



Mainstreet Credit Union Minutes of the 10th Annual General Meeting

The 10th Annual General Meeting of Mainstreet Credit Union Limited was held at Sarnia Riding Club in Sarnia, Ontario, on Tuesday, April 23rd, 2024 at 7:00 p.m. under the chairmanship of Mr. Tomo Matesic. Mr. Matesic welcomed members, invited guests from other Credit Unions, regulators and other affiliates that were in attendance and called the Business Session to order.

The meeting commenced with a land acknowledgment recognizing the traditional territories upon which we gather. It was acknowledged that Mainstreet acknowledges and respects the Indigenous Peoples as the traditional custodians of the land where we live, learn, and work. We recognize their enduring connection to this land and express our gratitude for their stewardship over generations.

Mr. Matesic reviewed with the membership a few items related to the conduct and functionality of the meeting. He noted that the supporting documentation such as agenda, annual report, full financials and minutes from the previous meeting were available on the website and physical copies were available for those who attended in-person.

Report on Registration and Establishment of a Quorum

Board Chair Mr. Matesic announced that according to section 7.07 of the By-laws of Mainstreet Credit Union Limited, there must be at least 30 members present at an annual meeting to constitute a quorum. There were 79 registered voting members present and therefore it was declared that the Business Meeting may proceed.

Adoption of the Agenda

Mr. Matesic moved for a motion to adopt the agenda as presented. Seconded by Paul Harris.

There were no questions raised.

All in favour; none opposed. Carried.

Adoption of Minutes of Previous Annual Meeting

Mr. Matesic noted that there was no business arising from the minutes.

He moved for a motion to adopt the minutes of the 9th Annual General Meeting as presented. Seconded by Shelly Mitchell.

There were no questions raised.

All in favour; none opposed. Carried.

Bylaw Amendment

Mr. Matesic noted that a summary of the changes to the Bylaw was provided in the notice of meeting, physical copies were available in the branches prior to the meeting and copies are also available at the meeting tonight for review.

Mr. Matesic informed the members that the Bylaw was being amended pursuant to section 103 of the Credit Union and Caisses Populaires Act 2020 (the "Act"). which requires the credit union to report annually on gender diversity of the board of directors and make publication of this report. He provided a highlighted the other minor changes to the Bylaws.

He moved for a motion to approve the bylaw amendment as presented. Seconded by Jodi Ritzer.

There were no questions raised.

All in favour; none opposed. Carried.

Election Results

Mr. Kelcey Kurcharski, Director of Governance & CSR, informed the members that there were three vacancies on the Board and only three nominations were received, which meant that no elections took place and the Board will be placed by acclamation. He reported that the Board nominees included Mr. Patrick O'Malley, Mr. Darrin Canniff, and Mr. Andrei Belik.

Mr. Kucharski asked for a motion that Patrick O'Malley, Darrin Canniff and Andrei Belik be acclaimed as Directors for three-year terms each.

Moved by Kelcey Kucharski and seconded by Janet Grantham.

There were no questions raised.

All in favour; none opposed. Carried.

Report of the Board of Directors

Mr. Matesic reported that Mainstreet maintained a positive income level and that looking ahead based on forecasts, the future is promising and reflects Mainstreet's adaptability and proactive approach to investigating the market dynamics. He further reported that the risk arm if the business played a crucial role in enabling the business to forge ahead in challenging times and that their integrated approach to risk management is fundamental to Mainstreet's long-term success and sustainability. Mr. Matesic appreciated the staff for their dedication and commitment, their unwavering support and hard work and he stated that it was through the collective effort of the staff that Mainstreet continued to thrive and serve members with excellence.

Mr. Matesic recognized Grant Dawn, a longtime member of Mainstreet and a Director on the Board for the past three years. Mr. Matesic thanked Grant for his commitment and contributions to the Board.

Mr. Matesic also introduced Mr. Andrei Belik to the members of Mainstreet and provided a summary of Mr. Belik's background.

Highlights of the Governance Committee

Mrs. Denys summarized a few brief reports on the Committees and Governance requirements.

The Board of Directors operates with two standing committees - the Audit & Risk Committee and the Governance & Human Resources Committee. There is a Terms of Reference and a yearly workplan that has been developed for each Committee to ensure effective governance of the Credit Union. The committees' mandates include:

- Identifying and managing risks that may affect the Credit Union's performance, reputation and viability
- Development and review of governing policies
- Ensuring compliance with governing policies, by-laws and regulatory agencies
- Managing the Director nominations and elections processes as well as the business meeting at the Annual General Meeting
- Maintaining effective guidelines and processes to ensure Directors uphold necessary competency requirements

All committees met their mandates for governance in 2023.

Each Director must meet a minimum regulatory standard in 9 identified competency areas. To meet this standard the Credit Union has established minimum training requirements that must be met by all Directors. Each Director must complete an annual self-assessment and prepare an annual development plan to achieve and maintain these competencies.

Once the minimum training requirements have been achieved, each Director must also meet requirements for continuing education. These training requirements play an integral role in ensuring that we have a qualified Board to govern our Credit Union. Mrs. Denys summarized overall that Mainstreet's Board has a strong competency level. Jen thanked the board members for their continued commitment.

Financial Review

Sandy Ferguson, Chief Financial Officer, presented a review of the Credit Union's financials.

It was noted in 2023, assets grew to \$1.06 billion. Mainstreet's actual loan growth was 7.3%, versus the planned 4.0%. Mainstreet's deposit growth was 3.2% versus the planned 2.3%; and the asset growth was 4.7% versus the planned 4.5%.

Mainstreet's net income before taxes and dividend distribution was \$2.7 million. Mainstreet's liquidity ratio at year-end was at 11%, which is well ahead of the 6% policy threshold. Mainstreet's 12.6% supervisory capital ratio and 6.3% leverage capital were solidly passing regulatory minimums.

No questions were raised.

Report of the Audit and Risk Committee

Paul Dhaen, Chair of the Audit & Risk Committee highlighted that the report of the Audit and Risk Committee is included in the Annual Report which is located on our website, and printed copies were available in branches prior to the AGM as well as for attendees tonight.

A motion was called to accept the Report of the Audit and Risk Committee.

Moved by Shelly Mitchell and seconded by Paul Harris.

There were no questions raised.

All in favour; none opposed. Carried.

Report of the Auditors

Representing MNP, Ashley Didone presented the Report of the Auditor which was included in the Annual Report on our website, with printed copies available in branches prior to the AGM as well as for attendees tonight.

It was stated that it is under the opinion of MNP that the Credit Union is in accordance with Financial Reporting Standards.

A motion was called to accept the Report of the External Auditor.

Moved by Paul Dhaen seconded by Janet Grantham.

No questions were raised.

All in favour; none opposed. Carried.

A motion was called to accept the 2023 Financial Statements. Printed copies were available in branches prior to the AGM as well as for attendees tonight.

Moved by Paul Dhaen seconded by Shelly Mitchell.

No questions were raised.

All in favour; none opposed. Carried.

Appointment of the Auditor

Mr. Dhaen noted that an important piece of tonight's events consists of appointing the independent External Auditor for 2024.

A motion was called to re-appoint MNP as the External Auditor for the 2024 fiscal year.

Moved by Paul Dhaen seconded by Patrick O'Malley.

There were no questions raised.

All in favour; none opposed. Carried.

CEO Report

Chris Inniss, President and CEO presented his report on operations and the strategic plan, as well as Mainstreet's achievements in 2023 and plans for 2024. He discussed the year in review, what is new (which included the new First Home Savings Account; the Petrolia & London Road branch), Mainstreet's investment highlights, the return on average assets for Ontario credit unions as well as ongoing mergers in the credit union system.

Mr. Inniss expressed his thanks to the Board, staff and the members for another great year.

Final Questions

Mr. Inniss inquired if there were any final questions.

No questions were raised.

Closure

Mr. Matesic expressed his thanks to the credit union staff for all of their hard work and dedication this year.

Mr. Matesic thanked the membership for attending tonight.

A motion was called to close the 10th Annual General Meeting. Moved by Tomo Matesic and seconded by Shelly Mitchell to close the meeting at 7:57 pm.

There were no questions raised.

All in favour; none opposed. Carried.