

**CAYMAN ISLANDS CIVIL SERVICE ASSOCIATION CO-OPERATIVE CREDIT UNION LIMITED  
(THE "CREDIT UNION")**

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**THE 46<sup>TH</sup> ANNUAL GENERAL MEETING ("AGM") OF THE CREDIT UNION HELD AT THE  
OFFICES OF CREDIT UNION, 58 HULDAH AVENUE, GEORGE TOWN, GRAND CAYMAN,  
CAYMAN ISLANDS AND BY VIDEO CONFERENCE AT 6:00 P.M. CAYMAN ISLANDS TIME  
ON WEDNESDAY, 24 NOVEMBER 2021**

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**PRESENT:**

Michael Nixon, Chairman  
Shakira Gourzong, Director  
Suzanne Bothwell, Director  
Christopher Goddard, Director  
Matthew Tibbetts, Chairman of the Credit Committee  
Kim France, Chairman of the Supervisory Committee

James Watler, 1<sup>st</sup> Vice Chairman  
Corinne Glasgow, 2<sup>nd</sup> Vice Chairman  
Jose Hernandez, Director  
Zena Merren-Chin\*, Director  
Nichelle Scott\*, Director

Patricia Estwick, Chief Executive Officer  
Daniel Powery, IT Manager. Operations  
Danielle Lee, Executive Assistant to the CEO and Secretary to the Co-operative

Baron Jacob\*, Ernst & Young  
Supipi Gamage\*, Ernst & Young  
Jed Davis Ancheta\*, Ernst & Young

*\* Denotes attendance by video conference.*

By agreement, Michael Nixon acted as Chairman of the meeting and Danielle Lee acted as Secretary for the purpose of taking the minutes of the AGM.

**1. OPENING AND PRAYER**

- 1.1. The meeting commenced at 6:03 p.m. Cayman Islands' time with the Chairman's opening remarks. The Chairman provided the members with a summary of instructions for virtual attendance, polling and voting. The Chairman noted that the polls would be activated for voting after each presentation.
- 1.2. The Chairman noted that quorum was present and he called the meeting to order formally at 6:09 p.m. Cayman Islands' time.
- 1.3. Pastor Yvette led the attendees in prayer and also through the Credit Union prayer.
- 1.4. The Chairman invited the members to offer a moment of silence for the departed members.

**2. APOLOGIES**

- 2.1. The Chairman queried whether there were any apologies on behalf of members. The members noted that apologies were offered for Ms Mary Viola Brown, Ms Veronica Evans, Ms Floris E. Thompson, Mr Evert Scott and Ms Roselyn Scott.

### **3. PRIOR MINUTES OF THE 45<sup>TH</sup> AGM**

- 3.1. The Chairman queried whether there were any amendments required to the minutes of the meeting held on 25 November 2020 (the "**Prior AGM**"). There were no amendments provided.
- 3.2. The motion was moved by Ms Camile Beckford-Johnson and seconded by Ms Suzette Watler-Galeano to approve the minutes of the Prior AGM Meeting.
- 3.3. The Chairman noted that 156 members had voted online in favour of approving the minutes of the Prior AGM.
- 3.4. Upon motion duly made, seconded and carried unanimously, **IT WAS RESOLVED** that the minutes of the Prior AGM be approved in all respects.
- 3.5. The Chairman noted that there were no questions or matters arising from the Prior AGM.

### **4. BOARD OF DIRECTORS' REPORT**

- 4.1. The Chairman presented the Board of Directors' report to the membership and highlighted the impact COVID-19 had on the economy in the Cayman Islands and globally.
- 4.2. The Chairman also outlined how the Credit Union had demonstrated its resilience through self-reliance and listed the various events and charities that were sponsored.
- 4.3. The Chairman provided a detailed breakdown of the key performance indicators in 2021 which reflected the strategy of the Board to maintain and protect the loan book and grow the membership. Based on the financial the results, the Chairman informed the members that there was a recommendation from the Board for a dividend of 2.1% along with a payment of loan interest loan rebate for 2%.
- 4.4. The Chairman provided an update on the status of the new banking system, CUOnline which would be implemented fully in February 2022.
- 4.5. The Chairman informed the members that the risk register would continue to improve, and the Chief Executive Officer ("**CEO**") would continue to provide the Board with regular reporting. A risk management policy would be defined for the Credit Union to provide a mechanism for each risk category impacting the Credit Union.
- 4.6. The Chairman advised that the compliance function was a critical area of the Credit Union operations which was monitored by the Board in an effort to ensure that the regulatory framework established by the Cayman Islands Monetary Authority and the Cooperatives Societies Act were met by the Credit Union.
- 4.7. The regulatory and compliance was monitored through the control functions performed by the Chief Risk and Compliance Officer and the Internal Audit Manager. The Board receive reviews and reports from these control functions on a monthly basis from these departments via the CEO and the Supervisory Committee. The capacity within the compliance department was expanded by hiring a Deputy Chief Risk and Compliance Officer which allowed for additional staff training, business process

improvements, enhanced transaction and account monitoring; thereby, strengthening the Credit Union's ability to manage the potential money laundering, proliferation financing and data protection risks.

- 4.8. The Chairman outlined the policies that had been approved by the Board throughout the course of the year.
- 4.9. In relation to corporate social responsibility, the Chairman noted that the Credit Union provided 167 members and children of members with \$200,000 in 2021 through the Rupert McCoy Education Grants Programme to pursue their educational goals.
- 4.10. The Chairman reported that the total staff compliment as of 31 July 2021 was 66 which was an increase from 59 in 2020. This increase reflects the demand for additional resources and to keep pace with the growth, size and complexity and demands of the operations. Staff development, training and wellness was an area of priority for the staff of the Credit Union.
- 4.11. The Chairman noted that the Directors would continue to complete a strategic plan for as a guide for the next three to five years.
- 4.12. The Chairman opened the forum for questions from the membership. In response to an enquiry submitted by a member, the Chairman provided information on the nomination processes to become a committee member.
- 4.13. In response to a query submitted by a member with respect to dividends, the Chairman noted that the performance of the Credit Union remained strong; however, there was increased competition within the loan portfolio from commercial banks. The Chairman further noted that another factor impacting dividends was a result of a significant increase in share deposits and, as a result, the Credit Union was required to generate more loan business to pay its members' dividends. The Credit Union had been successful in issuing dividends for 45 years. There was focus on growth of the loan business and protection for this portfolio from competitors. The Credit Union had significantly increased its mortgages, successfully marketed its 'Come Home Program' and made interest rates more competitive. The focus would remain on generating returns to members in the form of dividends.
- 4.14. The Chairman noted that costs to borrow at the Credit Union were lowest on the island and the Credit Union provided the best way to borrow. The Credit Union was exempt from stamp duty that was charged on mortgages under the Cooperative Societies Act. The Credit Union had consistently provided members with cash in the form of an interest rate rebate at the end of each year which made it attractive to borrow from the Credit Union.
- 4.15. The Chairman invited Mr Daniel Powery, Acting Chief Information Officer, to provide a detailed explanation on how to vote online and how to post questions within the polls.
- 4.16. The Chairman invited a member to move the motion to approve the Board of Directors' report which was first moved by Mr Nikolas DaCosta and was seconded by Mr Oscar B Calidonio.
- 4.17. The polls reflected that 237 members voted, which represented 99% of those in attendance, out of 325 in attendance, accepted the Board of Directors' report and 1 member had not accepted the Board of Directors' report.
- 4.18. Upon motion duly made and seconded, **IT WAS RESOLVED** that the Board of Directors' report for the year ended 31 July 2021 as presented, was approved in all respects.

- 4.19. The Chairman noted that Ms Shakira Gourzong and Ms Zena Merren-Chin would be retiring from the Board, and he thanked each for their time and dedication. The Chairman thanked each of the Directors for their commitment to the Board.

## **5. DEVELOPMENT COMMITTEE UPDATE**

- 5.1. The Chairman noted that the Development Committee consists of 1 Director, 1 member of the Supervisory Committee and 2 members from the general membership and met 21 times during the fiscal year with various experts in the sector.
- 5.2. Within the 2020 Annual Report, it was noted that detailed plans would be shared for development plan for use of the acquired property and shared architectural renderings for the development site and proposed structures. The Chairman highlighted the significant achievements and traction with the project.
- 5.3. The Chairman advised that the mortgage portfolio had grown significantly, and interest rates were competitive to generate profits in the form of dividends.
- 5.4. The Chairman opened the forum for the membership. In response to an enquiry submitted by a member, the Chairman provided an update on the proposed construction method for the buildings, Millennium Square, a commercial project and Verdant Terraces, residential townhome units. This project was on land adjacent to the Credit Union which extends to Smith Road and Elroy Arch Drive had been purchased. The Chairman noted that the targeted start date for construction was July 2022.
- 5.5. The Chairman responded to another enquiry with respect to voting on the development project and advised that the Board were charged with responsibility to manage the funds and investments of the Credit Union. The Chairman added that there were restrictions surrounding the types of investments were permitted under the Credit Union Rules (2012 Revision) (the "**Rules**"); however, the general membership had previously received a proposal of the plan. Should additional information be required, this information could be shared with any of the members upon request.
- 5.6. Upon enquiry from a member online, the Chairman noted that the average price per unit was not available at this time as this was dependent on construction costs. The FAQ section included information with respect to the latest development costs.
- 5.7. In response to an enquiry from a member, the Chairman noted that the core banking system and online platform continued to be a significant focus. The Chairman further noted that there were delays in 2021 and the launch of the platform was postponed until February 2022. The Chairman referred the attendees to the AGM's online FAQ section which illustrated more details surrounding the CUOnline project.
- 5.8. Upon enquiry from a member, the Chairman confirmed that the development project was set to proceed barring unforeseen circumstance; there was research conducted for the project and an assessment of the competitiveness in the commercial and residential real estate markets had been undertaken. The Credit Union would not incur debt or borrowings as there was sufficient funding. The membership would be informed of any progress of the project and any decisions made by the Board.
- 5.9. In response to an enquiry from a member, the Chairman stated that the residential units at Verdant Terraces would be available to the members of the Credit Union along with the general public. The Chairman confirmed that there was a continued focus on first-time Caymanian homeowners and this was a priority of the Credit Union.

## **6. TREASURER'S REPORT**

- 6.1. Ms Shakira Gourzong presented the Treasurer's report for the year ended 31 July 2021. Ms Gourzong advised that the low interest rate environment continued throughout the financial year and resulted in a loss of existing loans to other financial institutions; however, the Credit Union was able to reduce the outflow by being flexible with interest rates to members and emphasized the low borrowing fees and interest rebates to members.
- 6.2. Ms Gourzong noted that lending was primarily for vehicles, land purchases and within share loans for consumer purposes throughout the first half of the financial year. During the second half of the financial year was to build and purchase homes. The amount per loan for home loans and construction increased materially to sellers and costs of construction materials. The strong credit policy and procedures aided in keeping delinquency below 2% in 2021. The strong liquidity facilitated disbursement of loans resulted in a 10% growth of the loans portfolio.
- 6.3. In relation to performance, Ms Gourzong noted that there was a net income of \$10.2 million which was 1% results of the prior year. There was a 14% increase in total expenses; 11% increase in personnel expenses due to additional staff, 7% increase in health insurance premiums and retirement benefits for two long-serving employees. There was also a 54% increase in beneficiary benefits paid to deceased members beneficiaries. The net interest income declined by 2% which was due to the impact of lower interest rates for the financial year which was offset by 10% growth in the loan portfolio.
- 6.4. Ms Gourzong stated that there was an increase of 24% in the loan application fees in the second half of the financial year. The recovery of bad debt expense of \$453,500 as the assumptions used in calculating bad debt provision in 2020 were revised after a robust assessment.
- 6.5. There was an unrealised loss of \$97,000 on repossessed collateral which represented 54% improvement in the decline of the fair value of repossessed collateral over the prior year and a loss of \$44,000 in fair value securities which represented an improvement of 81% over the prior year.
- 6.6. Ms Gourzong highlighted the delinquency ratio which improved due to the continued efforts of the delinquency team. Ms Gourzong summarised that the total assets increased by 14% due to a 28% increase in cash and cash at banks and 10% growth in loans which was driven by 15% increase in member deposits.
- 6.7. In relation to the total loans, Ms Gourzong advised that the loans increased by 73% which was due to the increased demand for land, home, vehicle and within share loans.
- 6.8. Ms Gourzong noted that there were loans written off in total for \$564,000 after careful consideration by the Board of Directors due to significant delinquency and all efforts to secure payment were exhausted and proved unsuccessful. The members involved are recorded within the register of loans written off and these members may not avail future lending facilities of the Credit Union until their previous indebtedness was repaid.
- 6.9. Ms Gourzong noted that shares and deposits were \$426 million which had grown by 15% and members continued confidence in the Credit Union and shares had increased by 16% or \$57 million.
- 6.10. Ms Gourzong provided a summary of how the 2022 financial year would be impacted.

- 6.11. Ms Gourzong opened the forum for questions from the members. In response to an enquiry from a member, Ms Gourzong noted that the large increase in assets under construction related directly to the development plans that were discussed earlier by the Chairman.
- 6.12. In response to an enquiry from a member, Ms Gourzong noted that the unrealised loss in possessed property was a result of the increased prices in the real estate market.
- 6.13. Ms Gourzong noted that the IT project, CUOnline, was under construction and would launch in February 2022.
- 6.14. The motion to accept the Treasurer's report, as presented, was first moved by Mr Duran Dawkins and was seconded by Ms Ida Jane Ebanks.
- 6.15. The polls reflected that 184 members, which represented 99% of those in attendance, voted and accepted the Treasurer's report and 1 member had not accepted the Treasurer's report.
- 6.16. Upon motion duly made, seconded and carried unanimously, **IT WAS RESOLVED** that the Treasurer's report, as presented, be accepted in all respects.

## **7. CREDIT COMMITTEE REPORT**

- 7.1. The Chairman invited Mr Matthew Tibbetts, chairman of the Credit Committee to provide a high-level overview of the Credit Committee report. Mr Tibbetts advised that the Credit Committee approved loans totaling \$97 million in 2021 (compared to \$59 million in 2020) and all loans that exceeded the Credit Committee, as set out in the credit policy (the "**Credit Policy**"), were submitted for review and decision by the Board. Mr Tibbetts added that loans below the limit of the Credit Committee were initially approved by the Internal Credit Committee and loan officers in accordance with the Credit Policy. Mr Tibbetts highlighted the out of share loans approved which was due to 100%, 79% increase in construction of homes, 79% increase in new vehicle purchases and 76% increase in within share loans.
- 7.2. Despite the closed borders, the demand for home ownership boosted the real estate and construction industry. In addition, members utilized their pension withdrawals as collateral for consumer, within share loans. The Credit Committee noticed a trend in increased costs to build and purchase homes and the amount of individual loan proposals had increased which were subsequently referred to the Board for final approval based on established limits within the Credit Policy. As such, the Credit Committee recommended increasing the approval limit for the Credit Committee which thereby reduced the number of loans for Board approval.
- 7.3. Mr Tibbetts invited an opening of the forum for members to pose queries online.
- 7.4. In response to an enquiry submitted by a member online, Mr Tibbetts noted that there were competitive loan offerings at the Credit Union, particularly with auto loans and 100% financing on land loans. Mr Tibbetts advised that the stamp duty tax on the loan of 1% and legal fees were waived at the Credit Union.
- 7.5. Upon enquiry from a member online, Mr Tibbetts noted that the 100% financing on mortgages was a decision that would be made by the Board and the CEO and he encouraged these types of discussions with the Credit Union for awareness of the

needs of the membership. Mr Tibbetts stated that this proposal could also be discussed by the Credit Committee at their next meeting.<sup>1</sup> **AN ACTION ITEM**

- 7.6. In response to an enquiry from a member, Mr Tibbetts noted that the Credit Committee looks at risks and takes preventative measures to reduce the likelihood of delinquencies. The delinquency rate at the Credit Union was the lowest among the lending institutions on the island. There were loyal and good paying members and thanked the members for being faithful with their payments. There were cases where properties were repossessed through the court system to seek the right to list the property for sale and these properties were then listed by real estate agents.
- 7.7. Upon enquiry from a member, Mr Tibbetts noted that there were commercial loans over \$500,000 which would be considered by the Credit Committee and the Board of Directors. Ms Estwick added that these loans were only offered to members in good standing for five years or more.
- 7.8. In response to an additional enquiry from a member, Mr Tibbetts noted that there were competitive fees on entry into the loans and there were no upfront fees which were immediate savings. Mr Tibbetts further noted that the interest rates were reduced as a result of COVID-19 in 2020.
- 7.9. Mr Tibbetts noted that the maximum financing offered by the Credit Union on a home loan was based on the loan-to-value ratio which was approximately 80%; however, for special cases the LTV ratio was up to 95%. The Credit Union also considered the debt service ratio, ability to repay and the value of the property. Mr Tibbetts was informed by the CEO that the maximum cash available was 3% of the gross portfolio.
- 7.10. In response to an enquiry from a member, Mr Tibbetts noted that the cut off age for loans was 65 which was the retirement age under the Labour Law; however, if a source of income for those older than 65 years of age was provided the term could then be extended under the Credit Union's Credit Policy.
- 7.11. In response to an enquiry from a member submitted online, Mr Nixon noted that life insurance was core required as part of the Credit Policy at the Credit Union. The Board of Directors were exploring at alternatives that were available to members and this was process was ongoing. The Chairman added that life insurance was required for mortgages over 15 years. The assessment was based on risk management and assessing the risk of the borrower. The Credit Union was responsible for ensuring that the monies of its members were safe guarded.
- 7.12. Upon enquiry from a member, Mr Tibbetts noted that the maximum debt service ratio for lending was 50%; however, under the Credit Policy the Credit Committee could approve 52% and anything above that would require the Board's approval.
- 7.13. In response to an enquiry from Mr Tibbetts, Mr Duran E. Dawkins first moved the motion and Mr Malcolm Hurlston seconded the motion to accept the Credit Committee report, as presented.
- 7.14. The polls reflected that 194 members voted, which represented 99% of those in attendance, to accept the Credit Committee's report, as presented, and 1 member had not accepted the Credit Committee report, as presented.

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<sup>1</sup> An Action Item

- 7.15. Upon motion duly made, seconded and carried unanimously, **IT WAS RESOLVED** that the Credit Committee report, as presented, be accepted in all respects.
- 7.16. Mr Nixon thanked Mr Tibbetts for his time and presentation.
- 7.17. Mr Nixon noted that Ms Beverly McField-Walters would resign from the Credit Committee and thanked her for her contributions to the Credit Committee.

## **8. SUPERVISORY COMMITTEE REPORT**

- 8.1. Ms France was invited by the Chairman to provide an update on the Supervisory Committee report.
- 8.2. Ms France stated that the Supervisory Committee by virtue of the mandate in the Credit Union Rules were charged with the responsibility of examining the affairs of the Credit Union. The Supervisory Committee operated independently of all areas of the Credit Union and ensured that the policies, practices and procedures were in compliance with the applicable laws and regulations. Ms France thanked the members of the Supervisory Committee for their dedication.
- 8.3. Ms France reported that the Supervisory Committee reviewed the internal audit reports and the assessments conducted by the Risk and Compliance Manager. Notwithstanding the internal audit manager's resignation in December 2020, a replacement had been hired in June 2021 and, during this time, seven audit reports had been provided for death benefits, end of the review, ethics, loans, IT security, IT governance and cash management were issued. Ms France further reported that there were no material breaches in the policies and procedures related to the internal audit function; however, recommendations were made to improve the control environment.
- 8.4. Ms France stated that the Supervisory Committee continued to monitor that compliance function was following the various laws and regulations that govern its operations. The anti-money laundering ("**AML**") compliance program was governed through a four-pillar approach which included AML compliance training, AML policies and procedures, risk assessment and a compliance audit function. Ms France further stated that four new procedures were created, namely, risk assessment, existing due diligence, politically exposed persons ("**PEP**") and ongoing procedure. There were various training sessions conducted for updated policies and procedures, sources of funds, transaction processing, PEP and updating due diligence for existing members. The compliance audit program focused on onboarding of new accounts to ensure alignment with the regulatory obligations, established policies and rules of the Credit Union.
- 8.5. Ms France advised that there were changes to the Supervisory Committee and thanked the members for their commitment.
- 8.6. Upon enquiry from a member, the Chairman stated that the incorporation of investment property holding company of the development which would manage the development of Verdant Terraces. This incorporation company was wholly owned subsidiary by the Credit Union, there were no other shareholders and the Directors were identical to those of members of the Board of the Credit Union.
- 8.7. In response to an enquiry from a member, Ms France noted that the Supervisory Committee had been informed that the Cayman Islands Monetary Authority ("**CIMA**") inspection items had been addressed.



- 8.8. In response to an enquiry from Ms France, the motion was first moved by Ms Melissa Brown-Scott and was seconded by Mr Duran Dawkins to accept the Supervisory Committee's report, as presented.
- 8.9. The polls reflected that 190 members voted, which represented 99% of those in attendance, to accept the Supervisory Committee's report, as presented, and 1 member had not accepted the Supervisory Committee report, as presented.
- 8.10. Upon motion duly made, seconded and carried, **IT WAS RESOLVED** that the Supervisory Committee's report, as presented, be accepted in all respects.
- 8.11. The Chairman thanked Ms France for her time and presentation.

**9. RESOLUTION No. 1**

- 9.1. The Chairman invited the members to ask queries in relation to Resolution No 1., distribution of the surplus.
- 9.2. The Chairman provided details on the Benevolent Fund and advised that the Benevolent Fund was created to replace the death benefits offered to members over the year. The Chairman noted that there were increased costs over the last several years in terms of the amount of benefit paid to families of deceased members. There was an insurance program with CUNA Mutual, for regional Credit Unions which was not charged to members. The Board had established an ad-hoc committee in 2021 to review and the death benefits from January 1977 onwards. In 2016, the Board had decided to cancel the insurance policy with CUNA Mutual which was an annual insurance premium of approximately \$600,000. This benefit was brought in-house has been funded by the profits of the Credit Union. The funds paid out in death benefits were as follows \$201,000 in 2017, \$251,000 in 2018, \$289,000 in 2019, \$271,000 in 2020 and \$419,000 in 2021.
- 9.3. The Chairman reported that a recommendation had been made to the Board to review the death benefits and sought to standardize the death benefits. The Board determined that a portion of the surplus would be paid out to the Benevolent Fund and death benefit payments would be made from the Benevolent Fund. The Chairman advised that there was also an aim to streamline the death benefits process. The Chairman informed the members that the standard death benefit payment was up to \$2,500 based on the individual members' circumstances.
- 9.4. The Chairman noted that Resolution No. 1, proposed by the Directors, read as follows:
- 9.5. **WHEREAS** the surplus of the Credit Union, after the Statutory Reserve, shall be utilised as the Annual General Meeting may decide to, among other things, pay to members a dividend not exceeding 6% per annum on fully paid shares; and
- 9.6. **WHEREAS** the undistributed surplus of the Credit Union as ascertained by the audit as of 31 July 2021 is \$10,625,884; and
- 9.7. **WHEREAS** the payment of the Statutory Reserve shall be \$2,125,177 representing 20% of the audited net income; and
- 9.8. **WHEREAS** the undistributed surplus, before dividends, and after deduction of the required statutory reserve of the Credit Union, as ascertained by the audit as of 31 July 2021 is \$8,500,707.

- 9.9. **BE IT RESOLVED** that this Annual General Meeting of the Cayman Islands Civil Service Association Co-operative Credit Union Limited, approve the payment of a dividend of 2.1% and thereafter the following distribution of \$8,500,707, after payment to the Statutory Reserve.
- (a) Payment of Dividend of 2.1% in the amount of \$7,744,225;
  - (b) Educational grants to members for July 2022 in the amount of \$300,000;
  - (c) Benevolent Fund (member beneficiaries) in the amount of \$250,000; and
  - (d) Remaining balance to training of members, volunteers and staff in the amount of \$206,482.
- 9.10. Upon enquiry from a member, the Chairman noted that the death benefit would have a needs assessment built in and the process would be open and transparent. The amount would vary based on the surplus, as decided by the membership.
- 9.11. In response to an enquiry from a member, the Chairman noted that consideration to an indemnity plan, where members pay for death benefits, could be given for the members.<sup>2</sup> **AN ACTION ITEM**
- 9.12. Upon enquiry by a member, the Chairman noted that the change in death benefits was not prescribed within the rules of the Credit Union rules and was a decision taken by the Board of Directors at the infancy of the organisation. The Chairman further noted that the decision made was in the collective best interest of the organisation.
- 9.13. In response to an enquiry from a member, the Chairman noted that the dividends were calculated to the average lowest balance per month from 1 August 2020 to 31 July 2021 and following approval of the resolution for the dividends, this would be made available to the members on Wednesday, 1 December 2021.
- 9.14. In response to an enquiry from a member, the Chairman noted that information about the deceased members could only be disclosed to the designated beneficiaries in accordance with the Cooperative Societies Act.
- 9.15. Upon enquiry from a member, the Chairman noted that the training budget of \$206,000 would cover the Board, the members, the Committees and the staff and as a regulated financial institution being up to date on regulations and best practices was vital. The Credit Union was obligated to train its people and these expenses would need to be incurred; otherwise, the funds would need to be taken from the surplus without impacting the 2021/2022 fiscal year or would be taken from the operating expenses next year. Ms Bothwell added that the Credit Union was regulated by CIMA and other legislations in the Cayman Islands and advised that there were implications sanctions and penalties for non-compliance. Ms Bothwell further added that the training provision of \$206,000 to upskill, build competency and confidence in staff in order for staff to discharge their duties in a professional and compliant manner would only benefit the Credit Union, as opposed to potential risks, exposure and damages that the Credit Union could face. Ms Bothwell noted that the Credit Union was building a professional work environment and the work is becoming more complex and stressed the importance of remaining knowledgeable in an ever-changing environment.

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<sup>2</sup> An Action Item

- 9.16. In response to an enquiry from a member, the Chairman noted that there was not a fixed number on the amount of educational grants approved each year and operated based upon the allocated budget for the program along with the number of applicants each year.
- 9.17. In response to an enquiry from the Chairman, the motion to accept Resolution No. 1, as presented, was first moved by Mr Oscar B Calidonio and was seconded by Ms Delroy Dyer.
- 9.18. The polls reflected that 236 members voted, which represented 95% of those in attendance, to accept Resolution No. 1, as read, and 12 members had not accepted Resolution No. 1, as read.
- 9.19. Upon motion duly made, seconded and carried, **IT WAS RESOLVED** that Resolution No. 1 be accepted, as read, in all respects.

## **10. RESOLUTION NO. 2**

- 10.1. The Chairman noted that Resolution No. 2 was a statutory obligation under Article XVI of the Rules and a requirement of the Cooperative Societies Act.
- 10.2. In response to an enquiry from a member, the Chairman stated that the Credit Union would be permitted to borrow up to a maximum of \$5 million from the commercial market.
- 10.3. In response to an enquiry from the Chairman, the motion to accept Resolution No. 2, as read, was first moved by Mr Robert Bouliane and was seconded by Mr Andre Haughton.
- 10.4. The polls reflected that 212 members voted, which represented 99% of those in attendance, to accept Resolution No. 2, as read, and 1 member had not accepted Resolution No. 2, as read.
- 10.5. Upon motion duly made, seconded and carried, **IT WAS RESOLVED** that the maximum liability of \$5 million for the financial year 1 August 2021 to 31 July 2022 be approved in all respects.

## **11. NOMINATING COMMITTEE REPORT**

- 11.1. The Chairman invited Ms Suzanne Bothwell to provide the Nominating Committee report.
- 11.2. In accordance with the provision Article 13, Rule 65-1 of the Rules, Ms Bothwell noted that the Board appointed a director whose term was not expiring at the AGM to chair the Nomination Committee. The membership of the Nomination Committee consisted of three members; Ms Suzanne Bothwell, Ms Jenesha Simpson and Ms Samantha Bennett. The Nomination Committee met to review the nominations and confirmed that all nominators and nominees were over the age of 18, were in good standing and had the necessary skills to serve on the Board or Committees.
- 11.3. Ms Bothwell reported that the Rules dictate that directors shall be elected for two-year terms and at least half of all Directors terms must expire in different years thus the need for some Directors on a one-year term and others for a two-year term in order to comply with Article 8, Rule 31-2. Ms Bothwell provided the names of the new nominees of the Board and outlined the terms for which they will serve.

- 11.4. Ms Bothwell noted that under Article 10, Rule 44-2 states that the term of office of not the bare majority shall expire at the AGM. The Nomination Committee hereby presents as nominees to be elected under Rule 44-1 to serve on the Credit Committee for a two-year term; Ms Louise Burke Richardson, Ms Ida Jane Ebanks and Mr Asaph Scott.
- 11.5. Ms Bothwell shared the biographies of the new nominees being, Mr Ryan Rajkumarsingh and Ms Deirdre Carmola for the Board, Mr Asaph Scott for the Credit Committee, Mr Mervyn Conolly and Ms Johnae Moss for the Supervisory Committee.
- 11.6. Ms Bothwell invited members to ask their queries through the questions and answers section of the portal and there were no queries posted.
- 11.7. Ms Bothwell thanked the volunteers that committed their time to the various committees.
- 11.8. In response to an enquiry from Ms Bothwell, the motion was first moved by Mr Timothy Adam to accept the Nominating Committee report and the slate of nominees, as presented, and the motion was seconded by Ms Shannon Wallace.
- 11.9. The polls reflected that 232 members voted, which represented 97% of those in attendance, to accept Nominating Committee report and the slate of nominees, as presented, and 6 members had not accepted Nominating Committee report and the slate of Nominees, as presented.
- 11.10. Upon motion duly made, seconded and carried, **IT WAS RESOLVED** that the Nominating Committee report and the slate of nominees, as presented, be accepted in all respects.
- 11.11. The Chairman noted that there was no requirement for a separate elections process as the nominees were accepted, as presented.
- 11.12. The Chairman thanked Ms Bothwell for her time and presentation.

## **12. ANY OTHER BUSINESS**

- 12.1. In response to an enquiry from a member, the Chairman noted that there would be significant upgrades and enhancements launched for the Credit Union's online platform in February 2022.

## **13. RAFFLE PRIZES**

- 13.1. The Chairman drew random names, of those in attendance online at the AGM, for the following prizes:
- 13.2. It was noted that for early registration to attend the AGM, Ms Shenette Rankin was awarded \$1,000 and the two (2) Educational Grants for training opportunities in the year ahead were granted to Ms Lurna Phillip and Mr Sidney Terry in the amount of \$2,500 each.

## **14. TERMINATION OF THE AGM**

- 14.1. The Chairman thanked the various attendees, committee members and the staff and management at Credit Union to ensure the online meeting was a success.
- 14.2. The Chairman noted that there being no further business to discuss, the AGM terminated at 9:02 pm Cayman Islands' time.

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**CHAIRMAN**

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**SECRETARY**

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**DATE SIGNED**

## LIST OF ACTION ITEMS

| NO.  | MINUTE<br>REFERENCE | ACTION POINT  | RESPONSIBILITY         | DUE DATE     | STATUS |
|--|---------------------|---|------------------------|--------------|--------|
| <b>ACTION POINTS ARISING FROM THE AGM HELD ON 24 NOVEMBER 2021</b> |                     |   |                        |              |        |
| 1.   | 7.5.                | To discuss the proposal for 100% financing on mortgages at the next Credit Committee meeting. | The Credit Committee   | Post Meeting |        |
| 2.   | 9.10.               | To consider an indemnity plan, where members pay for death benefits.                          | The Board of Directors | Post Meeting |        |