

AGM Minutes for the 5th Annual Meeting

March 29, 2022

Opening Statements – Dave Birak

Good evening, it is seven o'clock and I think that we can get the meeting started. We currently have 47 participants and I know a lot of members are still coming on for our seven o'clock start time. I am going to get the meeting started.

Good evening everyone, and welcome to the 6th Annual General Meeting of Comtech Fire Credit Union. I am Dave Birak, your CEO and I will be the moderator for the meeting. I would like to begin this meeting by acknowledging the land we are meeting on at our head office. It is the traditional territory of many nations including the Mississaugas of the Credit, the Anishnabeg, the Chippewa, the Haudenosaunee and the Wendat peoples and is now home to many diverse First Nations, Inuit and Métis peoples. We also acknowledge that Toronto is covered by Treaty 13 with the Mississaugas of the Credit.

I would also like to thank all of our members who are in attendance tonight.

In addition to our members, we are also welcoming a number of guests:

- From the Financial Services Regulatory Authority of Ontario, Yalady Linares
- From MNP – Darren Rennie
- From CUMIS Insurance – Ruth Sokolik
- From PRA Canada, Jeremy Picco and Arvin Vasquez
- From RZCD Law Penny Rintoul.

Last but not least, I would also like to take this opportunity to introduce Elaine Farr who will also be assisting in the background with moderating the meeting and reporting poll results.

Elaine – Good evening everyone.

Dave – Thank you for that Elaine. Given the number of attendees at this meeting today, we have muted the mics so that we can ensure that everyone will be able to clearly hear each presenter. Just some of the semantics on the motions; after each motion is read, the Chair will request a seconder for the motion. If you wish to second the motion, please raise your hand by clicking on the hand icon as shown on the slide. The first person that pops up as holding up their hand will be noted as the seconder, as long as your first and last name is displayed. After we have identified a seconder, the Chair will read the motion and then ask if there are any questions that were submitted, and the moderator will read the questions, if any.

In this regard, everyone was requested to submit their questions in advance of the meeting. If you have a question, we would ask that you submit it as soon as possible and it will be answered before the applicable motion is voted on. If your question does not apply to a specific motion, it will be addressed at the end of the meeting. Questions can be submitted by typing them in the chat box that appears on the right-hand side of your screen.

After all applicable questions have been answered, the Chair will prompt everyone to vote on-line for each motion. The motion will be posted, and we will activate the poll question. This process can take up to 15 seconds or so for the poll to pop up on the right-hand side of your screen. When the

poll shows on your screen, make your selection and submit your vote. Once you submit your vote, the submit button will be greyed out your screen. We will wait a short period of time before we close the poll.

Lastly, if you have any new business or announcements that you would like to be made, we ask that you send those through the chat box now so that they can be passed on to the Chair.

I will now pass things along to Hugh Doherty.

Call To Order – Hugh Doherty

Good evening everyone. My name is Hugh Doherty and I'd like to officially call to order the 6th Annual General Meeting of Comtech Fire Credit Union.

I would like to introduce the Chair of the meeting, Mr. Michael Neely, Chair of the Board of Directors.

OPENING REMARKS – Michael Neely

Thank you, Hugh. Good evening ladies and gentlemen. As Hugh said, my name is Michael Neely and I am the Chair of the Board of Directors. It is my pleasure to welcome you on behalf of the Board of Directors to the 6th Annual General Meeting of Comtech Fire Credit Union.

I would like to introduce the presenters who are here with us this evening:

Hugh Doherty, Secretary of the Board

Terry Wright, Vice-Chair and Audit Committee Chair

Tony Power, Chair of the Nominating Committee

Dave Birak, Chief Executive Officer

Judy Woehl, Chief Financial Officer

And Darren Rennie from MNP LLP

Michael - Before we get started, I would like to take a moment of silence to acknowledge and remember our members who have lost their lives this past year. In addition, this year we would like to take some time to reflect and provide support to the people of Ukraine who are presently standing against tyranny, against all odds, in defiance of a brutal and senseless act by the Russian state.

15 to 30 second delay.....thank you everyone.

Michael - The first item on the agenda is the Registration Report provided by Hugh Doherty.

REGISTRATION REPORT – Hugh Doherty

Hugh - 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 67 members registered for this meeting and this is in excess of the required quorum.

Michael - Thank you, Hugh. Hugh will now provide the Highlights of the 5th Annual General Meeting.

MINUTES OF THE LAST MEETING – Hugh Doherty

Hugh - The 5th Annual General Meeting of our Credit Union was held on March 30th, 2021 and it was a virtual meeting using the Webex platform.

Reports were given by the Chair, CEO, CFO, Audit Committee, External Auditors, and the Nominating Committee.

The 2020 financial statements were approved.

The accounting firm of MNP LLP was appointed as our auditors for the 2021 year-end.

An election was held to fill four vacancies on the Board of Directors. Hugh Doherty, Catherine Fagnan, Joanne McDonnell, and Jeff Stubbs were all elected to the Board.

The meeting ended at 8.07 p.m.

I now move that the minutes of the 5th Annual General Meeting be adopted.
I need a seconder.

Michael - It has been moved by Hugh Doherty and seconded by Gary Seveny that the minutes of the 5th Annual General Meeting be accepted.
Are there any questions or discussions on this report?

Elaine – Michael, no questions have come in.

Michael - Let's vote. The poll should pop up on your screen shortly. It will show on the right-hand side of your screen. Please make your selection and click on the 'submit' button at the bottom.

Elaine – Just a reminder to hit the submit button or your vote won't be registered. Alright, things are slowing down, I'm just going to give it ten more seconds. Okay, there are no opposed, therefore motion has passed.

Michael - Thank you Elaine. Thank you, Hugh. I will now move on to the Report of the Chair.

REPORT OF THE CHAIR– Michael Neely

Michael - For 81 years our members have entrusted us with their financial well-being and this is a responsibility that the Board and Management team take both seriously and personally. We are members too. United by our genuine care and commitment for our membership, our team and our communities.

2021 was a year of unprecedented change and while much of 2020 felt like a year of upheaval and uncertainty, this past year brought with it hope and an opportunity to emerge stronger. And while none of us could have predicted that two years later we would still be navigating the ups and

downs of this pandemic, we are confident in the fact that we are in this together.

Together we are committed to delivering a banking experience that truly stands apart. Not just by providing the same products and services you would expect to find at any financial institution, but by being so much more to our members.

Society has experienced extraordinary change throughout 2021 and as we shift and settle into new ways of being and doing, we are acutely aware of the toll this has taken on our membership, staff and communities.

It has changed the way we work, learn, and live. How we connect and communicate with one another. How we move through our day-to-day operations and interactions. It has also shown how resilient we can be.

Together we represent unity. A community of individuals with a shared vision of financial health and happiness for all. Who looks beyond their bottom line to offer its members better rates, exclusive services, long lasting relationships, and support for their communities.

To our Bell Employees, Fire Fighters and Kingston Federal Employees who have founded and grown this organization, we owe a great debt of gratitude and loyalty. It was through their collective vision that our Credit Union's foundation was built. And as we expand our reach to include our local communities, we will never forget our roots and the reason we thrive.

In 2021, we continued to support the organizations and associations that are important to our members and our communities. Some of the initiatives we focused our efforts on are noted in the annual report.

In closing, as Chair of the Board, I would like to thank my Board and the Management team for their efforts in 2021.

I would also like to thank all of you for your support. 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, Dave Birak and the Chief Financial Officer, Judy Woehl.

FINANCIAL AND CREDIT REPORT – Dave Birak

Dave – Thank you for that Mike. As you said, 2021 was a challenging year for all of us as we continued to deal with the impacts of COVID-19.

Adhering to public health guidelines while still supporting our members and communities was not without challenge. The need for branch closures, meant online and phone channels were our primary means of communication. It meant streamlining our digital presence and using it as a platform to communicate. In 2021, we continued to work behind the scenes to enhance our self-serve options both online and through the mobile app.

We increased our social media presence on Instagram, Twitter and Facebook. These online platforms offer an opportunity to interact and engage with our members in real time. To provide financial education and advice and feature exclusive member promotions. To uplift them with initiatives like Wellness Wednesday and offer support for all their financial needs. To help you feel connected as a community by promoting initiatives that are important to us all.

For a number of our existing members who are newcomers to our digital channels, it has been a welcome relief to know that much of their banking needs are now available through the website, mobile app, and online platforms.

As an organization, we made investments to ensure that our Credit Union had adjusted as needed, and with that we can continue to meet the financial day-to-day needs of our members. In 2021, this also included the rebalancing of the loan book and in doing that, we have been working on ensuring that our lending portfolio is appropriately weighing between large, medium and smaller loans, such that we are well-aligned with the long-term needs of our membership.

Our focus in 2021 was to build a more sustainable capital model and this helped drive our total comprehensive income to over \$2 million. In our uncertain world, this ensures that the Credit Union will be able to absorb future uncertainty and provide the flexibility to meet the needs of our Credit Union for the years to come. Providing assurance for our members, staff and communities that their Credit Union is on solid ground and here to support them anyway has been and is our top priority.

The main driver of our success is the consistent commitment of our team. Even in the face of great personal uncertainty, everyone from our front-line staff, to our executive team, to our Board of Directors, continue to demonstrate and embody our core values day in and day out.

Throughout the pandemic, they have worked conscientiously in our communities. Whether it was in Ottawa, Toronto, Kingston or Amherstview, they have ensured that we are able to provide the same great level of service our members have come to expect.

As a team we have rallied together through these trying times to rise above the challenges and deliver unparalleled excellence for our members and our member communities, and for that we are grateful. It is a true testament to the fact that we are stronger together.

Operationally, 2021 was an exciting year for Comtech Fire. I will now pass the meeting over to Judy Woehl, our CFO, who will present you with the 2021 financial results.

Judy -Thanks Dave. Good evening everyone. Last week you would have received a link to the electronic copy of the Annual Report which was included in your registration email; this includes the financial statements on pages 16 to 19. I will address my remarks to this report.

Once again, the strength and stability of our Credit Union continued to be proven throughout the year, despite the continuing challenges of a global pandemic. In 2021, we enhanced our profitability, provided competitive

rates of return, and continued to focus on the safety and soundness within our operating environment.

In 2021, we looked to rebalance our loan portfolio to better align with the needs of our membership. As a result of the rebalancing, we shed a small number of high-value loans on both our retail and commercial portfolio. Given the economic conditions resulting from the pandemic and the future outlook, we believed that it was prudent to take a defensive posture on our portfolio for both the commercial and retail loans. As a result of the rebalancing, our assets decreased by \$74 million or 15% which resulted in the year-end balance sheet totalling \$419 million. Overall, the loan portfolio decreased in 2021 by a total of \$89 million or 21%, with residential mortgages decreasing \$48 million, and commercial mortgages decreasing \$38 million. The loan portfolio ended the year at \$324 million, and provides greater comfort and a better balance in terms of our credit exposure. We continue to focus on writing quality loans, working together with our members to find solutions, while being mindful of protecting the assets of the Credit Union.

Total deposits from members decreased 17% or \$75 million over the prior year, to a total of \$373 million. As our loan portfolio decreased, we intentionally matched that decrease to our deposit base, by letting go of maturing broker deposits that we no longer needed to maintain reasonable liquidity levels. At the end of the year, term and registered term products accounted for 71% 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.

Members' shares remained relatively stable in 2021 at \$23 million. At year-end, our capital ratio increased from 6.78% to 8.51%, and we continue to exceed regulatory capital structure requirements. Comtech Fire paid Class B dividends to participating members in 2021 at the rate of between 2.40% and 4.25%. And The Board of Directors also declared a dividend on Loyalty shares of 2.00% which will be paid in the second quarter of 2022.

Despite the adjustments to the loan portfolio on the retail and commercial sides, as well as the low interest rate environment, net interest income remained relatively unchanged from the prior year, reporting at \$9.4 million in 2021 compared to \$9.5 million in 2020.

Investment income decreased 10% to \$609,000, also due to the low interest rate environment. Comtech Fire continues to invest in lower-yielding, but highly-secured investments. At year-end, our portfolio consisted primarily of cash, bonds, GICs, and our mandatory Central 1 Credit Union membership shares. As always, we continue to take the position that safety of your deposits outweighs the opportunity of higher yields.

Ancillary revenues in insurance premiums, commissions, mortgage penalties and other administration charges and gains increased 34% from the prior year to a combined total of \$3.25 million. An increase in mortgage penalties on early commercial payouts is the main reason for the overall increase in 2021.

Operating expenses remained fairly consistent year-over-year at \$9.1 million, compared to \$9.3 million in 2020.

Overall, the Credit Union reported a net profit for the year after tax of \$1.8 million.

Lastly, in accordance with International Financial Reporting Standards, annual pension gains and losses are recorded on the statement of profit and other comprehensive income. In 2021, the discount rate used for estimating the defined benefit obligation increased 40 basis points from the 2020 year end rate. As a result, the plan experienced actuarial gains in 2021. 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 income reported from the pension plan in 2021, net of taxes, is \$319,000. As a result of the pension gain, total comprehensive income for the year was \$2.1 million.

Our results for 2021 showed the strength and resilience of our core business lines. As we head into 2022, we will build upon our strong and stable foundation, and are confident that we have positioned our Credit Union for sustained success.

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

Dave – Thank you for that Judy. As we enter a new year and find ourselves continuing to navigate significant uncertainty, we are optimistic that worst days of the pandemic are behind us; however, we are now faced with a fight against inflation and geo-political uncertainty in Europe. In the face of this, we are confident in our Credit Union's ability to remain steady in times of challenge.

If the past two years have taught us anything, I think we can agree it is that there are very few absolutes in life. We have all been adjusting to changes, and while we still don't know fully what the future will hold, we are optimistic that the pandemic's grip will loosen and we will find a way to navigate new uncertainties in 2022 and beyond.

Staying connected to our members and ensuring we meet your financial needs will remain our top priority moving forward. In 2022, we will look to engage with our members through a survey program that will collect valuable insights and feedback about how we can better serve you. With this information we can work to ensure that as your financial institution of choice we continue to meet the current and future needs of our members.

Building on the successes of 2021, we will continue to focus on improving our digital channels. As the trend towards technology continues to evolve, and our members become more and more comfortable with the online and mobile banking experience, we will work towards enhancing our systems to meet this demand.

While ensuring our digital offerings either meet or exceed the industry standard are a priority, we know that our strength lies in our relationships with our members. It is those one-to-one interactions and our ability to connect that really sets us apart.

Giving back to the communities we serve is a large part of who we are as a cooperative credit union. Our hope is that we can return to face-to-face community events this year, and strengthen the relationships we have worked so hard to foster in the communities over the years.

Aligning our Credit Union with causes and initiatives that are important to

our members, our team, and our communities is what cooperative banking is all about. In the coming year, we will continue to support and grow our sponsorships through causes that are important to our Credit Union communities and our members.

Comtech Fire Credit Union will continue to uphold our core values of ensuring that honesty and integrity guide everything we do, to hold respect for every person, to remain energetic, dynamic and motivated in our pursuits, and to be innovative and entrepreneurial as we look to find creative solutions to fulfill the expectations of our members, employees, communities and business partners in 2022 and beyond.

We have an incredible network of individuals both in our staff and in our members that are united in their desire to contribute to the greater good. It all comes down to community and at Comtech Fire, we know that we are stronger together.

Now that we have a better grasp on how the year started and a clearer vision of where it's going, we eagerly anticipate the coming year as one of great potential and growth.

As CEO, I would like to thank our staff, our executive team and Board of Directors for their dedication to our members' financial success. It is through your desire to provide a better banking experience that our Credit Union continues to thrive.

To our valued members, including our Associations and the small businesses we serve, we thank you for your continued trust in us with all your financial needs. You offer us the opportunity to be so much more than your average financial institution. You are what helps set us apart and drives

us to emerge stronger from our shared challenges.

There is no doubt in my mind that as a Credit Union, we are stronger together.

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

Michael - It has been moved by Dave Birak and seconded by Joanne McDonnell that the Financial, Credit and Year End Report be accepted. Are there any questions or discussions on this report?

Elaine – yes Michael, we received some questions by email in the last hour and Dave will address them now.

Michael – thank you for that Elaine

Dave – I do thank our members input when it comes to the questions that were submitted. I have five questions, three of them were submitted by Sean Marshall and I will just read them out as they were sent:

My review of the P&L and Balance Sheet shows an institution that is not competitive. There are declines in every major category and yet there is an over-abundance of cash. Given credit unions can't compete with bank prime rates, we should be concentrating on the alternative lending market. What are the plans for the coming year to be more competitive and get the cash working?

Thank you Sean, for that question. I did want to highlight when it comes to the P&L our Credit Union comes in around thirty basis points, thirty-nine basis

points ROA. As far as the Credit Union system goes to whom we Benchmark, we would be considered about in the middle. There is a number of Credit Unions from the profit standpoint who come in lower and a number that come in higher. We are definitely going to scale business so we are hampered by the fact we are a smaller Credit Union. That being said, from a competitive standpoint on the P&L side, certainly we are comfortable with the position that we're in.

When it comes to the balance sheet side Judy Woehl talked a bit about the adjustments that we'd made on the balance sheet in 2021. We took a look into the future to get a bit of a sense of what we see coming up on the horizon and both with working with our regulators as well as some of the financial forecast; are definitely chances of a slowdown coming in 2022. And as result of that we have taken a defensive posture and we took a look at our loan portfolio and took a look at some of the larger value loans, particularly on the retail side and commercial side, so loans that are the three, four, five, up to eight million dollars and rated them to get a sense of whether or not they are consistent with the profile of what our members would like to see in our portfolio. So, what you are going to see in the fact that our loan portfolio got smaller over the course of 2021 are the results of those efforts. When we start to take a look at a five million dollar retail mortgage and how well that fits and whether that is in line with our memberships expectations of us, we are taking the stance that we would rather meet the needs of our members with smaller, more diversified mortgages rather than larger mortgages. So, you're seeing the results of that in 2021 and we're looking to rectify that in 2022 by reaching out and building up our mortgage base both on the commercial side and on the retail side with smaller commercial and retail mortgages, loans, especially retailers who have been good to our members. And we take a look at that exposure from a

concentration standpoint and I've made a conscientious decision to back away from that.

The second question from Sean Marshall was:

I would like large sums electronic exchange addressed, specifically the antiquated wire transfer system for both receiving and sending wire transfers. What plans are there to update this? The pandemic has shown this is now a necessity.

Thank you for that Sean. It's definitely an issue that has been not only top of mine, not just for our Credit Union but the Credit Union system as a whole, but banking as a whole as well. So, the Credit Unions work through an organization called Central 1, and they handle all of our clearing. The system, the banking financial system as a whole, has been working on a project called payments modernization and banks with deep pockets have started to make significant investments so that wire transfers, email money transfers, have larger limits and move off of the same rails for real time activity. Banks as I said are ahead on this project. We are working with Central 1 with the other Credit Unions to make sure that we are fast followers on this. What you are going to see coming into 2022 are larger value business payments coming through in email money transfers; that's scheduled for the third quarter of 2022. And in 2023 we will be looking at larger payments when it comes to wires as well. So again, it is a bit of a scale thing for this Credit Union and I am finding that the banks have definitely taken the lead and the Credit Unions have been following so the larger Credit Unions are championing these efforts, us as a midsize Credit Union will be fast followers.

Question number three from Sean:

Given credit unions originally existed to serve those who the banks wouldn't, what percentage of residential loans would be considered subprime or alternative rate mortgages?

I did get this question at the last minute so I am going to work off of some of the high-level information that I have, and Sean, I am willing to have the conversation with you if you want to reach out to me after the meeting. Yes, Credit Unions have typically served a lot of the members who the banks wouldn't, and what we have found is we work in a regulatory environment where we need to ensure that we are meeting both the organizational needs and the needs of our membership. At the present time, if you start to take a look at our book, we have about forty percent of our loan book which is considered outside of the A book. So those members who are from various ratios are outside of the box and it's a value that we are comfortable with both as a management team and a board.

So I hope that answers your question and you can reach out to me after the meeting if you require further clarification on that.

I have a second set of questions from David Rutka, treasurer of the Mississauga Fire Fighters Association. Thank you for reaching out David.

Question number one is: Where are the salaries detailed in the financial statements? And the second question is why is legal & professional fees up so much since 2020?

So, these two questions are somewhat related, so in the financial statements on page sixteen we outlined personal expenses, sorry, the personnel expenses. Personnel expenses dropped from 2020 from \$4.144 million to \$3.845 million. Those are our salary expenses and it is related to the legal and professional fees. Like many organizations, the challenge for us has been on the hiring side to find qualified personnel to handle various positions with the Credit Union. Over the course of 2021 we did a full review of our commercial portfolio and we required very specialized resources to be able to do that. And for that we brought in a professional team to be able to go through our loan book on the commercial side to do those reviews, so the professional fees have increased and that really was the offset to the change on the personnel side.

So I hope that answers that question David; please feel free to reach out to me after the meeting if you require further clarification or if you'd like to send a note in the chat you're welcome to do that on there as well.

Okay, have any other questions come up through the chat?

Elaine - no other questions related to this report.

Dave – okay, thank you for that.

Michael - Let's vote. The poll will pop up shortly.

Dave - And while everyone is voting on this poll, I would like to draw your attention to our list of our long-standing members that have registered for

our meeting today. As we mentioned early on in the presentation it's the loyalty and dedication of our members that truly makes this organization great. And I wanted to thank those who have joined us in the online format and been loyal to our credit union for an incredible number of years.

Dave read out the names.

I know many of you joined us in our face-to-face format and we're looking forward to hosting everybody again next year. But I did want to thank everyone again for your long-standing support of our Credit Union.

Elaine – Alright, there were none opposed therefore the motion has passed.

Michael - Thank you Elaine. Thank you, Dave. The next item of business is the Audit Committee Report given by Terry Wright.

AUDIT COMMITTEE REPORT – Terry Wright

Thank you Michael. The audit committee is appointed by the Board of Directors, and all members are active directors. The members of the committee are, Steve McDermott, Jeff Stubbs, and myself, Terry Wright.

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 2021, the firm of MNP 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 2021 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 2021, 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.

I would now like to move that the Audit Committee's report be accepted. I need a seconder.

Michael - It has been moved by Terry Wright, seconded by Amy Caird that the Audit Committee's report be accepted. Are there any questions?

Elaine - there are no questions related to this report.

Michael – Seeing and hearing no questions, let's vote.

Elaine – Alright, voting is closed, there were none opposed; therefore the motion has passed.

Michael - Thank you Elaine. Thank you, Terry. At this time I would like to call on Darren Rennie who will present the Auditors' Report.

AUDITORS' REPORT – Darren Rennie

Darren - Thank you Mike and thank you for having us here tonight, I'd just like to thank Dave, Judy, Elaine and the rest of the management team and the Board of Directors for having MNP as your external auditors and working with us throughout the external audit process. We provided an unqualified audit report dated February 2nd, 2022, which is the highest level of assurance we can provide as external auditors. I will now read a brief summary of the audit opinion paragraph of this, our report.

We have audited the financial statements of Comtech Fire Credit Union limited, which comprise the statement of financial position as at December 31, 2021, and the statements of profit and other comprehensive income, changes in members' equity and cash flows for the year then ended, and

notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Credit Union as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards. This concludes my audit report, thank you.

Michael – Thank you Darren. And I move that the Auditor’s report be accepted. I need a seconder. It has been moved by myself, Michael Neely, and seconded by Eric Motton that the Auditors’ Report be accepted.
Questions or discussion?

Elaine – there are no questions related to this report.

Michael - Let’s vote.

Elaine – Okay, voting is closed, there were none opposed; therefore the motion has passed.

Michael - Thank you Elaine. Thank you Darren. The next item is the appointment of the auditors by Terry Wright.

APPOINTMENT OF THE AUDITORS – Terry Wright

Terry – Thank you Michael. MNP performed the audit of Comtech Fire Credit Union for the year ended 2021 and both the Board of Directors and the Audit Committee were very pleased with their performance.

I would like to move that the firm of MNP LLP be appointed to act as auditors of Comtech Fire Credit Union Limited until the next annual meeting in 2023. I need a seconder.

Michael - We have a motion by Terry Wright, seconded by Stephen McDermott that the firm of MNP LLP be appointed as the auditors of Comtech Fire Credit Union Limited until the next annual general meeting in 2023. Questions or discussion?

Elaine – there are no questions.

Michael - Let's vote then.

Elaine – Alright, voting is closed, there was only one opposed therefore, the motion has passed.

Michael - Thank you Elaine. Thank you, Terry. Hugh, can we have a final registration count please?

REGISTRATION COUNT – Hugh Doherty

Yes Michael. The final registration is 67 members and 6 guests.

Michael - Thank you, Hugh. The next item of business is the report of the Nominating Committee. Before we proceed to the Nominating Committee Report we would like to do a special acknowledgement. I would like to take a few minutes on behalf of the Board and the entire team at Comtech Fire to

thank Tony Power for his service to our Credit Union on the Board of Directors. Tony was first elected in 2003 and in the preceding years has used his business skills and acumen to ensure the success of the Credit Union throughout his tenure. Tony has been an active participant and highly respected member of our Board, holding various positions on numerous committees as well as Secretary of the Board for several years. Tony helped to shape the values of this organization in his 18 years and has embodied the core values of this organization. Tony has always ensured that our member's needs are paramount and his departure will leave some pretty big shoes to fill. Thanks again Tony.

Tony – thank you Michael.

Michael - With that, the next item of business is the report of the Nominating Committee given by Tony Power.

NOMINATING COMMITTEE REPORT – Tony Power

Thank you Michael, and thank you again for those kind words and to all the Board for your support over the years. 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 Catherine Fagnan, Joanne McDonnell, Jeff Stubbs and myself. The Board of Directors is comprised of nine members and the terms of office are arranged in such a manner to ensure that at least three positions come up for election each year. This year there are four positions to be filled. Three of the positions are for three-year terms, and one position is for a one-year term.

The Board and management of Comtech Fire Credit Union believe that strong corporate governance practices contribute to superior results in creating and maintaining membership value. That is why we continually seek to strengthen our leadership in corporate governance and ethical business conduct by adopting best practices, and providing full transparency and accountability to our members.

The Nominating Committee recognises the importance of diversity, and the positive impact diversity and inclusion has on risk management. Comtech Fire Credit Union fosters an inclusive environment that recognizes contributions and supports advancement regardless of race, ethnicity, origin, gender, religion, age, marital status, sexual orientation, gender identity or disability. We embrace and recognize that an inclusive environment can enhance the services to our members, promote greater community relations, and positively affect the financial services offered by Comtech Fire by continuing to provide co-operative banking in our communities.

While encompassing and adhering to the policies and procedures of Comtech Fire, the Nominating Committee strives to achieve this through annual director effectiveness and performance assessments, and evaluation and presentation of a slate of directors for election.

Board members are recruited, retained and assessed from within the Credit Union membership, balancing competencies, diversity and risk.

If any member of the Credit Union wishes to be considered for the Board, we encourage you to contact the Chair of the Nominating Committee.

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. For the 2022 AGM, there are four candidates on the slate. The Nominating Committee has endorsed all four of the candidates and the Board as a whole has concurred with this recommendation.

Next, I present to you the slate of candidates for election this year. The link for information related to each candidate was emailed to you last week and is posted on our website. You will also be able to view their information within the election software later in the meeting. The incumbent candidates who have all been endorsed by the Board of Directors are:

Michael Neely

Terry Wright

And Scott Marks.

The fourth candidate is Mira Kopanarov. Mira will be new to the Board and has been endorsed by the Board of Directors.

Michael - Thank you Tony, I now move that the Nominating Committee Report be received. I need a seconder. We have a motion by myself Michael Neely, seconded by Kate Deasy that the Nominating Committee Report be received. This is a report on which no action is to be taken at this time. So we can vote on this report now, and then follow up with the election process thereafter. Please go ahead and vote when the poll appears on your screen.

Elaine – there are none opposed; therefore the motion has passed.

Michael - Thank you Elaine. Thank you, Tony. Now I would like to call on Darren Rennie who has been appointed to run the elections.

ELECTIONS – Darren Rennie

Thank you Mike. As mentioned by Tony, there are four 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 2023 AGM has been set at November 1, 2022.

Prior to the meeting, all four candidates have confirmed with me, their willingness to stand for election.

Everyone who registered for this meeting has been sent an email with instructions to vote. You will need to access this email in order to vote. Dave Birak will follow through the steps to complete your ballot.

The election results will be posted on the website within 48 hours of the adjournment of this meeting.

The three nominees obtaining the greater number of 1st, 2nd and 3rd choice votes will be declared to be elected to the three-year terms of office. The nominee obtaining the least amount of 1st, 2nd and 3rd choice votes will be declared to be elected to the one-year term of office.

I will now pass the elections over to Dave Birak who will walk you through the process.

Dave – Thank you Darren. Shortly after 7pm, you should have received an email that outlines the voting procedure. If you have not already done so, we ask now that you please go ahead and access your email that you used at registration so that you can place your vote for the elections. As shown on the slides below we will walk you through a bit of what that process is going to look like. So, step one, you will see a sample of that email and if it's not showing up in your email box, please have a look in your spam folder. Okay, step two, click the link below, it will take you to the link in which you can begin the voting process; step three you'll need your access key, and for all of our members, your access key is your account number that you used to log on at registration. So on clicking the link, you will be directed to this page below, you've got your access key which is your member number, and your last name; so the last name in lower case, which you used at registration is used to authenticate your sign in. Once you've done that, just click on the link below, that will direct you to the page shown here in step eight. From there you will have the four candidates to review from the list. So, please rank your choices in order of preferred; assign one for the most preferred and please rank all choices. You will find that you will not be able to choose one person for two rankings. Once your selection

is complete, please ensure that you click the button below to register your vote. Next you will be directed to the verification page; please follow the complete process and click submit and a thank you screen with a verification code will appear. Once that verification code has been accepted you will then receive a confirmation email to confirm a valid submission. From there, the voting is complete. We will give everyone a minute or so to place your vote. If you have any issues, don't worry. We will be keeping the polls open until about 8.30pm, and we will have staff available to assist you. --- Follow the slides that are up on the screen --- If you have any issues, please direct inquiries to Karen Lockwood by email or by phone at 416 809 4229. At this point, I'll move the meeting along and pass it back to Michael.

UNFINISHED BUSINESS – Michael Neely

Michael – Thanks Dave. The next item on our agenda is unfinished business. And we have no unfinished business from last year's meeting. Our next item is new business.

NEW BUSINESS –

Michael - Elaine, is there any new business that was submitted during the meeting?

Elaine – One question came in, from Michael: *If possible, will the 2023 AGM be held in person?*

Michael – Dave's mentioned that and it's hopefully yes, it will be in person next year.

Elaine – No other questions have come through the chat as of this moment, but I'll give it just a couple more seconds here to see if anything comes in now.

Dave – Elaine, I did have a question from earlier this week, just in regards to our term deposit rates and it came in from Michael Oke and I just wanted to address that. It had to do with the term deposit rates and how it relates to new members and existing members and the difference between the two numbers. I think what I wanted to impress upon our membership is we've done our best in 2021 to compress that to the smallest difference possible. What we've been trying to do is use that as a tool for member recruitment and we know that a lot of the other financial institutions go as far as offering new customers at the banks three to five hundred dollars as a lure to bring members in; it's a tool that we certainly use and as I said we try our best to keep that differential as small as possible and we will continue to keep that both competitive on the term deposit side and to keep that discrepancy on those two rates as small as possible. I hope that answers your question Michael, I know we spoke earlier about it.

Elaine – no other questions or new business has been submitted during the meeting.

Michael - Okay, let's move on to the last item which is announcements.

ANNOUNCEMENTS –

Michael - Elaine, have any announcements been submitted?

Elaine – No announcements have been submitted.

MOTION TO TERMINATE

Michael - The last agenda item is to terminate the meeting. I need a motion to terminate this meeting. Can someone please raise their hand to bring forward the motion. Steve Longeway.

Meeting terminated at 8.00pm. Thank you very much everybody. Please note that if you have not yet voted, the polling will remain open until 8.30pm. Thanks so much for all attending.