

## **Minutes of 34<sup>th</sup> Annual General Meeting of Khalsa Credit Union held on June 14, 2020 via Microsoft Teams**

1. Mr. Hardeep Singh Bains welcomed members and guests for attending KCU virtual AGM. He explained about house-keeping items, raising questions & for putting motions. He also explained about three main features both in Punjabi & English by sharing his screen, 1<sup>st</sup> mute and unmute, 2<sup>nd</sup> raising hands and 3<sup>rd</sup> question & answer and about documents uploaded on the system. He also advised on how to ask question by typing their message and raising hand.  
He also advised that the following documents are available on line:-
  - Rules of order both in English & Punjabi
  - Minutes of 2019 Annual General meeting
  - Annual report and
  - Summary of Financial StatementParticipants can also call on 604-507-2349 if they have question and our team member can help in technical issues and requested to bear with us if there is any technical difficulty.

2. Introduced Mr. Parvkar Singh Dulai as Board Secretary.

3. Mr. Parvkar Singh Dulai welcomed the membership for joining virtual meeting and called for the meeting to order at 1:00 p.m. by declaring the quorum of 62 members and requested Board Chair, Mr. Jagpaul Singh Sandhu to further carry forward the meeting.

Mr. Jagpaul Singh Sandhu welcomed and thanked the membership for taking time to join KCU 1<sup>st</sup> virtual AGM and requested to keep patience for any technical difficulty if it arises.

4. Ardaas was recited by Mr. Jaswinder Singh Gill.

Mr. Jagpaul Singh Sandhu informed the attendees about the correction in net income was a typo in English version but it was correct in Punjabi version.

5. Mr. Jagpaul Singh Sandhu informed about the following announcements:-
  - i. Mr. Parvkar Singh Dulai as Recording Secretary
  - ii. Mr. Malvinder Grewal, Ernst & Young LLP, Canada as Scrutineer
  - iii. Mr. Sukhbinder S. Nunnha as Parliamentarian and Legal Counsel.

6. Agenda was approved.

**Moved Mr. Gurdeep Singh                      Seconded Mr. Amarpal Singh Carried**

7. Mr. Jagpaul Singh Sandhu introduced the Board members & the CEO.

8. Minutes of the 33<sup>rd</sup> Annual General Meeting held on May 5, 2019 were presented by Mr. Parvkar Singh Dulai and were approved.

***Moved Mr. Jarnail Singh Rai Seconded Mr. Kuldip Singh Sidhu Carried***

Business arising out of minutes:-

NIL

9. **Chairman's report**

Mr. Jagpaul Singh Sandhu presented the Board Chair report. He advised that KCU was founded to provide best financial services possible to our community and it still remains our vision. Last year our financials showed solid financial growth by reaching a new milestone with over \$500 million growth in assets and \$4.97 million in net income. He advised that the Board has declared 5% dividend on both Class A & Class B equity shares. Our membership continues to grow strongly and we continue to support our youth through scholarship awards and bursaries. We give 10% of our net income as Daswandh towards donations and have \$400,000 in 2019 & \$470,000 in 2020 for donations. He advised that if anybody have any known charity /institution, they can approach us and we are ready to work with them.

He advised that with COVID causing unprecedented burden on the entire Canadian economy, we, at KCU are here for our membership. Our members and employees have faced financial hardships and we will continue to be there to provide support & services to our membership and employees. He advised that we have provided loan deferrals, allowed easier sign up for receiving direct deposit for CRA benefits and CERB benefit and have also successfully lobbied with fellow credit unions to be able to provide our member to provide Canadian emergency business account loan program. Though we have seen a financial impact, but we have a very strong balance sheet with ample liquidity and strong capital base. We have achieved our goal by successfully hiring a very strong Executive team with a very good banking experience and will continue to invest in our people with an increased focus in employees' satisfaction and by providing the support & training needed to meet our member expectation and teams' growth needs. With strong team in place, we have now shifted focus to invest in strong foundation in our processes and IT. We have invested in new banking platform called FORGE which would be launched later this year. It will be member centric to meet member needs with new features. On behalf of the entire Board, he thanked the membership, management and employees for their continued support and dedication in making the Khalsa Credit Union one of the most successful organizations in our community. We will continue to work together with our membership support.

***Moved Mr. Jarnail Singh Rai Seconded Ms. Parmpreet Kaur Sidhu Carried***

10. **Chief Executive Officer's report**

Mrs. Jessie Kaur Sidhu advised that this is the first time we are holding this meeting virtually.

She briefly commented on the financial results of 2019. She advised that in 2019 we have gained solid financial position in our 34 year's KCU history. She advised that our founders set out in 1986 with a vision of Sikh owned financial institution able to serve the community throughout the province and today we can take pride in attaining these milestones.

She advised that through marketing our services and diligently monitoring our expenditure and carefully monitoring our delinquencies, KCU has obtained solid efficiency ratios. She advised that by achieving these growth targets we are able to enhance our service delivery options and build upon our teams while still giving back to our community and this could not be possible without the enormous support of our members. She thanked the entire membership of KCU for using the services on regular basis.

She advised that both herself and the Board chair has commented on our annual report change but we never contemplated on how disastrous change would be. She advised that the intensity & scope of COVID has affected all of us. She updated the membership on the steps taken to keep our employees and the membership safe, secure and connected. She advised that she is proud on KCU leaders and front-line teams for their ability to navigate these in the unprecedented times. She advised that we have kept our branches open by staggering the hours of service and provided options to work from home where feasible. She advised that our Head Office team were able to work remotely and we have taken time to do renovations of head office to better align the look and feel of each of our locations. She advised that during this time we have followed all the specifications set out by all levels of Government. She advised that to protect both our members and employees we have purchased all the necessary PPE and installed plexiglass panels in all locations and increased the frequency of our cleaning services.

Mrs. Sidhu advised the participants that we have donated masks and other protective equipment to local hospitals and to PICS and donated \$10,000 to Vancouver Foundation to support local food banks as part of our continued support for the sake of health and safety of our community. In addition, we have also provided financial support to Langara College students and partnered with Guru Nanak's Free Kitchen to supply substantial food for International students. She advised that it is very inspiring that during this difficult time, our community come together to provide support.

Mrs. Sidhu encouraged the membership to use the digital platform services which are available for 24 hours to reduce branch visits during this time, she. She advised that we have published the information on both Federal and Provincial assistance

programs to educate our membership on the process to applying for the benefits. She highlighted how KCU can help members on those benefits. She advised that we have reduced our interest rate on Collabria credit cards and work with members for loan deferrals on case by case basis.

She advised that she can say with confidence and pride that our employees and members went beyond and above our expectations during this difficult time. She thanked everyone for their dedication, patience and understanding. She advised that Khalsa spirit remains strong and resilient and while we remain vigilant in the time ahead, we must pray for the health and safety of our community. She advised that since financial services industry will continue experiencing for the changes in future, it does not mean that we will compromise with our values and believes. We will continue to maintain our commitment by providing financial and logistical support to organizations doing good work locally and abroad. At the end she thanked the membership for their dedicated support.

***Moved Mr. Jarnail Singh Rai    Seconded    Ms. Parmpreet Kaur Sidhu    Carried***

11. **External Auditor's report**

External auditor's report was presented by Mr. Malvinder Grewal of Ernst & Young LLP Canada, Chartered Accountants and Mr. Amanpreet Singh Chugh, Controller of Khalsa Credit Union.

Mr. Jagpaul Singh Sandhu asked the participants if anybody have any question about the financial statements by raising hand or by calling 604-507-2349. No question was asked.

The 2019 financial statements and auditor's report were received & approved.

***Moved    Ms. Rani Kaur                      Seconded    Mr. Kuldip Singh Sidhu    Carried***

12. **Appointment of External Auditors**

The following motion was put up by the Board Chair:-

***"Be it resolved to appoint the firm of Ernst & Young LLP, Chartered Accountants, as external auditors for 2020 and that the Board of Directors be authorized to set the remuneration for the auditors."***

***Moved    Ms. Parmpreet Sidhu    Seconded    Mr. Gurdeep Singh                      Carried***

13. **Unfinished Business**

NIL

14. **New Business**

Mr. Jagpaul Singh Sandhu asked the attendees if anybody have any question, they can raise their hand or call @604-507-2349 for support in asking question.

1. Member - Mr. Satwant Singh Sandhu – how well you know Klondike Contractors? Ms. Jessie Kaur Sidhu answered that when we started to consider our renovations and our new building, we picked up where we left off for Fraser Street, we requested for the bids on the two projects and three companies gave us the bids and we reviewed all three with pricing as well as with experience and Klondike was considered to be one of the companies we would have moved forward with for the Fraser Street new building two years prior so they approached us to be considered for this project we were picking up where we had left off. They have done extensive work for retail organizations, we did our research as well. We presented the findings and three bids to our Construction Advisory Committee and our Construction Advisory Committee moved that to our Board of Directors for approval. In terms of how well we know them, we did our research and we did align and look at other opportunities for other organizations.
2. Hand raised question from Mr. Jaswinder Singh Badesha – He was unable to handle and was asked to call 604-507-2349.
3. Question about Difference between Punjabi & English version about net income was already addressed in the beginning by the Board Chair.
4. Mr. Satwant Singh Sandhu - Broken window glass at Newton Branch

Mr. Hardeep Singh Bains answered that member had brought to our attention that some renovations need to be done at Newton Branch but we did not know specifically for the window, however we have checked that issue and it is a double pane window and appears not to be safety issue and we had raised the issue in the past before our time with the landlord and there was an issue around the deductible and the payment need to be made. We will look into that issue again and the other renovation issues raised by the member were already addressed.

Mr. Jagpaul Singh Sandhu again asked if anyone have any questions, can take them now or can ask later on as we are always available to answer.

Mr. Jagpaul Singh Sandhu thanked the membership and guests for attending the meeting and making it a success and advised that we had record turnover for our AGM and appreciated everyone for adapting to the situation at hand and we love to have feed-back for this as well as for future AGMs.

5. Question by Baldeep Singh Hehar about membership presence - How many

employees among the outside member have attended the AGM?

Mr. Jagpaul Singh Sandhu advised that we can see how many members are present and it is 62 but for quorum purpose, our employees are members too as they have the accounts with KCU. Mr. Hehar again asked how many membership KCU has engaged from outside. Mr. Sandhu advised that he can let him know later.

From 18,000 membership only 0.33% membership has participated. Mr. Sandhu advised usually very few members join AGMs. We can only encourage members to join but cannot force anybody to join.

6. Question – When was the virtual meeting notice sent out? – Mrs. Jessie Kaur Sidhu answered that it was decided on May 7<sup>th</sup> in Executive Committee meeting to have virtual meeting on June 14<sup>th</sup> for virtual AGM due to restrictions, we started to send out the information immediately after that 1<sup>st</sup> Monday i.e. May 10<sup>th</sup> started to notify our members both on-line and we made personal phone calls as well and made sure our branches had posted notices on screens, counters and doors. We did have the little cards printed both in English and Punjabi for the AGM to hand out to our members visiting the branches.
7. Written question from Jaswinder Singh Badesha
  - a. Notice of AGM - already answered
  - b. Error in Net income reporting not noticed by the management and Board of directors?– Board Chair responded by saying that everyone is human, we make mistakes and we have to change the numbers after the audit done and wrong copy was uploaded and he apologized for that.
  - c. KCU rules states that all directors of KCU should be baptized? – Board Chair answered that all directors are baptized and they take oath in front of Guru Granth Sahib when they become directors and we do agree with that and we follow all the rules.
  - d. Why certain group of people become directors of KCU? – Board Chair answered that he did not get the question what group he is referring to and replies that anybody who is a general member of KCU & have the required qualifications to become a member of the Board is free to apply. We advertise through media and in branches and welcome anybody to apply as a director. We like to have diversity in our Board as well as representation of our membership is critically important to any organization to become successful and we totally support that. if you know anybody who wants to become a director, you are free to approach us to apply.

Mr. Jagpaul Singh Sandhu advised that there is only one question left unanswered that is attendance of employees vs general membership, we will post the answer on a banner on our website.

Mr. Sandhu thanked all the attendees again to make this a very successful virtual

meeting and asked to provide feedback as this is our first virtual meeting.

15. **Adjournment**

Meeting adjourned at 1:45 p.m.

***Moved Mr. Kuldip Singh Sidhu    Seconded Mr. Amarpal Singh    Carried***