chairperson. At this time, the Chairperson asked for a motion to accept the reports and financial statements as presented.

It was moved by Mark Duperron and seconded by Robert Christie that we accept all the reports and approve the 2023 Audited Financial Statements as recommended.

On the question

Colleen Foreman asked about accessing the Strategic Plan. The Chairperson said the plan is a detailed document that's important for our operations, highlighting its parts focused on growing our membership and finances. Then, the narrator asked Colleen Foreman to explain her question further, and they said they were happy with the Chairperson's answer.

Motion carried.

8. Recommendations from Board of Directors:

a. Approval of Directors Remuneration

As per our by-laws Article 5.05 (a) (iv) at each AGM we must approve the maximum annual amount to be paid to Directors as remuneration for the performance of their duties during the current fiscal year. Included in Note 16 of the Audited Financial Statement we have reported total remuneration and board expenses of just over \$109,000.00. Of this total, \$78,000.00 was specifically for director remuneration. To allow the Board flexibility in the recruitment of qualified directors, we are looking to maintain the maximum amount of remuneration of directors to \$125,000 for the 2024 fiscal year.

It was moved by Dr. Richard Vaillancourt and seconded by Alison Clipperton to approve the maximum amount of remuneration paid to directors at \$125,000.00 for the 2024 fiscal year.

Motion carried.

b. Appointment of External Auditors

The Chairperson called upon Ajit Gautam, Chairperson of the Audit Risk & Credit Committee for the appointment of External Auditors. The Audit Risk & Credit Committee has evaluated the services provided by Deloitte LLP following the audit of the 2023 financial statements. The Committee and Management are pleased with the services provided by Deloitte and we are recommending we continue with their services for the 2024 fiscal year.

It was moved by Ajit Gautam and seconded by Sydney Constantine that the recommendation to appoint Deloitte LLP as the external auditors for the upcoming 2024 fiscal year be approved.

Motion carried.

10. New Business/Announcements

a. Message from Atlantic Central & League Savings and Mortgage CEO

A video message from Paul Masterson, CEO of Atlantic Central and League Savings was played.

The Chairperson called upon Tammy Christopher, CEO to highlight the 2024 Credit Union Outlook

b. 2024 Credit Union Outlook

Over the past few years, the Canadian financial services sector, including credit unions, has undergone significant changes driven by technological advancements, regulatory shifts, and evolving consumer preferences. It's crucial for credit unions to embrace these changes actively to stay competitive and effectively serve their members.

Let's take a look at some major projects slated for 2024.

Consumer preferences are evolving rapidly. There is a growing demand for personalized financial services and seamless digital experiences. To meet the needs of both current and future members, we recognize the importance of investing in technologies and processes that align with these expectations.

the process of converting from our legacy core banking platform to a new, digitally enabled platform that will provide the much-needed infrastructure required to propel us into the next era of financial services.

Simply put, we are building better banking for our current and future members.

This ambitious project aims to see all Credit Unions in Atlantic Canada migrate to the new banking platform by June 2025, with meticulous planning and execution underway. The first phase of the switch has already taken place. The Bayview division of Brunswick CU is the pilot for this project. They cutover to the new system this past weekend. The transition went smoothly with minimal interruption to member service. They will now enter a stabilization phase before the next CU conversion.

There will be several waves of CU conversions between now and June 2025. For OMISTA, the conversion will take place this June and preparations are in full swing.

Ensuring accurate member data is crucial for a successful conversion. You may have been contacted by an OMISTA team member to confirm your contact details; if not, this effort will continue in the coming weeks. If you receive a call or

request to update your information, remain vigilant and ensure you're speaking with an OMISTA team member. You can ask them to confirm something only OMISTA would know, such as the last transaction on your checking account. If in doubt, hang up and call us using the number on our website.

In April, we'll begin communicating with members about what to expect before, during, and after the conversion. You'll receive information via our website, as well as through physical or electronic mail. Please watch for these materials, as your engagement and awareness are vital for a smooth transition.

Another significant project for 2024 involves the relocation of our Cornhill Street branch. We have made the decision to relocate in response to safety concerns raised by members and employees due to changes in the surrounding neighborhood. After extensive efforts to find a solution with the City of Moncton and the Province, we conducted a market analysis focusing on growth opportunities in the Moncton area, which highlighted the importance of being close to the downtown core.

Following a detailed business case, the Board and Management decided to relocate to 1199 Main Street Moncton through a lease arrangement. This new location offers easy access, ample parking, ground-level entry, and significant signage opportunities. Positioned near Vaughn Harvey Blvd, Sobeys Shopping, and the Avenir center, we believe this move will attract new members and support business growth. We anticipate a possible fall relocation date.

Lastly, I'd like to touch on OMISTA's commitment to sustainability. As a BCorp, we're dedicated to the communities we serve and using business as a force for good. We're proud to present our first sustainability snapshot report, showcasing our impact. Soon we will be launching a partnership with Do Some Good to increase engagement with members and communities, raising awareness of our efforts and measuring our social impact. Keep an eye on our social channels throughout the year for opportunities to join us on this journey. We are also committed to expanding our community grant program, increasing our involvement with the 12 Neighbours project in the Fredericton area, and exploring additional ways to contribute to the wellbeing of New Brunswickers.

Members, in closing, I trust you can see that we are proactively taking steps to embrace the future and are poised for growth while upholding our tradition of service excellence. We're not just an alternative to the banks; we strive to be the superior choice and demonstrate that where you bank can truly change everything.

Thank you!

c. Directors Leave the Board Recognition

The Chairperson noted the Board of Directors plays a critical role in guiding the Credit Union's direction, ensuring financial stability, managing risks, representing member interests, and fostering accountability and transparency. Their leadership and oversight are essential for the Credit Union's success and sustainability. Tonight, I would like to express our gratitude to Frances LeBlanc for her exceptional contributions to the OMISTA Board over the past three years. Frances joined the Board in 2021 and has been an active member, serving on several committees including Chair of the Governance Committee, Chair of the Sustainability Committee, and Vice-Chair of the Board. Her wealth of knowledge, skills, and forward-thinking approach have greatly benefited our organization. As Executive Director of Hospice of Greater Moncton, your commitments are extensive, and we appreciate your active involvement on our Board. We extend our best wishes to you and your family.

11. Other Business

- There was no other business to report.

13. Adjournment

The meeting adjourned at 7:04 p.m.

Respectfully submitted,

Rayanne Brennan
Secretary