



**EQUITY**

Credit Union

**2023**  
**ANNUAL**  
**REPORT**

*Welcome to Equity. Where You Belong.*

[equitycu.com](https://equitycu.com)

## **What makes credit unions different?**

### **Ownership**

Any person can join the credit union and become a member. Membership in the credit union means you are a shareholder, and every member has one vote. As a shareholder in the financial institution, you have a right to a say in the overall direction of the credit union, run for election to the board, and elect directors to the board.

### **Service**

Credit unions have served the financial needs of their members for a very long time, and they pride themselves on providing friendly and responsive service.

### **Choice**

Credit unions offer a wide range of financial products and services covering chequing accounts, credit cards to Interac, E-transfers, and Internet banking.

### **Competitive prices**

Interest rates and service charges at credit unions are comparable and sometimes better than banks.

### **Commitment to the community**

Credit unions reinvest their profits in the credit union and the communities in which they operate in keeping with their co-operative principles.



## **81<sup>st</sup> Annual Meeting**

**Wednesday, April 17, 2024 - 7:00 pm**

Ajax Convention Centre  
550 Beck Crescent  
Ajax, Ontario

### **Agenda**

- Registration of members
- President's Welcome
- Minutes of 80<sup>th</sup> Annual Meeting
- Reports from:
  - Board of Directors
    - Board Gender Diversity Report
  - Chief Executive Officer
  - Senior Lending Officer
  - Audit Committee and Auditor
- Appointment of Auditors
- Election of Directors
- Report of the Chairperson of Elections
- Unfinished Business
- New Business
  - By-laws amendment
- Adjournment
- Draw for prizes



## Board of Directors

Name	Position	First Year Appointed	Current Term Year of Expiration
Larry Biancolin	Chair	2015	2024
Bonnie Downing	Vice Chair	2011	2026
John Loreto	Corporate Secretary	2009	2024
Art Jessop		2007	2025
Adil Qureshi		2018	2026
Craig Nichols		2009	2024*
Jeannine Wilson		2016	2025
Nisha Thayan		2023	2026
Vishal Pua		2022	2025

\*Craig Nichols was a director of the credit union for close to 15 years. He passed suddenly in December 2023. His term was expected to expire in April 2024.

## Staff

Name	Position
Thomas Dimson	Chief Executive Officer
Louise Robichaud	Chief Financial Officer
Paula Goncalves	Administration/Office Manager
Nancy Smith	Manager, Lending Operations & Business Development
Gaetane Gilbert	Administration Officer
Joanne Key	Loan/Mortgage Officer
Mirella Rizzo	Mortgage Administrator
Debbie Saboe	Member Services Officer
Jannette Pantalleresco	Member Services Officer

## Auditor

Baker Tilly KDN LLP – Licensed Public Accountants

**EQUITY CREDIT UNION INC.**

**Minutes of the Annual General Meeting  
April 12, 2023**

The 80th annual general meeting of the members of Equity Credit Union Inc. was held on Wednesday, April 12, 2023 at the Ajax Convention Centre, 550 Beck Crescent, Ajax, Ontario. This meeting was held with all participants present in person. The registration of members had taken place prior to the meeting beginning at 6:00 p.m.

**1. OPENING OF THE MEETING**

The Chair, Mr. Larry Biancolin, Chair of the Board of Directors, welcomed the members at 7:42 p.m. He explained how the meeting would proceed and asked members when rising to ask a question or oppose a motion during the meeting to state their full name. With regard to voting, the names of Board members had been arranged as the movers and seconders of motions.

**Announcement of Quorum**

The Corporate Secretary, Art Jessop, reported that over 25 members had registered which constituted a quorum. There being a quorum, the Chair declared the meeting legally constituted to conduct the business of the meeting and called the meeting to order at 7:50 p.m. The final attendance was 244 members and 7 guests.

**2. PRESIDENT'S WELCOME**

Mr. Biancolin introduced the members of the Board:

Larry Biancolin	Chair
Bill Downing	Vice-Chair
Art Jessop	Corporate Secretary
Bonnie Downing	Director
John Loreto	Director
Craig Nichols	Director
Vishal Pua	Director
Jeannine Wilson	Director

The Chair advised that Adil Qureshi, a Director, was unable to attend and had sent his regrets. He then introduced the Credit Union's staff:

Tom Dimson	Chief Executive Officer
Louise Robichaud	Manager, Finance
Nancy Smith	Manager, Lending Operations
Paula Goncalves	Manager, Administration
Joanne Key	Mortgage and Loans Officer
Mirella Rizzo	Mortgage Administrator
Gaetane Gilbert	Administration Officer
Debbie Saboe	Member Services Representative
Jannette Pantalleresco	Member Services Representative

The Chair welcomed and introduced the following guests:

Bradley Hodgins	FSRA Representative
Denise Jones	Auditor, Baker Tilly, Chartered Professional Accountants
Megan Hanzal	Auditor, Baker Tilly, Chartered Professional Accountants
Penny-Lynn Rintoul	Legal Counsel, RZCD Law Firm
Carol Lewis	Recording Secretary

### **3. MINUTES OF THE PREVIOUS ANNUAL GENERAL MEETING**

The minutes of the 79th annual general meeting held April 13, 2022 had been distributed to the members and posted on the website for review in advance of the meeting.

On a **motion** by Art Jessop, **seconded** by Bonnie Downing, **it was resolved** to adopt the minutes of the annual general meeting held April 13, 2022 as written. **The motion was carried unanimously.**

### **4. REPORTS**

The formal report of the Board for the fiscal year 2022 had been posted on the Credit Union’s website for the members’ review prior to the meeting. The Chair, Larry Biancolin, on behalf of the Board of Directors, commented generally prior to introducing the printed report. He summarized the year’s activities and accomplishments stating that 2022 had been a banner year with continued commitment to the credit union’s cooperative values and gaining membership growth. The Board had played a major role in governance representing members and providing guidance and advice to the CEO, Management and staff. Board members were committed to continued learning to ensure that they fulfilled the expectations of Directors. Mr. Biancolin referred also to the new Credit Union and Caisses Populaires Act (CUCPA) and new FSRA rules which required changes in the credit union’s By-laws and which were being presented for the members’ approval at this annual meeting.

#### **REPORT FROM THE BOARD OF DIRECTORS**

As we enter our inaugural 80th year in business, we make a point to stop and reflect on how amazing that actually is for our credit union. The past year has been challenging for all of us. The effects of the war in Ukraine, inflation and the ever-present effects of COVID-19 and its variants underpinned the difficulties we faced. However, 2022 was also the year of getting back to “normal”. At the year end, our members and our

communities began to return to the workplace, the economic activity picked up and we grew hopeful that 2023 would be a better year.

### **Five Years of Performance**

The credit union's performance over the past five years, both in absolute terms and relative to its peers, has been strong--and 2022 proved to be another good year. We are small but we deliver. We saw in 2022 the most attractive deposit rates seen in the last decade but are mindful of the impact of higher interest rates on new and renewals of residential mortgages. Whether this is temporary, as the Bank of Canada is attempting to reign in inflation below a 3 percent target, or if this is a new norm in pricing, remains to be seen. The Board was and continues to be particularly supportive of the team's focus on living its cooperative values with members that are having difficulties.

### **An Effective Board**

Our nine-member Board comprises two women and seven men and two of our Board committee chairs are women. The Board welcomed one new Director, Vishal Pua, who was elected at the 2022 annual general meeting. This year, we bid farewell to Bill Downing as a long standing Director who has decided to retire for good. We thank him for his service and will miss his no-nonsense approach. The Board looks forward to working with the Directors that will be elected this year. We see value in a diverse board. In that light, we continually look for opportunities to shape a diverse board to ensure that we have the full benefit of the varied talents, knowledge and work, and life experiences that only diversity can bring. The Board members have worked diligently to perform their duties so as to ensure that proper governance remains a priority.

### **Changes to the CUCPA**

A new Credit Unions and Caisses Populaires Act (CUCPA) became effective in 2022 with the Financial Services Regulatory Authority of Ontario (FSRA) busy issuing new rules and expectations for the credit unions and caisses populaires it regulates. The Board and Management of the Credit Union have worked to implement the changes that these new rules require. As a consequence, we are pleased to present for approval a fresh and revised set of By-laws for the Credit Union.

On behalf of you, our members, we extend our thanks to Tom Dimson, Chief Executive Officer, and his team who were behind our successful performance. And, on behalf of the Board, we extend our thanks to you, our members, for the trust you continue to place in us to represent your interests. The year ahead promises to be one full of challenges and opportunities. We are confident that your credit union has the right strategy and the right team to take full advantage of these opportunities as they present themselves.

### **Board Gender Diversity Report**

As required under the new CUCPA, the Board's gender diversity report advised that of the nine-member Board, seven members are male and two members are female. Two of the Credit Union's committees are chaired by women.

### **Declaration of Dividend**

At this time, Mr. Biancolin, as Chair of the Board of Directors, stated that the Board was very pleased to announce the declaration of a dividend again this year in the amount of \$75 per member which will be paid to members as listed and in good standing as at December 31, 2022 by May 31, 2023.

On a **motion** by Jeannine Wilson, **seconded** by Art Jessop, **it was resolved** to accept the report of the Board of Directors for 2022. **The motion was carried unanimously.**

### **Staff Recognition for Years of Service**

Mr. Biancolin congratulated two employees for their years of service: Gaetane Gilbert celebrating her 10 years of service and Paula Goncalves celebrating her five years of service and invited them to receive their recognition awards.

### **Director Recognition for Years of Service**

Mr. Biancolin called upon Bill Downing and congratulated him on his many years of service as a Board member and as a volunteer for the Credit Union. He advised that Bill had provided service to the credit union first as a member of the Audit Committee starting in 1998 and then filled the role of Director on the Board for the last 15 years. He presented him with a token of recognition and, on behalf of the Board and membership, thanked him for his service.

### **REPORT OF THE CHIEF EXECUTIVE OFFICER**

Mr. Dimson's formal written report was contained in the Annual Report for 2022 and had been posted on the website for the members to review in advance of the meeting. It will be appended to the official minutes of this meeting.

Mr. Dimson welcomed the members to the credit union's 80th annual general meeting and thanked every member for their support and commitment to the credit union during 2022. He stated that he was proud of what the credit union's employees and Board had achieved collectively and individually in 2022 adding that the credit union had not wavered from its model to provide members with continued member service when they needed it most. He then thanked the staff and members of the Board for their support during the past year and thanked Larry Biancolin for his leadership, hard work and governance as Chair of the Credit Union in 2022. He also thanked Bill Downing for his many years of service to the credit union since 1998 adding that at that time his brother, Ralph Downing, was a member of the Board and subsequently Bill was joined on the Board by his sister, Bonnie Downing.

Mr. Dimson stated that the credit union had continued strong growth in assets, operating income and net income and operated from a position of strength with capital systems and staff systems in place enabling record performance in 2022.

### **Year End Management Review**

22% growth	\$3 million profit	5.35% leverage capital ratio,	10.6% liquidity
		19.5% risk weighted assets ratio	

### **Overview of 2022**

Mr. Dimson expressed his pride in the credit union's results pointing out that they were due to a total team effort by the Board and staff.

- Net membership increased by 300 members.
- Assets increased by \$61.7 million, a 22% increase. Over the past five years the credit union had increased its assets in excess of 20% per year which was well above the credit union system average in Ontario and, over the past seven-eight years was "firing on all cylinders".
- Profit - net comprehensive income of \$3,034,000 was an increase of approximately \$113,000 from 2021.
- Mix of assets indicated 89.6% in residential mortgages, 10.0% in cash, 0.3% in loans and 0.2% in other.



- Loans to members indicated conventional mortgages at 69.9%, insured mortgages 25.1%, merit lines 4.9% and loans 0.2%.
- The credit portfolio increased by \$69.1 million, a 29% increase. Mr. Dimson advised that Nancy Smith, Joanne Key and Mirella Rizzo had handled the bulk of lending and he thanked them for their continued hard work and commitment.
- Mortgages increased by \$70.9 million, a 30% increase.
- Deposits increased from \$262.7 million in 2021 to \$319.4 million in 2022, a 22% increase. Mr. Dimson thanked Paula Goncalves, Debbie Saboe, Gaetane Gilbert and Jannette Pantalleresco for their hard work in attracting and retaining deposits.
- Mix of liabilities: term deposits 64.5%, RRSPs 9.9%, TFSA's 7.1%, RRIFs 7.1 %, equity 5.2 %, other 2.5%.
- Income mix: the vast majority in income was 96.7% interest on mortgages with interest on investments 2.6% and other 0.4%.
- Expense mix included term deposit interest 48.2%, operating 17.8%, other 16.0%, RRSP interest 7.1%, TFSA interest 5.0%, RRIF interest 4.8% and savings interest 1.1%.
- Interest expense on deposits increased from \$4,551 in 2021 to \$7,465 in 2022, an increase of 64%.
- Bad debt expense: The credit union had written off only \$2,308 in bad debt expense in 2022 due to the prudent and solid loan business carried out by the Credit Department.
- Capital growth increased from \$15,282 in 2021 to \$18,323 in 2022 or 20%. Mr. Dimson thanked Louise Robichaud for keeping the credit union on target to ensure that it maintained appropriate capital levels.
- Net interest income and net interest margins narrowed in a rising interest rate environment from 2.17% in the first quarter of 2022 to 1.79% in the fourth quarter.

### **Outlook for 2023**

Mr. Dimson stated that Equity Credit Union in 2023 will continue to move forward with its business being mindful of a potential risk of recession and its impact on the credit union. Present employment figures continued to be very strong although housing market sales had slowed down. Inflation was moving to a downward trajectory and the Bank of Canada appeared to be holding steady on its overnight lending rate at this time. Its position is data-dependent and that of taking a wait-and-see approach. The credit union's 2023 Business Plan is to increase its balance sheet by 10 percent by year end based on a combination of mortgage growth and deposit growth. Growth in membership is projected at net 100.

### **First Three Months of 2023**

Mr. Dimson commented on results and activities in the first three months of 2023 stating that they were positive and strong markers as business continued to deal with uncharted waters due to higher inflation and increased interest rates:

- Liquidity levels were increased to meet any unforeseen circumstances and to ensure that capital is in good shape.
- The credit union assisted members by telephone, in person or through the internet.
- The Board and staff remained fully committed to ensure that the credit union will continue to remain a strong and viable financial institution for years to come.
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The credit union will:

- continue to cultivate the members' confidence to develop and maintain their loyalty, trust and security;

- continue to deal with the challenges of more players in the financial marketplace - more banks and more alternatives for people. Equity Credit Union wants to be #1 with its members;
- continue to look at ways to provide friendly delivery channels for its members being banking by convenience and eliminate distances as a hurdle to do business that being no boundaries;
- two new services were put in place - remote cheque deposit and “link my accounts”.
- Members’ use of the virtual side of the business continued to increase.
- Electronic banking remained available 24 hours a day 7 days a week by telephone and internet and it is free.
- The credit union system in Ontario is set up with the Exchange Network where deposits and withdrawals can be made at designated ATMs without a surcharge which is very positive for members who do not live close to the credit union. The Exchange is linked on the credit union’s website and indicates the sites close to members’ homes or work places.
- No Service Charges will continue unlike competitors that boast of billion dollar profits.
- Competitive interest rates on deposits, mortgages and loans will continue.
- In order to increase shareholders’ wealth the credit union will continue to examine new products and services and continue to look at ways to be a “1-stop” financial supermarket.
- The credit union’s mandate is to continue to attract new members, increase its mortgage and loan portfolios and deposits to increase the overall asset size of the credit union.

Mr. Dimson stated that he looks forward to continuing the credit union’s relationship with members in 2023, providing them with professional, courteous service and building relationships for life. Noting that Equity Credit Union is a community credit union, he invited members to refer friends and family members to benefit from being a part of a credit union that is a financial cooperative owned by its members. In closing his report, Mr. Dimson stated that the credit union is in excellent financial shape and he invited questions, comments or concerns at any time.

Mr. Biancolin invited questions from the members. None were received. Mr. Dimson then asked the members to fill out the questionnaire that had been handed out at registration and return it before leaving.

On a **motion** by Craig Nichols, **seconded** by Jeannine Wilson, **it was resolved** to accept the report of the Chief Executive Officer for 2022. **The motion was carried unanimously.**

### **REPORT OF THE MANAGER OF LENDING OPERATIONS**

On behalf of Nancy Smith, Manager of Lending Operations, Mr. Dimson presented the following report:

During the year 2022, the credit union reviewed a total of 374 loan applications. Of these, 206 new loans totalling \$133 million were granted to members. The loan categories were:

	<b>2022</b>		<b>2021</b>	
<b>Category</b>	<b># loans</b>	<b>\$ amounts granted</b>	<b># loans</b>	<b>\$ amounts granted</b>
residential mortgages/merit lines	206	\$ 133.0 million	247	\$ 133 million
commercial mortgages	0	nil	2	\$ 1 million
personal loans and lines of credit	20	\$ 2.8 million	17	\$ 1.8 million

At year end, total loans outstanding were \$309 million compared to \$238 million in 2021. This resulted in an overall increase of \$69 million or 29 percent. As of December 31, 2022, there were no impaired loans. In 2022, the credit union provided no deferred mortgage payment arrangements to members due to the impact of Covid-19 for a total mortgage loan amount of nil (2021 - \$3.4 million). As of December 31, 2022 there were no mortgages (2021 - nil) under deferred payment arrangements for a total of \$nil (2021 - \$nil). The net delinquency ratio remained low at essentially zero. The credit union wrote off \$2,000 in loan bad debts (2021 - \$5,000) and charged a provision of \$2,000 to operations compared to \$10,000 for the prior year. The credit union has set aside a provision for credit losses of \$480,000 (2021 - \$480,000) which represented 0.16 percent of the total loans outstanding (2021, 0.20 percent). This provision is believed to be reasonable for the credit union's loan portfolio.

On a **motion** by Bill Downing, **seconded** by Craig Nichols, **it was resolved** to accept the report of the Manager of Lending Operations for 2022. **The motion was carried unanimously.**

### **REPORT OF THE AUDIT COMMITTEE**

Jeannine Wilson, Chair of the Audit Committee, advised that the Committee, comprised of four Directors, herself, Bill Downing, John Loreto and Art Jessop, held four meetings during 2022. The committee arranges its agenda so that on an annual basis, the following duties are performed and appropriate action is taken as a result thereof:

- Review the policies, procedures and controls relating to legislative compliance with particular focus on capital adequacy, risk weighting of assets and liquidity;
- Review quarterly reports prepared by the Internal Auditor regarding internal controls and policy compliance;
- Recommend the appointment of the External Auditor to the Board of Directors and to the members at the annual general meeting;
- Review the qualifications, independence and performance of the auditors;
- Serve as the principle communication link between the External Auditor and the Board of Directors and, in particular, review and agree to the External Auditor's Terms of Engagement and Scope of Audit;
- Review the requirements for adherence to the new accounting policies as they relate to International Financial Reporting Standards (IFRS).

The Audit Committee conducted its affairs in accordance with the Credit Unions and Caisses Populaires Act (the "Act") and regulations as well as the credit union's By-laws. The Committee issued reports and made recommendations to the Board of Directors or Senior Management as appropriate with respect to the matters outlined above and followed up to ensure that the recommendations were considered and implemented.

The Audit Committee was pleased to report to the members that it received full co-operation and support from Management to enable it to play an effective role in improving the quality of financial reporting to the members and enhancing the overall control structure of the credit union. There were no significant recommendations made by the Audit Committee that had not been either implemented or were in the process of being implemented. In addition, there were no matters which the Audit Committee believed should be reported to members, nor were there any further matters which were required to be disclosed pursuant to the Act or the regulations thereto.

There were no questions or comments.

On a **motion** by Art Jessop, **seconded** by Bonnie Downing, **it was resolved** to accept the report of the Audit Committee for 2022. **The motion was carried unanimously.**

At this time, Jeannine Wilson, as Chair of the Audit Committee, introduced Megan Hanzal of Baker Tilly, Chartered Professional Accountants, to present the External Auditor's report.

### **Auditor's Report for 2022**

Ms. Hanzal, Manager representing Baker Tilly Chartered Professional Accountants, noted that Baker Tilly has audited the credit union for the past three years. She assured the members that the financial statements for the fiscal year ended December 31, 2022 were free of material misstatement and presented fairly the credit union's financial position as at December 2022. Ms. Hanzal explained that some changes in the presentation of the financial statements were required in 2022 in order to comply with the changes made in the new Credit Unions and Caisses Populaires Act (CUCPA) which became effective in 2022. They dealt with risk and materiality.

Noting that Mr. Dimson had presented the key financial results, Ms. Hanzal stated that she would highlight the results in 2022: net income, \$3,034,407, retained earnings \$17,763,421 an increase of 21.1 percent, total assets of \$342,402,493 and \$324,639,072 in members' assets. Assets had increased from \$139,000,000 in 2018 to \$342,402,493 in 2022. In particular, Ms. Hanzal commended the credit union in having achieved a nearly perfect delinquency record in 2022, having to write off only \$2,308 (or 0.0001 percent). Ms. Hanzal invited questions; none were forthcoming.

On a **motion** by Bill Downing, **seconded** by Bonnie Downing, **it was resolved** that the audited financial statements for the fiscal year ended December 31, 2022, be approved as presented.

**The motion was carried unanimously.**

## **5. APPOINTMENT OF AUDITOR**

Jeannine Wilson, Chair of the Audit Committee, stated that the committee wished to recommend the reappointment of Baker Tilly, Chartered Professional Accountants, for the fiscal year ending December 31, 2023.

On a **motion** by Jeannine Wilson, **seconded** by Vishal Pua, **it was resolved** that Baker Tilly, Chartered Professional Accountants, be appointed as Auditor of Equity Credit Union Inc. for the fiscal year ending December 31, 2023. **The motion was carried unanimously.**

Mr. Biancolin thanked Ms. Hanzal and Baker Tilly for their fine service.

## **6. UNFINISHED BUSINESS**

There were no items of unfinished or other business.

## 7. ELECTION OF DIRECTORS

Bill Downing, Chair of the Nominating Committee, advised that three candidates were standing for election for the three vacant positions on the Board. The three candidates, Adil Qureshi, Bonnie Downing and Nisha Thayan, were therefore elected by acclamation. Mr. Qureshi was not able to attend the meeting as he was out of the country attending his father's funeral. Ms. Downing and Ms. Thayan accepted their nominations by acclamation and spoke briefly of their interest in serving as Directors. Ms. Downing advised that she has been a member of the credit union for 30 years and a member of the Board, now starting her third term. She has served on various committees and was looking forward to continuing on the Board. She commended the staff, the work of committees and the Board and commented briefly on the educational courses required of the Directors.

Ms. Thayan stated that she was honoured to be acclaimed and welcomed as a new Director of the credit union. She advised that she is a full-time real estate agent with Re/Max Realtron and was among the top three percent of sales in York Region and previously worked for Desjardins for 12 years and would be able to provide customer service skills and transferrable skills in the financial industry. Noting that she was referred to the credit union three years ago, Ms. Thayan stated that she is looking forward to working collectively with the members of the Board and contributing to the credit union's mission.

Regarding his own retirement from the Board, Mr. Downing thanked everyone for their support over all the years of his association with the credit union. He then called for a motion to close the election process.

On a **motion** by John Loreto, **seconded** by Art Jessop, **it was resolved** to close the election process for the 2023 election of Directors. **The motion was carried unanimously.**

## 8. NEW BUSINESS

### **Revised By-laws**

The Chair introduced the presentation of the credit union's new By-laws and called upon Penny-Lynn Rintoul, the credit union's legal counsel representing RZCD Law Firm LLP, to present the refreshed By-laws which came about as a result of changes in the new CUCPA in 2022. Ms. Rintoul stated in presenting the By-laws which had been printed in the annual report and posted on the website that it would only be necessary to highlight certain sections. She stated that the new Act had taken a fundamental philosophical shift in regulatory changes in the By-law review. Of note were changes in definitions and the removal of some definitions from By-laws and designating them as policies. For example, Director quality and the election process, both of which could not be changed in the Act, were removed from the Act and reclassified as policies thereby allowing updates and changes when necessary.

With regard to changes in the election process, Ms. Rintoul explained that the limit of how long a Director is permitted to serve on a Board of Directors is 15 years meaning five consecutive terms of three years. It had been clarified in order to prevent a Director retiring in the last year of a consecutive 15 years of service and then standing for election again at the next election.

Rosemary Herron questioned By-law 4.15, Votes to Govern, which read "At all meetings of the Board every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes, the

chair of the meeting shall not be entitled to a second or casting vote.” Ms. Rintoul explained that a tied vote would in fact be a lost vote. There were no other questions or comments.

On a **motion** by Jeannine Wilson, **seconded** by Art Jessop, **it was resolved** to confirm the repeal of the credit union’s existing By-laws and their replacement with the By-laws as presented.

**The motion was carried unanimously.**

## **9. OTHER BUSINESS**

There were no items of other business.

### **Testimonial**

Gilbert Godfrey stated that he wished to give a testimonial. He advised that he has been a member of the credit union for 55 years, joining at the time when it was the Lever Brothers Credit Union. Having served on the Board many times and having seen the credit union grow, he commended the Board’s performance in “crossing the t’s and dotting the i’s”, and being open and listening to the members. He wished to tell new members that Equity Credit Union is a good credit union having grown from an infant and maturing to what it is now. He recommended highly that members get their kids involved and become members and he congratulated this Board and previous Boards for their hard work and accomplishments. Mr. Godfrey noted that there were no dividends in the early years but also, there were no service charges then either, a very good benefit. He closed his testimonial saying to all members that they are in good hands with Equity Credit Union.

## **10. TERMINATION OF THE MEETING**

Mr. Biancolin thanked the members for their continued support and for working together to make Equity Credit Union a stronger credit union for all members. He thanked the Board for their hard work and the sponsors for their contributions to the door prizes.

There being no questions or comments, and the business of the meeting having been completed, the Chair called for a motion to terminate the meeting.

On a **motion** by John Loreto, **seconded** by Jeannine Wilson, **it was resolved** at 8:48 p.m. to terminate the 80th annual general meeting of Equity Credit Union Inc. **The motion was carried unanimously.**

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Chair  
CL/cl

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Corporate Secretary

**EQUITY CREDIT UNION INC.**

**LIST OF MOTIONS  
Annual General Meeting, April 12, 2023**

1. **Approval of Minutes**  
On a **motion** by Art Jessop, **seconded** by Bonnie Downing, **it was resolved** to adopt the minutes of the Annual General Meeting held April 13, 2022. **The motion was carried unanimously.**
  
2. **Approval of Report of Board of Directors**  
On a **motion** by Jeannine Wilson, **seconded** by Art Jessop, **it was resolved** to accept the Report of the Board of Directors for 2022. **The motion was carried unanimously.**
  
3. **Approval of the Report of the Chief Executive Officer**  
On a **motion** by Craig Nichols, **seconded** by Jeannine Wilson, **it was resolved** to accept the report of the Chief Executive Officer for 2022. **The motion was carried unanimously.**
  
4. **Approval of the Report of the Manager of Lending Operations**  
On a **motion** by Bill Downing, **seconded** by Craig Nichols, **it was resolved** to accept the report of the Manager of Lending Operations for 2022. **The motion was carried unanimously.**
  
5. **Approval of the Report of the Audit Committee**  
On a **motion** by Art Jessop, **seconded** by Bonnie Downing, **it was resolved** to accept the report of the Audit Committee for 2022. **The motion was carried unanimously.**
  
6. **Approval of Auditor's Report**  
On a **motion** by Bill Downing, **seconded** by Bonnie Downing, **it was resolved** that the audited financial statements for the fiscal year ended December 31, 2022 be approved as presented. **The motion was carried unanimously.**
  
7. **Appointment of Auditor**  
On a **motion** by Jeannine Wilson, **seconded** by Vishal Pua, **it was resolved** that Baker Tilly Chartered Professional Accountants, be appointed as Auditor of the Credit Union for the fiscal year ending December 31, 2023. **The motion was carried unanimously.**

8. **Authorization to Close the Election Process**

On a **motion** by John Loreto, **seconded** by Art Jessop, **it was resolved** to close the election process for the 2023 election of Directors. **The motion was carried unanimously.**

9. **Authorization to Confirm the Repeal and Replacement of the By-laws as Presented.**

On a **motion** by Jeannine Wilson, **seconded** by Art Jessop, **it was resolved** to confirm the repeal of the credit union's existing By-laws and their replacement with the By-laws as presented.

**The motion was carried unanimously.**

10. **Termination of Meeting**

On a **motion** by John Loreto, **seconded** by Jeannine Wilson, **it was resolved** at 8:48 p.m. to terminate the 80th Annual General Meeting of Equity Credit Union Inc.

**The motion was carried unanimously.**

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## **REPORT FROM THE BOARD OF DIRECTORS**

### **Tall and strong**

Standing strong is the takeaway message from 2023. On reflection of the past year's challenges, we appreciate our results this year. Inflation had not yet eased, and interest rates were still high. Housing affordability was and is a preoccupation for anyone under 35, maybe even 40. Labour strikes and tough salary negotiations all around.

As you are aware, our members saw in 2023 very attractive deposit rates, higher than in 2022. The Bank of Canada's message we heard in the headlines of "Higher for longer" has impacted our results for this year and will impact our plan for next year.

### ***Looking ahead***

To see where we can go, we look at where we have been and where we are today. The credit union's performance over the past five years, both in absolute terms and relative to its peers, has been more than strong. We were quite proud of our achievements in 2022 but very proud of our resilience in 2023. The credit union is, I can report, standing and very solidly. That gives me comfort and should provide some to you as well as you continue to rely on us to provide you with your financial services.

With the size, strength, and stability of our credit union, we are well-positioned for sustainable growth and performance.

### ***An effective board and commitment to good governance***

The board welcomed one new director, Nisha Thayan, who was elected at the last Annual General Meeting. Craig Nichols, a valued member of the board for close to 15 years, passed suddenly late last year. We will miss him professionally and personally. The Board looks forward to working with the directors that will be elected this year. We see value in a diverse board to ensure that we have the full benefit of the varied talents, knowledge, and work and life experiences that only diversity can bring.

The Board members have worked diligently to perform their duties. We monitor and manage conflicts of interest with the utmost care to ensure that proper governance remains a priority.



### **Recognizing our management team**

On behalf of you, our members, we extend our thanks to Tom Dimson, Chief Executive Officer, and his team, for their unwavering commitment to upholding our cooperative values. We pause to recognize Tom's efforts in keeping us on a solid path over these last 30 years. His leadership and motto of "One member at a time and One day at a time" has steered us from our humble beginnings to what we are today. We recognize Nancy Smith, Manager of Lending Operations for her 35 years of service. She is our longest-serving employee helping us grow our lending portfolio to what it is today. And on behalf of the board, we extend our thanks to you, our members, for the trust you continue to place in us to represent your interests.

The year ahead promises to be one full of opportunities. We are invigorated to face the new year. We are confident that your credit union delivers value to you.

Respectfully,

Larry Biancolin  
Board Chair





## **MESSAGE FROM THE CHIEF EXECUTIVE OFFICER**

### **SERVICE, TRUST, AND INTEGRITY**

Equity Credit Union has a long history beginning in 1943 as an employee-based credit union focused on assisting the employees of Lever Brothers. It was housed in the plant located at the base of the Don Valley Parkway and Lakeshore Blvd in Toronto. It began with a part-time Lever Brothers employee collecting deposits from the staff. Over the years, there have been a few name changes as well as location changes. The credit union opened membership to all community residents and made a new home in the Durham Region in 2010.

Reflecting on my 30 years, when I joined in 1993, the credit union had \$18 million in assets. At the end of 2023, 30 years later, it had \$345 million in assets. I am very proud of this and of our team. We are a credit union rooted in traditional values of service, the foundation of the relationships we build with current and new members who come through our doors.

For over 80 years, we have kept the lights on to provide our members with dependable service, a secure home for their finances, and a means of opportunity. We remain grounded and determined in our mission to grow and prosper together.

The year 2023 saw record-breaking interest rates to the delight of some and the horror of others. I am sure I said this last year that the Durham Region continues to grow and this continues to be true. New construction is in every neighbourhood. We have confidence that our community continues to retain and attract newcomers. We look forward to working with families acquiring their first or a larger home in our community.

We are mindful that each of you is an individual with unique financial needs and goals. Assisting you in achieving and maintaining your “financial freedom” is what motivates us year after year to strive for excellence in the service we provide and the products we deliver. While we operate as a business by providing products and services to individuals and collect revenue in the process, it is what we do with this revenue that makes the difference. The concept is simple. We return the profit we earn back to you in the form of great rates, enhanced products and services, no-fee banking and by doing right by the community we serve.

### **OUR YEAR-END REVIEW**

The credit union ended the year with a solid capital and liquidity position. Profits were not as rich as in 2022, but we do understand why and know what we need to do.

To network amongst the local business community, we are members of the Pickering/Ajax Board of Trade. We highlighted our initiatives through our regular marketing channels including our website, emails, in-branch marketing, and increased coverage through social media vehicles such as Facebook and Instagram. We encourage our members to actively engage with us through these social media platforms.

### **COMMUNITY SUPPORT**

We were pleased this year to financially support and participate in the CU Succeed Youth Bursary Program through the Ontario Credit Union Foundation. One of our members earned a bursary under the program. Congratulations and great news!



## FINANCIAL FOCUS

We focused on managing our current asset base to ensure a brighter future. \$1 million in profit after taxes was recognized in the year.

Our assets increased by \$2.5 million with a closing balance sheet size of \$345 million. This represents a 1% increase over 2022 assets.

Our deposit base, which reflects total member deposits, held steady at \$319 million.

Total membership increased by a net of 82 members.

The credit portfolio increased by \$7 million or 2%. All of the growth came from residential mortgages. These loans are secured by mortgage registrations. Growth in loans was lower than expected this year with higher interest rates. We note that house prices have adjusted and that the size of a new mortgage continues to remain high.

Total regulatory capital increased at year-end to \$19 million, or by 6%, and our leverage capital ratio increased to 5.63%. Our total risk-weighted assets capital ratio was strong at 20.50%. The minimum regulatory capital requirement is 3% and 10.5% for the risk-weighted assets capital ratio. Our policies set a minimum target for the capital ratio at 5.25% and 16% for the risk-weighted assets capital ratio. Our position exceeds both our policies and regulatory minimum requirements.

Performance indicators	Minimum Regulatory Requirements	ECU Policy Requirements	2023	2022
Regulatory Capital \$			\$19.4 million	\$18.3 million
Leverage Capital Ratio	3.00%	5.25%	5.63%	5.35%
Risk-Weighted Assets Capital Ratio	10.50%	16.0%	20.5%	19.5%

Interest income of \$16 million (2022 - \$13 million) was earned from loans which grew by 17% in the year as a result of the growth earned in 2022. Rates for loans have risen through each quarter as the Bank of Canada raised rates throughout the year.

Investment income increased by 191%. This was a result of the increase in market rates paid on our investments and cash held as liquidity. Liquidity investments must be maintained as a regulatory requirement. These investments are subject to interest rate risk.

Generally, the credit union has a no-fee mandate, thus it does not earn significant other income from member fees as compared to many other financial institutions. Other income includes that earned from collaborative arrangements with partners.

Members were allocated \$13.3 million (2022 - \$7.5 million) as interest on their deposits, which represents a growth of 78% compared to 2022. This net increase is a combination of interest expense paid tied to our increase in deposit balances in 2022 and the impact of higher rates paid on renewals



and new term deposits. Rates on term deposits rose through each quarter of the year in alignment with the Bank of Canada's rate increases.

A provision for credit losses of \$59 thousand was recognized this year compared to a provision of \$1 thousand in 2022. The credit union maintained a strong provision for credit losses with an ending balance of \$527 thousand. Our board and auditors support this amount as it is set aside against future loan loss contingencies.

Though the pandemic affected operations and many members, loan write-offs this year amounted to \$13 thousand.

Our operating efficiency ratio sits at 64%<sup>1</sup> (2022 - 35%). This means that for every dollar of expenses, \$1.6 (2022 - \$3) is earned in income.

Rising interest rates are impacting our net interest margins. The credit union did, even under these conditions, retain its financial strength and prospered during the year. We are pleased to report our results to the membership this year.

#### **PLANS FOR TOMORROW**

The credit union will stay on course and will be mindful of its pricing decisions. Our focus will be to balance capital and growth to ensure our adherence to key regulatory requirements. Throughout the year, the credit union will continue to review products and services which may be beneficial to the membership. The credit union is staffed with seasoned employees who are solid ambassadors and deliver superior member service.

The past year was a test of our resilience. Working within this cooperative model, our members have remained central to every decision we make as an organization. The greatest testament to our legacy is that over all these years, we have held to our founding principle of serving our members above all else. Creating a stable financial environment while delivering superior member service and upholding our cooperative banking principles is paramount to our continued success.

I emphasize that deposit insurance provided by our regulator, FSRA<sup>2</sup> covers registered deposits at 100%. This is not available at a bank. Unregistered deposits are covered up to \$250,000 per member. Note that the credit union contributed as part of its annual assessment under FSRA, \$239 thousand to the Deposit Insurance Reserve Fund in the year.

The credit union continues to offer no-fee banking and "keeps more money in our members' pockets."

Our members can access our services and our team through various channels. We have launched the First Home Savings Account and look forward to partnering with our members in achieving their home ownership dreams.

We ask that our members who experience financial difficulties in meeting their mortgage and loan payments reach out to us and access our tools to assist you.

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<sup>1</sup> Operating efficiency = Expenses / Total Income x 100, a lower number indicates a higher efficiency

<sup>2</sup> FSRA – Financial Services Regulatory Authority of Ontario – [www.fsrao.ca](http://www.fsrao.ca)



We promise that we will continue to live our cooperative values while protecting the capital that our depositors have entrusted to us.

### **ACKNOWLEDGMENTS**

I take this opportunity to recognize the efforts of our team. Their commitment to providing superior member service rewarded the credit union with growth above expectations. Their dedication to supporting our depositors virtually ensures that our members can access our services and financial product offerings.

I express my thanks on behalf of the team for the ongoing support and mentorship provided by our chair, Larry Biancolin, and the members of the board throughout this year. They have provided a solid foundation for our strong core governance framework adding value to the credit union. Our members' confidence in our credit union is not misplaced.

Keeping the trust of our members is critical to the credit union's ongoing success. We recognize that trust is not something that is given easily, or that flows from a single interaction. Nowhere is trust more important than in the financial services business, where we make promises to our members every day – promises you trust us to keep for years to come. The opportunity to serve our members in their financial transactions that support their economic freedom and financial well-being is a privilege for me and our team.

I along with my team, thank you, our members, for your trust and continued patronage.

Let your neighbours know about us, we would love to meet them to become members of your credit union.

Respectfully,

Thomas Dimson  
Chief Executive Officer





## REPORT OF THE SENIOR LENDING OFFICER

During the year, the credit union received a total of 204 loan applications compared to 374 for the prior year. Of these, 83 new loans were granted for \$41 million compared to 226 for \$136 million for the prior year and 121 were denied compared to 148 for the prior year.

Loan categories were:

Category	2023 # Loans	\$ amounts granted	2022 # Loans	\$ amounts granted
Residential Mortgages/Merit lines	75	\$41 million	206	\$133 million
Commercial Mortgages	0	Nil	0	Nil
Personal loans and lines of credit	8	\$115 thousand	20	\$2.8 million

At year-end, the total loans outstanding were \$314 million compared to \$307 million in 2022. This resulted in an overall increase of \$7 million or 2%.

As of December 31, 2023, there were 3 impaired loans for \$1.2 million (2022 - \$Nil). All three impaired loans are fully secured by residential real estate.

Our net delinquency ratio remained low at essentially zero. We wrote off \$13 thousand (2022 - \$2 thousand) in loan bad debts and charged a provision of \$60 thousand to operations compared to \$1 thousand for the prior year. We have set aside a provision for credit losses of \$527 thousand (2022 - \$480 thousand) which represents 0.17% (2022 - 0.16%) of the total loans outstanding. We believe this provision is reasonable for our loan portfolio.

Respectfully,

Nancy Smith  
Manager, Lending Operations & Business Development



## REPORT OF THE AUDIT COMMITTEE

The Audit Committee, comprised of 4 directors, held four meetings this year. It arranges its agenda so that, on an annual basis, the following duties are performed, and appropriate action taken as a result thereof:

- Review the policies, procedures and controls relating to legislative compliance with a particular focus on capital adequacy, risk weighting of assets and liquidity;
- Review quarterly reports prepared by the Internal Auditor regarding internal controls and policy compliance;
- Recommend the appointment of the External Auditor to the Board of Directors and members at the Annual General Meeting
- Review the qualifications, independence, and performance of the auditors;
- Serve as the principal communication link between the External Auditor and the Board of Directors, and in particular, review and agree to the External Auditor’s “Terms of Engagement” and “Scope of Audit”;
- Review the requirements for adherence to the new accounting policies as they relate to the International Financial Reporting Standards

The Audit Committee conducted its affairs per the Credit Unions and Caisses Populaires Act (the “Act”) and Regulations as well as the credit union’s by-laws.

The Audit Committee issues reports and makes recommendations to the Board of Directors or Senior Management, as appropriate, concerning the matters outlined above and follows up to ensure that the recommendations are considered and implemented.

The Audit Committee is pleased to report to the members that it receives full cooperation and support from Management to enable it to play an effective role in improving the quality of financial reporting to the members and enhancing the overall control structure of the credit union.

There are no significant recommendations made by the Audit Committee that have not been either implemented or are in the process of being implemented. In addition, there are no matters which the Audit Committee believes should be reported to members, nor are there any further matters which are required to be disclosed according to the Act or the regulations thereto.

Respectfully,

Jeannine Wilson  
Chair of the Audit Committee





**Equity Credit Union Inc.**  
**Summary Financial Statements**  
**For the year ended December 31, 2023**

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**EQUITY CREDIT UNION INC.**  
**SUMMARY TABLE OF CONTENTS**  
**December 31, 2023**

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	Page
<b>Financial Statements</b>	
Summary Statement of Financial Position	1
Summary Statement of Income and Comprehensive income	2
Summary Statement of Changes in Members' Equity	3
Summary Statement of Cash Flows	4
Notes to the Summary Financial Statements	5

**EQUITY CREDIT UNION INC.**  
**SUMMARY STATEMENT OF FINANCIAL POSITION**  
**As at December 31, 2023**

	2023	2022
<b>ASSETS</b>		
Cash	\$ 8,801,528	\$ 12,696,756
Investments	21,699,934	21,422,864
Member loans	313,735,906	307,420,738
Other assets	229,964	306,050
Income taxes recoverable	35,000	-
Deferred income tax asset	94,000	136,000
Property and equipment	177,641	194,899
Right-of-use asset	87,906	153,806
Intangible asset	59,760	71,380
	<u>\$344,921,639</u>	<u>\$342,402,493</u>
<b>LIABILITIES</b>		
Member deposits	\$325,625,720	\$323,879,366
Other liabilities	308,791	512,927
Lease liabilities	97,631	167,519
Member shares	80,900	79,260
	<u>326,113,042</u>	<u>324,639,072</u>
<b>MEMBERS' EQUITY</b>		
Retained earnings	18,808,597	17,763,421
	<u>\$344,921,639</u>	<u>\$342,402,493</u>

**EQUITY CREDIT UNION INC.**  
**SUMMARY STATEMENT OF INCOME AND COMPREHENSIVE INCOME**  
**For the year ended December 31, 2023**

	2023	2022
<b>Interest and investment income</b>		
Member loans	\$ 15,609,865	\$ 12,928,036
Investments	1,059,066	363,730
	<u>16,668,931</u>	<u>13,291,766</u>
<b>Interest expense</b>		
Member deposits	13,264,157	7,464,912
Dividend to members	68,568	245,928
External borrowings	5,495	11,422
	<u>13,338,220</u>	<u>7,722,262</u>
<b>Net interest income</b>	<u>3,330,711</u>	<u>5,569,504</u>
Provision for credit losses	59,063	918
<b>Net interest income after provision for credit losses</b>	<u>3,271,648</u>	<u>5,568,586</u>
<b>Non-interest income</b>		
Other income	53,785	39,527
<b>Net interest and non-interest income</b>	<u>3,325,433</u>	<u>5,608,113</u>
<b>Operating expenses</b>		
Salaries and benefits	754,725	777,514
Administrative expenses	1,141,913	942,451
Occupancy costs	71,631	66,319
Depreciation	171,683	161,447
	<u>2,139,952</u>	<u>1,947,731</u>
<b>Income before income taxes</b>	<u>1,185,481</u>	<u>3,660,382</u>
<b>Income taxes</b>		
Current	98,305	621,975
Deferred	42,000	4,000
	<u>140,305</u>	<u>625,975</u>
<b>Net income and comprehensive income for the year</b>	<u>\$ 1,045,176</u>	<u>\$ 3,034,407</u>

**EQUITY CREDIT UNION INC.**  
**SUMMARY STATEMENT OF CHANGES IN MEMBERS' EQUITY**  
**For the year ended December 31, 2023**

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	2023	2022
<b>Balance, beginning of year</b>	\$ 17,763,421	\$ 14,729,014
Net income	<u>1,045,176</u>	<u>3,034,407</u>
<b>Balance, end of year</b>	<u>\$ 18,808,597</u>	<u>\$ 17,763,421</u>

**EQUITY CREDIT UNION INC.**  
**SUMMARY STATEMENT OF CASH FLOWS**  
**For the year ended December 31, 2023**

	2023	2022
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Net Income	\$ 1,045,176	\$ 3,034,407
Adjustments for		
Depreciation	171,683	161,447
Deferred income taxes	42,000	4,000
	<u>213,683</u>	<u>165,447</u>
	<u>1,258,859</u>	<u>3,199,854</u>
Change in non-cash working capital items		
Other assets	76,084	(64,254)
Other liabilities	(204,131)	(79,132)
Loan loss provision	12,053	318
	<u>(115,994)</u>	<u>(143,068)</u>
	<u>1,142,865</u>	<u>3,056,786</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(76,905)	(68,091)
Net decrease (increase) in investments	<u>(277,070)</u>	<u>(4,209,091)</u>
	<u>(353,975)</u>	<u>(4,277,182)</u>
<b>FINANCING ACTIVITIES</b>		
Increase in member loans	(6,362,224)	(69,115,425)
Increase in member deposits	1,746,354	58,817,340
Net change in lease liabilities	(69,888)	(67,186)
Net change in member shares	1,640	6,000
	<u>(4,684,118)</u>	<u>(10,359,271)</u>
Increase (decrease) in cash and cash equivalents	(3,895,228)	(11,579,667)
Cash and cash equivalents, beginning of year	<u>12,696,756</u>	<u>24,276,423</u>
Cash and cash equivalents, end of year	<u>\$ 8,801,528</u>	<u>\$ 12,696,756</u>
<b>Supplementary information</b>		
Interest received	16,133,818	12,256,209
Interest paid	10,739,324	5,182,939
Dividend paid to members	273,450	260,850
Income taxes paid	135,305	631,975

**EQUITY CREDIT UNION INC.**  
**NOTES TO THE SUMMARY FINANCIAL STATEMENTS**  
**December 31, 2023**

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**Basis of presentation (Note 1)**

The summary financial statements are derived from the audited financial statements, prepared in accordance with International Financial Reporting Standards (IFRS) as at December 31, 2023 and December 31, 2022 and for the years then ended.

The preparation of these summary financial statement requires management to determine the information that needs to be included so that they are consistent in all material respects with, or represent a fair summary of the audited financial statements.

Management prepared these summary financial statements using the following criteria:

- a) The summary financial statements include a statement for each statement in the audited financial statements.
- b) Information in the summary financial statements agrees with the related information in the audited financial statements.
- c) Major subtotals, totals and comparative information from the audited financial statements are included; and
- d) The summary financial statements contain the information from the audited financial statements dealing with matters having a pervasive or otherwise significant effect on the summary financial statements.

In addition, a copy of the audited financial statements is available to any member, upon request, at the branch of the credit union.

## **BY-LAW TO AMEND THE BY-LAWS OF EQUITY CREDIT UNION INC. (the “Credit Union”)**

**WHEREAS** the Financial Services Regulatory Authority of Ontario has suggested further amendments to the by-laws recently confirmed by the membership of the Credit Union;

**NOW THEREFORE BE IT ADOPTED**, and it is so adopted as a by-law of the Credit Union as follows:

1. By-law No. 1 of the Credit Union, as confirmed by the membership on [DATE] (the “General By-law”), be hereby amended by adding the following as new sections 2.07 and 2.08 thereof, and renumbering the subsequent sections of Article 2 thereof accordingly:

### **Expulsion**

**2.08** Subject to the conditions and requirements prescribed in an applicable Authority rule, a Member may be expelled from Membership, in accordance with these By-laws, by a resolution of the Board, on one or more of the following grounds:

- (a) misconduct in the conduct of the Member’s business with the Credit Union, including, without limiting the generality of the foregoing, the operation of any of the Member’s accounts with the Credit Union;
- (b) a failure to continue, for any reason, to hold the required number of Membership Shares in the Credit Union;
- (c) a failure to comply with these By-laws; and
- (d) a failure to repay indebtedness to the Credit Union.

Subject to the limitations in subsection 54(3) of the Act in respect of the purchase or redemption of shares, the Credit Union shall forthwith pay to anyone so removed from Membership any balance standing to the Member’s credit on the books of the Credit Union.

### **Expulsion Procedure and Member Rights**

#### **2.09**

(a) The Board may give ten days' advance notice to a member of intent to remove the member from membership, personally or by prepaid mail addressed to such member at such member’s Recorded Address, and, after giving the member an opportunity to be heard and to be represented at the Board meeting by a person authorized under the *Law Society Act* to represent the member, by resolution at a Board meeting, such member may be expelled from membership. The Corporate Secretary shall, within five (5) days after the resolution expelling a member was passed, notify the member of the decision of the Board by registered mail to the member’s Recorded Address.



**(b)** An expelled member may appeal the decision of the Board at the next annual or general meeting of the Credit Union by giving the Board notice of that expelled member's intention to appeal the expulsion within twenty-one (21) days after receiving the notice of expulsion. If written representations of not longer than two thousand (2,000) words from an expelled member appealing that member's expulsion are received by the Credit Union at least seven (7) days before the mailing or publication of the notice of the general meeting, the Board shall, at the expense of the Credit Union, include with the notice of meeting a notice that those representations are available for inspection by members at the head office and branches of the Credit Union. The members of the Credit Union, at that general meeting, by resolution passed by a majority of the votes cast at the meeting, may confirm, vary, or set aside the Board's decision to expel the member.

2. The General By-law be further amended by adding the words “, or until the director's successor is elected” to the end of section 4.01(b) thereof.
3. In all other respects the General By-law is hereby ratified and confirmed.

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**Chair**

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**Corporate Secretary**

**PASSED by the Board of Directors of the Credit Union this 17th day of April 2024.**

**WITNESS the corporate seal of the Credit Union**

**CONFIRMED by two-thirds of the votes cast at an annual general meeting of the Members of the Credit Union duly held at Ajax, Ontario, this 17<sup>th</sup> day of April 2024.**

**FILED with the CEO this \_\_\_\_\_ day of \_\_\_\_\_, 2024.**

## PRODUCTS AND SERVICES

<b>EVERYDAY BANKING</b> <ul style="list-style-type: none"> <li>• Personal chequing account</li> <li>• Fat Cat account (12 years old and under)</li> <li>• Head Start account (13 – 17 years old)</li> <li>• Daily interest savings account (interest paid quarterly)</li> <li>• Regular savings account (interest paid semi-annually)</li> <li>• High-Interest Savings Account (interest paid monthly)</li> <li>• Commercial banking accounts</li> <li>• US dollar savings account</li> </ul>	<b>ELECTRONIC SERVICES</b> <ul style="list-style-type: none"> <li>• Website <a href="https://equitycu.com">https://equitycu.com</a></li> <li>• Online (internet) banking</li> <li>• Telephone banking line                   1-800-378-4899</li> <li>• Toll-free credit union number       1-800-263-9793</li> <li>• THE EXCHANGE Network of ATMs Canada-wide – no surcharge fees</li> <li>• Interact Flash debit card (tap payments)</li> <li>• Online bill payments</li> <li>• E-money transfers</li> <li>• Mobile banking</li> <li>• Pre-authorized payments</li> </ul>
<b>BORROWING – PERSONAL LENDING</b> <ul style="list-style-type: none"> <li>• Personal loans</li> <li>• Personal lines of credit</li> <li>• New and used car loans</li> <li>• Overdraft protection</li> <li>• RRSP and Investment loans</li> </ul>	<b>INSURANCE</b> <ul style="list-style-type: none"> <li>• Credit life and disability insurance</li> <li>• Mortgage life insurance</li> <li>• Critical illness insurance</li> <li>• Mortgage title insurance</li> </ul>
<b>MORTGAGES</b> <ul style="list-style-type: none"> <li>• First mortgages</li> <li>• Second mortgages and Bridge financing</li> <li>• High ratio mortgages (CMHC/Genworth)</li> <li>• Merit line – home equity line of credit</li> <li>• Closed and open mortgages</li> <li>• Rental property mortgages</li> <li>• Fixed and variable rate mortgages</li> <li>• Cashback mortgages</li> <li>• Collateral mortgages</li> </ul>	<b>INVESTING WITH CONFIDENCE</b> <ul style="list-style-type: none"> <li>• Deposits insured by the Financial Services Regulatory Authority of Ontario (FSRA)</li> <li>• See <a href="https://fsrao.ca">https://fsrao.ca</a></li> </ul>
<b>INVESTING</b> <ul style="list-style-type: none"> <li>• Term deposits (30-364 days)</li> <li>• Guaranteed investment certificates (GIC)</li> </ul>	<b>REGISTERED PLANS</b> <ul style="list-style-type: none"> <li>• Registered retirement savings products (RRSP)</li> <li>• Registered retirement income products (RRIF)</li> <li>• Tax-Free Savings Products (TFSA)</li> <li>• First Home Savings Account (FHSA)</li> </ul>
<b>OTHER SERVICES</b> <ul style="list-style-type: none"> <li>• In branch teller operations</li> <li>• Semi-annual statements</li> <li>• Regular e-mail news communications</li> <li>• Wire transfers</li> </ul>	<ul style="list-style-type: none"> <li>• Automated banking machine onsite</li> <li>• Safety deposit boxes</li> <li>• Corporate drafts</li> <li>• Visa credit card</li> </ul>

## HOURS

Monday – Friday      **Normal hours**  
9:30 am – 5:00 pm

## CONTACT INFORMATION

**Telephone**                      (905) 426-1389  
    1-800-263-9793

**Fax**                                      (905) 428-1590

**Telephone Banking**              1-844-378-4899

**Website**                              <https://equitycu.com>

**Address:**                              Whitetail Centre  
    299 Kingston Road East, Unit #1  
    Ajax, Ontario L1Z 0K5

