

COMTECH FIRE CREDIT UNION LIMITED
MINUTES OF THE ANNUAL GENERAL MEETING

March 28, 2018

1. CALL TO ORDER 7:40 p.m. - Tony Power

Good evening everyone, my name is Tony Power and I'd like to officially call to order the 2nd Annual General Meeting of Comtech Fire Credit Union Limited.

I would like to introduce the Chair of the meeting, Mr. Jeff Stubbs, Chair of the Board of Directors.

2. OPENING REMARKS – Jeff Stubbs

Thank you Tony. Good afternoon ladies and gentlemen. As Tony said, I am the chair of the board of directors and my name is Jeff Stubbs. It is my pleasure to welcome you on behalf of the Board of Directors to the 2nd Annual General Meeting of Comtech Fire Credit Union Limited. I would like to introduce you to the members of the Board of Directors and the Senior Management team that are with us here tonight. First at the head table on the far left is John Mach, the CEO, next to me is Judy Woehl, the Chief Financial Officer, on my right is Mike Neely, Vice Chair and further right is Tony Power who you've already met as the Board Secretary.

I would like to introduce the remaining Board members in the audience and if these people can stand up it would be appreciated; Hugh Doherty, Keith Hamilton, Phil Harris, Steve Longeway, Steve McDermott, Joanne McDonnell and Terry Wright. The one last director, Steve Buckingham could not be with us this evening. The members of the Management team, Dave Birak, Chief Operating Officer, Kevin Connolly, Chief Marketing Officer. Thank you everyone.

Now I would like to call upon John Mach, our CEO, for some introductions and announcements.

John Mach: Welcome everyone. I am a little concerned because Kevin gave away our insurance policy to keep you seated through the presentation. The door prizes were all we have got to look forward to so we'll hope for the best. Before we actually start the formal portion of the meeting, I would like to acknowledge some people here in attendance today. We have some special guests; Alana McCleary from the Deposit Insurance Corporation of Ontario, Bob and Kris Kirkpatrick, the President of the Canadian Fallen Fire Fighters Foundation, Dorothy Watson from Central 1, Clayton Shold from the Ontario Credit Union Foundation, Bob Belzile is the Chair of the Kingston Advisory Committee, Reg Bruneau is also on the Kingston Advisory committee, Micheline Dutil-Hoffman – St. Paul's Catholic School, Brent Heppell – Ontario Fire fighters, Heather Kiteley and Gary Carmichael from Guaranteed Funeral Deposits. I want to thank all of you for coming out today.

And if I could just take a minute I would like to acknowledge all of our past and present Assistant Treasurers and all of the volunteers that do so much for Comtech Fire Credit Union. If you are here and you're ready to stand, please do so. We would like to say thank you to all of you.

Next, I would like to take a moment to thank both Kevin Connolly and Karen Lockwood for putting on the event tonight. This is an enormous task. We don't have the head count yet, but let's say it is in the three hundred range and that's one heck of a good turnout. This is a big function to put on and that's an awful lot of work so thank you to both of you. Kevin and Karen had some help from our staff as well; if you could stand up Alicia Campbell, Rose Cirillo, Stephanie Gallant, Vivian Istifan, Barb Marrelli and Kathleen Vieira. Thank you all for putting on this event. This is as big as it has been in the last ten years, which is a wonderful thing to see and we'd love to see it get even bigger but an awful lot of work that went in behind this. Thank you all.

One of the things that I do like to do is to help all of you put names to faces and so what I am going to do now is introduce all of you to the staff that are currently here tonight. They are in order of seniority so when I call your name if you wouldn't mind just standing up and stay standing if you could for a little bit so that everybody can have a good peek at you and know who they are talking to when they are on the phone. Erica Burningham 3 months, Xi Wu 1 year, Justin Burke 1 year, Alicia Campbell 2 Years, Wanda Miller 4 Years, Doreen Laliberte 4 years, Vivian Istifan 5 Years, Shelley O'Connor 5 Years, Craig Wyldes 6 Years, Kevin Connolly 7 Years, Christine Chapman 9 Years, Elizabeth Bruce 10 Years, Hana Fabian 11 years, Gisele Godfrey 11 Years, Peter Mendonca 11 Years, Barb Marrelli 13 Years, Trevor Clarkson 15 Years, Kathleen Vieira 15 Years, Stephanie Gallant 17 years, Jeffrine Ojukwu 17 years, Rose Cirillo 18 Years, Judy Woehl 19 Years, Karen Lockwood 22 Years and Dave Birak 23 Years. That's your Comtech Fire team.

Now if I could I would like to just take one more moment, I'd like to call Kevin Connolly to come up and Trevor Clarkson. Trevor if you could come up as well please.

Kevin Connolly: So this is a bittersweet day. For those of our members here who remember East York Branch, this is the guy that kept the glue together at our East York Branch for all of those years. We are so sad but so happy for Trevor because I think he has deserved this day, which is now upon him, his retirement day. We at Comtech Fire along with John and the rest of the senior staff and all of the staff, particularly from the Fire heritage group we want to wish you Trevor the greatest retirement. You've deserved it and you've meant so much to our members in East York and at Avenue Road. Let's give Trevor Clarkson a big round of applause on the occasion of his retirement.

John Mach: Before I relinquish the mic because I don't get it very often, I do want to acknowledge two other people. We have two directors here tonight that are stepping down. Steve Longeway has been on the board of many versions of Comtech, from the Ontario Telephone days to Comtech to Comtech Fire for thirty-three years, and so we want to thank you Steve for all of your service that you've given to Comtech. And to Keith Hamilton; Keith has been with the Fire Credit Union for fifteen years and again, you know it is always hard to say good-bye to the directors that have given so much of their time and their skills to make Comtech Fire what it is today. Keith thank you again very much for your service. You will both be missed.

Jeff Stubbs: Joanne McDonnell will now provide the Registration Report. Before Joanne begins I would like to point out that there is one microphone here in the middle of the room. Actually there are two. Joanne is at one and there is another one on this side that can be used for questions. Joanne.

REGISTRATION REPORT – Joanne McDonnell

Section 7.07 of the By-Laws of our Credit Union requires a quorum of at least 25 members for this business meeting. At the present time we have 210 members registered and this is in excess of the required quorum.

Jeff Stubbs: Thank you, Joanne. We have one question; yes?

Member: I am concerned about the profit of this company and when I hear of all of these people on the payroll, I'm wondering if we could not do better and cut back on the over expenses.

Jeff Stubbs: Could I ask you in this point in time to hold that particular question until a little bit later. We will go through the formal portion of the meeting and then we will ask for some more questions at that point. Thank you.

Tony Power will now provide the Highlights of the 1st Annual General Meeting.

3. MINUTES OF THE LAST MEETING – Tony Power

Thank you Jeff. The 1st Annual General Meeting of our Credit Union was held on April 4th, 2017 at the Parkview Manor, North York, Ontario. Reports were given by the Chair, Vice-Chair, CEO, CFO, Audit Committee, External Auditors, and the Nominating Committee. The 2016 financial statements were approved. The accounting firm of Deloitte LLP was appointed as our auditors for the 2017 year-end. An election was held to fill five vacancies on the Board of Directors. Steve Buckingham, Phil Harris, Joanne McDonnell, Steve McDermott and myself, Tony Power were all elected to the Board. The meeting terminated at 8:20 p.m.

I now move that the minutes of the 1st Annual General Meeting be adopted.
I need a seconder from the floor --- Russ Donaldson.

Jeff Stubbs: It has been moved by Tony Power and seconded by Russ Donaldson that the minutes of the 1st Annual General Meeting be accepted.

Are there any questions or discussions on this report? Let's vote. All those in favour?
Opposed?

CARRIED.

Thank you, Tony.

4. REPORT OF THE CHAIR– Jeff Stubbs

This is the report of the Chair. It has been an exciting and successful year for our Credit Union. 2017 marked our first full year operating as the newly united Comtech Fire Credit Union since our mergers with Fire Services and Limestone Credit Unions.

Our seven full service branches operating out of Toronto, Mississauga, Ottawa, Kingston and Amherstview, have been exceeding expectations and are a tribute to our goal of connecting communities as our membership has climbed to over 15,000 members.

Much of this past year has been dedicated to the successful migration of the banking systems previously used by Fire Services Credit Union and Limestone Credit Union, over to a single platform under the newly formed Comtech Fire Credit Union.

This was the final stage in the merger process. With our systems, branches and people all in place and serving our membership we could now focus on the backend with our system conversion.

Lastly, giving back to the communities we serve is simply a part of who we are as a cooperative banking family. This past year our branches reached out to the surrounding communities that they are located in to provide service and support. Some of the initiatives we focused on this past year are noted on slide before you. In closing, as Chair of the Board, I would like to thank the Board and the Management team for their efforts in 2017. We had a strong, profitable and exciting year. I would also like to thank all of you for your support and I would like you to know that our Board is driven to serve all of you and to support and strengthen the cooperative values embedded in our Credit Union.

The Financial, Credit, and Year End Report will now be presented by the Credit Union's Chief Executive Officer, John Mach and the Chief Financial Officer, Judy Woehl.

5. FINANCIAL AND CREDIT REPORT – John Mach

Thanks Jeff. The growth of our Credit Union this past year to over 15,000 members across Ontario is really quite remarkable. We believe what truly sets us apart is our mindset that no matter how much our membership base actually grows, we still operate as a "community" credit union, one that actually knows most of our members by name.

By supporting and nurturing the members who live and work in our communities, we strengthen our community and our financial cooperative. For us this starts with a foundation of collaboration with the people that make up our community.

We do this by providing these members with Personal and Small Business Banking solutions that are specific to their needs while understanding and connecting to those services with the unique personas of each person.

Carrying that theme forward, the system migration of Fire and Limestone was a significant undertaking that was carefully planned to ensure minimal disruption to service to the entire membership phase. The first quarter consisted of extensive training and branch integration with Fire Services. We then moved on to integration with Limestone in the third and fourth quarter of the year.

The new cohesive banking system, which is now fully operational across all of our branch locations, will greatly improve our ability to serve our members banking needs. Offering improvements to online banking services, including e-documents, me-to-me transfers, as well as member direct small business banking services, our mobile app with deposit anywhere feature, online banking alerts and more functions, which are now fully available.

Operationally, 2017 was again another exciting year for Comtech Fire. I will now pass the meeting over to Judy Woehl, who will present you with the 2017 financial results.

Judy Woehl: As you registered today, you received a copy of the Annual Report, which includes the financial statements on pages 19 to 22. I would like to address my remarks to this report.

Once again, the strength and stability of our Credit Union continued to be proven throughout the year. In 2017, we achieved significant growth on our balance sheet, enhanced our profitability and provided competitive rates of return, all while we ensured that safety and soundness within our operating environment were our primary focus.

Our assets increased by \$56 million or 13% and contributed to the year-end balance sheet totalling \$489 million at December 31, 2017.

As always, our focus within the loan portfolio was on writing quality loans, working together with our members to find solutions, while being mindful of protecting the assets of the Credit Union. We also focused our commercial loan growth entirely on secured mortgages of commercial or residential property. Overall, loan growth in 2017 totalled \$50 million or 13%. With this growth, the loan portfolio ended the year at \$429 million. The largest component of loan growth was in the secured commercial loan portfolio, which rose from \$173 million to \$202 million. The residential mortgage portfolio also grew from \$187 million to \$210 million. Overall, at the end of 2017, 96% of Comtech Fire's loan portfolio was secured by assets on which the Credit Union holds title.

Another key area of growth at Comtech Fire was our deposit base. We are pleased to report total deposits of \$458 million representing growth of 14% or \$56 million over the prior year. Registered savings plans grew by \$4 million and non-registered term deposits increased by \$36 million. At the end of the year, term and registered term products accounted for 81% of Comtech Fire's deposit portfolio. Overall, we continue to see a large portion of our membership taking advantage of our competitive fixed-rate term deposits.

Our overall members' shares remained relatively stable in 2017 at \$15.5 million. At year-end, our capital ratio decreased from 5.89% to 5.20%, which is due to the significant growth realized on the balance sheet. Despite the drop, we continue to exceed all regulatory requirements. Comtech Fire also paid Class B, series 1, series 2 and series 3 dividends to participating members in 2017 at the rate of 3.00%; and series 4 dividends were paid at 3.50%. The Board of Directors also declared a dividend on Loyalty shares of 2.00% which will be paid in April 2018.

Comtech Fire's operating profit increased by \$1.8 million, mainly as a result of 2017 being the first full year of operations after the Fire and Limestone mergers during 2016. Operating profit as a percentage of income remained relatively stable from the prior year. In 2017, we continued to focus growth in key product areas, specifically on fully-secured residential and commercial mortgages. This resulted in a decrease of our unsecured loan portfolio revenue, while our fully-secured loan portfolio revenue increased.

Investment income increased 34% from 2016 to \$644,427. Comtech Fire continues to invest in lower-yielding, but highly-secured investments. At year-end our portfolio consisted primarily of cash, GICs and our mandatory Central 1 Credit Union membership shares and liquidity reserve deposit. We continue to take the position that safety of your deposits outweighs the opportunity of higher yields.

Ancillary revenues in automated teller machines, insurance premiums and other administration increased 21% from the prior year with a combined total of \$1,995,261. An increase in commercial mortgage fee revenue, as well as increases in commissions related to insurance products and mutual funds are the main reasons for the overall increase in 2017.

Operating expenses increased year-over-year by 16%, mainly as a result of 2017 being the first full year of operations after the Fire and Limestone mergers during 2016.

Overall, with the increase in operating profit, despite the increase in operating expenses, the Credit Union reported a net profit for the year after tax of \$732,363, an increase of \$362,183 or 98% from the prior year.

Lastly, in accordance with International Financial Reporting Standards (IFRS), annual pension gains and losses are recorded on the statement of profit and other comprehensive income. In 2017, the discount rate used for estimating the defined benefit obligation decreased 50 basis points from the 2016 year end rate. As a result, the plan experienced actuarial losses during the 2017 year. This entry does not relate to the core operating results of Comtech Fire and will move up or down each year based on the discount rate projections for any given year. Other comprehensive loss reported from the pension plan in 2017, net of taxes, is \$123,979. As a result of the pension loss, total comprehensive income for the year was \$608,384.

Our results for 2017 were strong and exceeded our projections. We are extremely pleased with the continued strength of our core business lines and we look forward to a strong 2018.

I will now pass the meeting back to John to discuss our exciting future.

John Mach: As we look to the future we are excited about the prospects that lie ahead and our opportunities for further growth. One of the biggest changes we made moving into 2018 started with our decision to introduce an exciting new family of both personal and corporate Visa cards through our partnership with Collabria.

The new credit card line up offers members a wide range of card options including cash back, travel rewards, low annual fee and even a no fee student visa. Plus, with features including exceptional insurance benefits and 24/7 support, members of Comtech Fire are assured a better credit card experience than ever before.

As our membership grows and we continue to attract new families into Comtech Fire, we are committed to ensuring transitions are as easy as possible for new or existing members to bring more of their banking over to Comtech Fire. That is why we are excited to be partnering with ClickSWITCH, an innovative automated technology that will allow members to easily migrate their recurring transactions over to their Comtech Fire accounts quickly, easily and securely with a few simple clicks.

Small and micro businesses in Canada represent the fastest-growing business segment in the province. These business owners want flexibility and control over their financial affairs so they can remain focused on their core businesses. Our new SMB platform offers a number of key benefits to deliver on this commitment.

We are committed to the constant improvement of our in-branch and on line services as we focus our energies on creating an even more member-focused Credit Union moving forward. We have mapped out our intentions for the coming year with our sights set on delivering an exceptional banking experience.

We have already laid the groundwork for replacing and updating the existing branch on Avenue Road. Members can anticipate the addition of a new location at 529 Danforth Avenue, an area that is currently home to the highest concentration of our collective members. This new state of the art branch will be opened at the end of May, 2018.

It is our collective goal to continue to explore opportunities that will allow us to enhance our level of service. Whether that means opening new branches, providing more convenient hours, adding more ATMs, enhancing our online and mobile banking services, or hosting events that provide our members with an opportunity to learn and grow, we are committed to evolving our Credit Union.

Aligning our Credit Union with causes and initiatives that shine a spotlight on financial education, motivating our members and our local and global communities is what our cooperative model is all about. We have an incredible network of individuals both in our staff and in our members that help drive those initiatives.

In the coming year we plan to continue to support the organizations and associations that are important to our members and our communities.

We will also invest our energy into growing our relationships with our existing associations including Fire Fighter Associations, Federal employees and Bell Pensioners Groups, as well, by exploring opportunities that can grow our network with new associations that are a natural fit for our Credit Union.

In the end it all comes down to our members; the individuals and families who make up our cooperative banking family and entrust us everyday with their financial health and happiness. Fostering these important relationships and ensuring that our members feel well supported and served for all of their financial needs takes precedence over everything we do.

We will do this by investing in our team of dedicated professionals who not only have the knowledge and expertise required to service our members effectively, but who also possess a genuine concern and a passion for wanting to help our members succeed on their financial journeys.

With over \$530 million in overall assets and more than 15,000 members across 7 branches in Ontario the success of our Credit Union would not be possible without the dedication of our staff, board, volunteers and the associations we have aligned ourselves with. To all of you, I want to say Thank you!

This past year the Ontario Professional Fire Fighters Association (OPFFA) moved into our King Street Branch, which is another testament to the strength of our collaborations and the important role they play in our success. I would like to extend a special thank you to the Fire Associations across Ontario for their ongoing support. Thank you.

Finally, I would like to thank our members for continuing to choose us for all of their financial needs. As your cooperative banking family, it is our ongoing commitment to remain value driven, community connected and member focused.

I now move that the Financial, Credit and Year End Report be accepted.
I need a seconder - Marie Masuik.

Jeff Stubbs: It has been moved by John Mach and seconded by Marie Masuik that the Financial, Credit and Year End Report be accepted.

Are there any questions or discussions on this report?

Member: Hi there. If I could ask a question; well there are two actually.

Jeff Stubbs: Sure.

Member: First one is with regards to the capital that you had mentioned of about 5.2%. Are you looking to offer any type of a share offering this year to address that and try to increase it?

John Mach: We are and the application has been filed and we should have some news for the entire membership probably in the next couple of weeks.

Member: Perfect, thank you. And my second question is just regarding the impaired loans. It looks like maybe there was one large loan that moved in from the under one year to over one year and I just wanted to know what sort of provisions and what is being done to address that large area.

Judy Woehl: Yes so it is one large commercial loan that we have on the books and it did fall from last year it was just under 365 days and now it is just over. We are working diligently on it. It is a fully secured loan and is backed up by a commercial property and it is just part of the business that we continue to work with.

Member: Thank you.

Jeff Stubbs: We have a new question.

Member: I have two points; one when you amalgamated, normally when companies amalgamate they are doing it for efficiencies. They are trying to reduce overhead. Has this happened here? Like, for example, you have so many people on the board, did you get rid of any of those people?

John Mach: Yes we did. So the Board was at nine members. It expanded to 15 members and then we reduced three members a year. So this is the final year of the reduction and we will be back down to nine members. And the reason that we did it that way was in order to provide continuity to the individual credit unions as they came in to one larger credit union. So it happened over a three-year period. But upfront on both of these mergers that we did, there was an immediate reduction to the number of board members. There was also consolidation of expenses and while that isn't felt right away, it becomes very apparent in year two three and beyond. Some of those consolidations include eliminating the duplication of computer and data operating systems, which is significant; the AGM process and the audit process so instead of having three auditors there is now one auditor. Internal audit functions are also consolidated. So there has been a lot of savings that have gone on. What I will also tell you is that in the consolidation there was no branch overlap and so all of the employees were kept on, unless they didn't want to stay on, and as it turns out all of the employees of the three credit unions did indeed stay on and that gave us breath that covers from Ottawa to Kingston and to Toronto.

Member: My second point is, partly you've covered, on the number of the board. Do we need nine board members? The Chairman of the Board and the CEO, can that not be done by one person? I can't believe that the Chairman has that much to do that it's a full-time job since YOU are running the show basically.

John Mach: Okay so I will answer that as well; the Chairman by the way is not a full-time paying job. This is a position that is taken on by someone who is usually currently employed in another organization, as are all of the other directors. With respect to the number of nine; you know best practices for Directors of our asset size range between nine and fifteen. We are definitely at the low end and there are quite a significant amount of fiduciary responsibilities that directors of a financial institution now are required to have. The Board and their governance model is required to have a balanced skill set approach, which means that they have to cover off on every discipline from HR to legal to data to accounting and so when you start to try and fill those positions you can get to nine pretty quickly. I guess to answer your question, it would be

very difficult to operate a credit union of our size, which is over \$500 million with another \$140 million off book, fast approaching \$1 billion with fewer than nine directors. The other thing to consider is that you need quorum for every meeting and directors, although we try to oppose it for them going on vacation from time to time and may not be able to attend a meeting so we have to make sure that we have a stable contingent of directors for those meetings to make sure that we have quorum as well. It seems to be a good number for us. We have actually been as high as 18 directors, if you can believe it. When I started here many many years ago, we had 18 directors. That was too many and we know that for sure but nine seems to be a good number and a good fit for the board based on the requirements of The Act and fiduciary responsibilities that they have.

Jeff Stubbs: Just to add, the Board is made up of committees as well. We have three members on the Audit Committee, we have a Governance Committee, we have an Executive Committee and a Nominating Committee. So between the overall Board involvement there is also involvement of a number of committees as well. Alright, any other questions? Let's vote on this now. All those in favour? Opposed if any?

CARRIED.

The next item of business is the Audit Committee Report and I call on Terry Wright.

6. AUDIT COMMITTEE REPORT – Terry Wright

Thank you Jeff and good evening everyone; I am Terry Wright and the Chair of the Audit Committee. The audit committee is appointed by the Board of Directors, and all members are active directors. At this time, I would like to introduce the other two members of the committee, only one of which is here today; Keith Hamilton. The other member of the Audit Committee is Steve Buckingham who could not be with us tonight.

The Committee meets regularly with management to discuss operational and accounting practices and internal controls over the financial reporting issues in order to be satisfied that each party is properly discharging its responsibilities and to review the annual report, the financial statements and the external auditor's report. The committee reports its findings to the Board for consideration when approving the financial statements for issuance to the Credit Union membership. The committee also considers for review by the Board and approval by all members, the engagement or reappointment of the external auditors.

For the year ended 2017, the firm of Deloitte LLP performed the statutory audit. The results of external and internal audits have been very good, indicating that the accounting systems and internal controls are adequate. The response of the members to the statement audit conducted in 2017 and each preceding year has shown a consistently low level of discrepancy and a high level of membership acceptance to our standards of care in handling members' money.

The Audit Committee and the auditors co-operate and perform reviews together. Our duties included the examination of new loans, members' account balances, and term deposits on a test basis, in addition to all officer and staff loans. Additional duties included auditing a sampling of office policies and procedures which incorporate Board policy, cash verification, verification of the monthly financial report and verification of the bank reconciliation insofar as is necessary to ensure that internal controls are adequate. In 2017, the Audit Committee held five meetings during the year and it has conducted its affairs in accordance with the Credit Union Act and the regulations.

It is our opinion that the financial affairs of Comtech Fire Credit Union Limited are being conducted in the best interests of the membership.

On that basis, I would now like to move that the Audit Committee's report be accepted. I need a seconder - Jean Cook.

Jeff Stubbs: It has been moved by Terry Wright, seconded by Jean Cook that the Audit Committee's report be accepted. Are there any questions? All those in favour? Opposed?

CARRIED.

Thank you, Terry.

At this time I would like to call on Pam Lilley who will present the Auditors' Report.

7. AUDITORS' REPORT – Pam Lilley

Thanks Jeff. Our report represents the culmination of our audit work and discussions with Senior Management and the Audit Committee throughout the year. Similar to prior years you have been provided with a report on the summarized financial statements. The full set of financial statements are available to members upon request. Our report is addressed to you, the members of the credit union. The summarized financial statements, which comprise the summarized statement of financial position as at December 31, 2017 and the summarized statement of profit and other comprehensive income, the summarized statement of changes in members' equity and the summarized statement of administrative expenses for the year then ended are derived from the audited financial statements of Comtech Fire Credit Union Ltd for the year ended December 31st, 2017. We expressed an unmodified audited opinion on those financial statements in our report dated February 1st, 2018. Management is responsible for the preparation and the summary of the audited financial statements in accordance with international financial reporting standards. Our responsibility is to express an opinion on the summarized financial statements based on the procedures which were conducted in accordance with Canadian auditing standards. In our opinion the summarized financial statements derived from the audited financial statements of Comtech Fire Credit Union Limited for the year ended December 31st, 2017 are a fair summary of those financial statements in accordance with international financial reporting standards. Our report is dated February 1st, 2018 and is signed Deloitte LLP. Thank you.

Jeff Stubbs: I move that the Auditor's report be accepted. I need a seconder - Susan Podvor. It has been moved by myself, Jeff Stubbs, and seconded by Susan Podvor that the Auditors' Report be accepted. Any questions or discussion? Okay let's vote on this one. All those in favour? Opposed?

CARRIED.

Thank you very much Pam.

The next item is the appointment of the auditors. I'll call Terry Wright back up.

8. APPOINTMENT OF THE AUDITORS – Terry Wright

Thanks Jeff. I would like to move that the firm of Deloitte LLP be appointed to act as auditors of Comtech Fire Credit Union Limited until the next annual meeting in 2019. I need a seconder - Albert Almark.

Jeff Stubbs: We have a motion by Terry Wright, seconded by Albert Almark that the firm of Deloitte LLP be appointed as the auditors of Comtech Fire Credit Union Limited until the next annual meeting in 2019. Any questions or discussion? Okay let's call the vote on that as well. All those in favour? Opposed?

CARRIED.

Thank you very much, Terry.

Next, can we have a final registration count from Joanne?

9. REGISTRATION COUNT – Joanne McDonnell

The final registration is:

210 members and 33 invited guests.

Jeff Stubbs: Thank you, Joanne.

The next item of business is the report of the Nominating Committee given by Steve Longeway.

10. NOMINATING COMMITTEE REPORT – Steve Longeway

Thanks Jeff. The Nominating Committee is comprised of at least two Board members as per Article 5.04 of our Credit Union By-Laws. This year the Committee includes Keith Hamilton, Steve McDermott, and myself, Steve Longeway. The Board of Directors is currently comprised of eleven members and the terms of office are arranged in such a manner to ensure a minimum of three positions come up for election each year. This year there are three positions to be filled.

The Nominating Committee has two main responsibilities; first, to select and recommend candidates to the Board of Directors and obtain its concurrence, and secondly, to present a slate of candidates for election at the annual meeting. In fulfilling our first role, the Nominating Committee has recommended that three of the existing Directors stand for re-election. The Board as a whole has concurred with this recommendation.

Next, we will present to you the slate of candidates for election this year. They are shown on page 14 of the Annual Report. There is also a handout included in your registration package today that provides some information about the five candidates. Standing for re-election are Hugh Doherty, Joanne McDonnell and Jeff Stubbs.

I now move that the Nominating Committee Report be received. I need a seconder - Gisele Godfrey.

Mike Neely: We have a motion by Steve Longeway, seconded by Gisele Godfrey that the Nominating Committee Report be received. This is a report on which no action is to be taken at this time. Are there any questions? So we can vote on this report now, and then follow up with the election process thereafter. All those in favour? Opposed?

CARRIED.

Mike Neely: Thank you, Steve.

Now I would like to call on Pam Lilley as Chair of the Election Committee.

11. ELECTIONS – Pam Lilley

As mentioned, there are three vacancies on the Board of Directors. The Nominating Committee has put forward its slate of Directors that you see on the board. According to the By-laws of the Credit Union, section 4.02(h), all candidates are required to disclose to the Board, in a timely fashion prior to elections, everything he or she is required by the Credit Union Act to disclose as a candidate for director of a credit union. As discussed each year at the Annual meeting, due to the disclosure requirements in the Act, we can no longer accept nominations from the floor. If you are interested in serving on the Board of Directors, please contact the Credit Union, or go to their website under the tab 'About Us; Board of Directors', to start the process required for next year's elections. The process takes a few months to complete and the application deadline for the 2019 AGM has been set at November 1, 2018.

Now I will ask those that are present that have been nominated to come forward, and please state your name, your length of service and verify your willingness to stand. Would you please come forward now?

Jeff Stubbs: and I've been on the Board for twenty years and am willing to serve.

Joanne McDonnell: I've served on the Board of Limestone Credit Union before being on Comtech Fire and I am willing to serve. Thank you.

Hugh Doherty: and I've been on the Board for three years and I am willing to serve.

Since we have three candidates and three positions to be filled, all for three year terms, I now declare those nominated elected to office. Thank you.

Mike Neely: Thanks Pam.

15. UNFINISHED BUSINESS – Jeff Stubbs

Okay, thank you Mike for helping me out on that part. The next item on our agenda is unfinished business and there was no unfinished business from last year's meeting. Our next item is new business.

16. NEW BUSINESS –

Is there any new business that anyone wishes to discuss?

Member: I'm Fred Breeze and I just throw out a challenge to the Nominating Committee. When I look at the Board of Directors and I see one female out of eleven members on the Board, I don't think that in this day and age that that's acceptable. I would suggest that the Board, particularly the Nominating Committee, do a little more research and see what you can find to come up with some more females on the Board. I think that would enhance the Board. I am going to tell you a little story, very short; if I was still around I would be bankrupt. My wife is the one who has saved our finances and that's not because of my brilliance, it's because that although she may not be an accountant or any financial wizard she knows how to keep things moving.

Jeff Stubbs: Thank you very much and we do hear you. Bringing some women onto the Board is a priority for our Nominating Committee and we do have a number of candidates that are in the queue that are female so that's great. Okay, thank you very much.

Member: Thank you for this evening. I have a wonderful financial representative but I'm up here to ask for more paper, don't diminish the paper. I've read that my statements are going to come every half year. I am totally dependent on paper and I'm not online at any time and I'm not going to a library. I live in midtown Toronto. I can walk and talk. I have been with Comtech for a few years. At best I use my brain but I depend on paper. It's also a way of keeping secrets so I'd appreciate it if you do not diminish mailings.

John Mach: Thank you for that input. So we have a lot of requests going the other way, as you could imagine, where people do not want paper anymore and they want electronic statements sent then they print off whatever they choose to print off and what's important to them. There are many people who don't want mail anymore because their mail gets stolen and there is confidential data usually on those statements that they don't want to fall into the wrong hands. All that said, if you talk to your branch manager we can make sure that you continue to receive paper statements. So we have the option of doing all three of those items and we can customize it based on what you would prefer to have. So if you want paper, paper it shall be.

Jeff Stubbs: Any other questions? One more.

John Mach: It would never be an AGM without Rhonda coming up.

Member: I only have one complaint; stop charging us for this new technology fee that we should by now have paid off. It's a ridiculous fee; half of us seniors don't use it and why should we support all of the kids. Let the millennials pay for their own technology.

John Mach: The technology is not yet paid for but every service fee right now is under review.

Member: And you need to get us back yearly statements for when our seniors do taxes and we need to be able to push a button and get all of the year's gas, hydro bills, telephone. We asked three years ago and we are still holding our breath.

John Mach: We have a statement repository now on Home Banking that allows you to do all of that but if you want a paper statement, again you just have to let the branch know and we'll make sure that we send you that paper statement.

Member: That isn't what I asked for. I want to be able to go into my online account and push a button and get all of my yearly fees. I pay my bills online and I want to push a button and know I gave the gas company \$1,349 so that I can give that to my accountant and don't feed me this 'print it every month' I'm too busy.

John Mach: Oh I see. Are you saying you want it categorized by type of expense?

Member: Yes I want to be able in January to go in and get my gas bills, my hydro bills, my telephone bills. Before we started buying everybody Comtech had it and now we don't. So we have gone backwards.

John Mach: We will have to look into that.

Member: Thank you.

17. MOTION TO TERMINATE– Jeff Stubbs

The last agenda item is to terminate the meeting. I need a motion to terminate this meeting – Steve Longeway.

Meeting terminated at 8:37 pm. The meeting is terminated. Thank you very much everybody.