

UKRAINIAN-CANADIAN CREDIT UNIONS 2017 FINANCIAL RESULTS



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Analysis of Financial Results

The financial results of Ukrainian-Canadian Credit Unions over the last five years has shown consistent profitability, but at a lower level in the last two years compared to the previous three.

Asset quality as measured by allowance as a % of loans and loan loss provision has increased slightly in 2017 to 0.13% of total loans. Generally, Ukrainian-Canadian credit unions have endeavoured to provide loans using a lower loan to value ratio than the maximum of 80% and have issued more insured mortgages, which have helped to keep the loan loss ratio low. Buduchnist, Carpathia and North Winnipeg credit unions have disclosed their insured mortgage lending amounts. Their combined exposure to insured mortgages represents 29.2% of their residential mortgage portfolio in 2017 compared to 36.3% in 2016.

Capital to assets ratio in 2017 has declined to 7.13% compared to 7.21% in the previous year. The return on assets and the return of equity increased slightly in 2017 compared to 2016. The membership has decreased again in 2017. The membership totalled 62,478 and is far from the record level of 72,280, which was achieved in 2007. Some of this decline is due to the closing of dormant accounts of members who had passed away in previous years.

The members of the Ukrainian-Canadian credit unions have continued to financially benefit by receiving significant dividends and patronage payments, which totalled \$813 million in 2017 compared to \$1.080 million in 2016. Over the last five years a total of \$7.0 million has been provided by way of dividends and patronage dividends to the members of the Ukrainian-Canadian credit unions in Canada.

The Ukrainian-Canadian credit unions have continued to support the Ukrainian community in Canada by providing donations, sponsorship and promotions funds to non-profit and charitable organizations for their deserving projects. In 2017, the five Ukrainian-Canadian credit unions have provided \$2.664 million in donations, sponsorship and promotion support for many charitable and non-profit organizations in the Ukrainian community in Canada. This represents a decrease of 13.6% from the previous year. Over the last five years a total of \$14.9 million has been provided by way of donations, sponsorship and promotion funds to the Ukrainian community in Canada.

Performance. Return on equity was 5.1% compared to 5.0% in 2016. Ukrainian-Canadian credit unions assets grew by 5.5% in 2017 compare to record growth of 5.4% in 2016. *In 2017, the largest credit unions in Canada saw their assets grow by 7.2% compared to 8.8% in 2016.* Ukrainian-Canadian Credit Union's total deposits grew by 4.7% compared to a growth of 4.0% in the previous year. Even in a low interest rate environment, demand deposits grew by 8.2% while Registered Plans (RRSP and RRIF deposits) increased by 2.8%, while term deposits increased by 2.7%.

The Ukrainian-Canadian Credit Union's net income before dividend and patronage payments increased by 5.0% to \$8.8 million from \$8.4 million, primarily due to an increase in the net interest margin and other income. The operating expense ratio decreased to 1.68% compared to 1.71% in the previous year. Ukrainian-Canadian Credit Union's operating ratio is much lower than the operating expense ratio of the *largest credit unions in Canada, which had a ratio of*

2.05%. This means that the Ukrainian-Canadian Credit Unions are low cost providers of financial services. The Ukrainian-Canadian Credit Unions paid 9.2% of their net income to their members by way of a dividend or a patronage refund totalling \$813,000 compared to \$1.080 million in the previous year. These patronage dividends helped increase the capital of the credit unions by 4.5% to \$178.0 million representing 7.13% of the assets. The ratio of capital to assets has decreased compared to the previous year.

The return on assets (ROA) remained stable at 0.36% compared to 0.36% in 2016, which was below the *largest credit unions in Canada average ROA of 0.47%*.

Ukrainian-Canadian Credit Unions continue to largely rely on the traditional intermediary function or the net interest margin for their revenue source. Expansion into other sources of income is slowly progressing and represented 16.0% of total net operating revenue compared to 15.1% in the previous year. *Other income represented 24.6% of the total revenue for the largest Canadian credit unions.* The higher ratio of other income total revenue experienced by largest credit unions in Canada was due to the significant fee income generated from their lending activities, mutual funds and investment management activities.

Asset Quality. Overall the asset quality is still quite strong. The loan loss provision as a % of average assets was at 0.03% of loans compared to 0.03% in 2016, which compares very favourably to the *large Canadian credit unions, which had a loan loss provision of 0.08%*.

The allowance for loan losses increased slightly to 0.13% of total loans, which again compares very favourably [*less than half*] to the *largest Canadian credit unions, which had an allowance for loan losses of 0.26%*.

Loan portfolio. The Ukrainian-Canadian Credit Unions have a larger concentration in lower risk residential mortgage lending which represents 63.3% of the loan portfolio. The residential loan portfolio grew strongly by 11.8% in 2017 compared to 3.8% in the previous year. *Residential mortgage portfolio of the largest credit unions in Canada represented 60.0% of the total loan portfolio and saw their residential mortgages grow by 10.2%*.

The commercial mortgage loans represented 31.4% of the total loan portfolio. The commercial mortgage loans grew by 4.7% compared to 10.0% growth in the previous year. Providing secured commercial mortgage loans to small businesses and self-employed individuals will ensure the future of Ukrainian-Canadian credit unions, because these two groups of members have generally been ignored by and not well serviced by the chartered bank system in Canada. *Commercial loan portfolio of the largest credit unions in Canada represented 27.0% of the total loan portfolio and saw their commercial loans grow by 13.5%*.

Consumer (personal) loans only represented 4.3% of the total loan portfolio and saw an increase of 5.4% in 2017 compared to an increase of 7.1% in the previous year. *Consumer loan portfolio of the largest credit unions in Canada represented 7.4% of the total loan portfolio and saw their personal loans grow by 4.6%*.

Business loans and leases only represented 1.2% of the total loan portfolio and saw a decrease of 6.1% in 2017 compared to a decrease of 33.8% in the previous year. *Business loans and leases loan portfolio of the largest credit unions in Canada represented 5.5% of the total loan*

portfolio and saw their business loans decline by 6.2%.

Comparison of 2017 and 2016 Loan Portfolios

Net Loans	2017	2016	Growth %
Buduchnist	729,421	686,597	6.2%
Ukrainian	700,463	628,574	11.4%
Carpathia	438,342	392,480	11.7%
CP Ukrainienne de Montreal	140,382	135,101	3.9%
North Winnipeg	97,213	92,602	5.0%
New Community	82,155	72,945	12.6%
	2,187,975	2,008,299	8.9%

Residential Mortgages	2017	2016	Growth %
Buduchnist	482,379	436,005	10.6%
Ukrainian	459,222	416,348	10.3%
Carpathia	244,846	208,497	17.4%
CP Ukrainienne de Montreal	58,768	51,015	15.2%
North Winnipeg	75,820	72,130	5.1%
New Community	63,425	54,494	16.4%
	1,384,460	1,238,489	11.8%

Commercial Mortgages	2017	2016	Growth %
Buduchnist	239,857	241,391	-0.6%
Ukrainian	218,194	193,558	12.7%
Carpathia	148,305	138,968	6.7%
CP Ukrainienne de Montreal	61,013	63,190	-3.4%
North Winnipeg	14,573	13,703	6.3%
New Community	5,295	5,347	-1.0%
	687,237	656,157	4.7%

Consumer Loans	2017	2016	Growth %
Buduchnist	8,044	10,061	-20.1%
Ukrainian	24,474	19,798	23.6%
Carpathia	22,080	19,909	10.9%
CP Ukrainienne de Montreal	20,704	21,011	-1.5%
North Winnipeg	4,797	4,953	-3.2%
New Community	13,364	12,979	3.0%
	93,463	88,711	5.4%

Business Loans	2017	2016	Growth %
Buduchnist	-	-	-
Ukrainian	-	-	-
Carpathia	23,413	25,256	-7.3%
CP Ukrainienne de Montreal	-	-	-
North Winnipeg	2,110	1,877	12.4%
New Community	91	146	-37.6%
	25,614	27,279	-6.1%

Growth of membership. Membership has decreased by 2.0% to 62,478. Carpathia CU saw their membership numbers increase by 0.5%.

Comparison of Membership Growth				
Name of credit union	Members 2017	Members 2016	Growth %	Growth #
1 Buduchnist	20,655	21,940	-5.9%	(1,285)
2 Ukrainian	23,925	23,960	-0.1%	(35)
3 Carpathia	8,774	8,729	0.5%	45
4 CP Ukrainienne de Montreal	3,492	3,492	0.0%	0
5 North Winnipeg	3,375	3,375	0.0%	0
6 New Community	2,257	2,277	-0.9%	(20)
Total	62,478	63,773	-2.0%	(1,295)

Asset Growth. Ukrainian-Canadian credit unions assets grew by 5.5% in 2017 compared to 5.4% growth in 2016. *The largest credit unions in Canada grew by 7.2% in 2017 compared to 8.8% in previous year.*

New Community had the largest asset growth of 9.8%, followed by Ukrainian CU with growth of 8.4%.

Comparison of Asset Growth				
	Assets 2017 (\$mils)	Assets 2016 (\$mils)	Growth %	Growth \$
1 Buduchnist	\$831.5	\$805.3	3.3%	\$26.2
2 Ukrainian	\$803.4	\$741.1	8.4%	\$62.3
3 Carpathia	\$490.3	\$463.5	5.8%	\$26.7
4 CP Ukrainienne de Montreal	\$162.9	\$158.0	3.1%	\$4.9
5 North Winnipeg	\$109.0	\$106.8	2.1%	\$2.2
6 New Community	\$97.8	\$89.1	9.8%	\$8.7
Total	\$2,494.9	\$2,363.8	5.5%	\$131.1

Deposit growth. CU members have been seeking higher interest rates outside of their credit union and using excess funds on deposit to reduce their outstanding debts. This has resulted in a very difficult and competitive deposit taking environment. Deposits increased by 4.7% in 2017 compared to growth of 4.0% in previous year. *The largest credit unions in Canada grew 7.0% in 2017 compared to 9.5% in previous year.*

New Community CU had the largest deposit growth of 9.9%, followed by Ukrainian CU with a growth rate of 6.7%.

Comparison of Deposit Growth				
	Assets 2017	Assets 2016	Growth	Growth
	(\$mils)	(\$mils)	%	\$
1 Buduchnist	\$668.2	\$649.3	2.9%	\$18.9
2 Ukrainian	\$642.8	\$602.4	6.7%	\$40.4
3 Carpathia	\$458.7	\$433.1	5.9%	\$25.6
4 CP Ukrainienne de Montreal	\$116.5	\$116.9	-0.4%	(\$0.4)
5 North Winnipeg	\$99.0	\$99.3	-0.2%	(\$0.2)
6 New Community	\$89.8	\$81.7	9.9%	\$8.1
Total	\$2,075.1	\$1,982.7	4.7%	\$92.4

Net Interest Margin - Net interest margin increased to 1.93% compared to 1.89% in the previous year. CP Ukrainienne de Montreal had the highest net interest margin 2.34%, followed by New Community CU with 2.14% and then with Ukrainian CU 2.06%.

The largest credit unions in Canada had a net interest margin of 2.05% in 2017 compared to 2.04% in the previous year.

Net Interest Margin Comparison			
Name of credit union	2017	2016	Change %
Buduchnist	1.93%	1.87%	0.06%
Ukrainian	2.06%	1.96%	0.09%
Carpathia	1.64%	1.67%	-0.03%
CP Ukrainienne de Montreal	2.34%	2.40%	-0.06%
North Winnipeg	1.61%	1.67%	-0.06%
New Community	2.14%	2.03%	0.11%
	1.93%	1.89%	0.04%

Operating Costs – Ukrainian-Canadian Credit Unions have an operating cost structure that is quite competitive. The operating expense ratio increased to 1.68% in 2017 compared to 1.71% in the previous year. *[Still quite favourable compared to the largest credit unions in Canada].*

The largest credit unions in Canada decreased their operating expense ratio to 2.05% from 2.12% in the previous year.

Operating Expense Ratio Comparison			
Name of credit union	2017	2016	Change %
Buduchnist	1.52%	1.56%	-0.05%
Ukrainian	1.92%	1.94%	-0.02%
Carpathia	1.64%	1.63%	0.01%
CP Ukrainienne de Montreal	1.47%	1.52%	-0.05%
North Winnipeg	1.70%	1.77%	-0.07%
New Community	1.60%	1.72%	-0.13%
	1.68%	1.71%	-0.03%

The operating expense to revenue (productivity ratio) increased to 72.9% in 2017 from 76.7% in the previous year. The productivity ratio of the Ukrainian-Canadian Credit Unions still remains below the *largest Canadian credit unions ratio, which had a productivity ratio of 75.4% in 2017 compared to 77.3% in the previous year.*

Productivity Expense Ratio Comparison			
Name of credit union	2017	2016	Change %
Buduchnist	69.4%	72.5%	-3.1%
Ukrainian	77.6%	86.0%	-8.4%
Carpathia	80.8%	80.0%	0.7%
CP Ukrainienne de Montreal	53.0%	53.2%	-0.2%
North Winnipeg	85.4%	85.4%	0.0%
New Community	57.6%	64.4%	-6.9%
	72.9%	76.7%	-3.8%

Capitalization – The average capital ratio decreased to 7.53% from 7.21% in the previous year. This compares very favourably to *the largest credit unions in Canada which had a capital ratio of 7.07% in 2017 compared to 7.00% in the previous year.*

The best capitalized credit union was CP Ukrainienne de Montreal with a capital ratio of 14.10%, the next best capitalized credit union was Buduchnist CU with a capital ratio 8.37% followed by New Community CU with 8.25% and Ukrainian CU with 6.38% capital ratio.

Comparison of Asset Growth				
	Assets 2017 (\$mils)	Assets 2016 (\$mils)	Growth %	Growth \$
1 Buduchnist	\$831.5	\$805.3	3.3%	\$26.2
2 Ukrainian	\$803.4	\$741.1	8.4%	\$62.3
3 Carpathia	\$490.3	\$463.5	5.8%	\$26.7
4 CP Ukrainienne de Montreal	\$162.9	\$158.0	3.1%	\$4.9
5 North Winnipeg	\$109.0	\$106.8	2.1%	\$2.2
6 New Community	\$97.8	\$89.1	9.8%	\$8.7
Total	\$2,494.9	\$2,363.8	5.5%	\$131.1

Canadian credit unions have had to comply with the Risk Adjusted Capital rules (Basel accord) over the last few years, which the chartered banks have been using for many years. The average Ukrainian-Canadian Credit Union's Total risk adjusted capital ratio declined to 13.23% compared to 14.11% in the previous year. *The Ukrainian-Canadian credit union's risk adjusted capital ratio now is less than the largest credit unions in Canada's ratio of 13.72% compared to 13.63% in the previous year.*

Risk Adjusted Capital Comparison				
Name of credit union	Risk Adjusted Capital (\$000's) 2017	Total Ratio %	Risk Adjusted Capital (\$000's) 2016	Total Ratio %
1 Buduchnist	\$67,499	15.25%	\$64,413	15.56%
2 Ukrainian	\$48,453	12.30%	\$47,392	13.70%
3 Carpathia	\$27,519	9.91%	\$26,085	10.85%
4 CP Ukrainienne de Montrea	\$21,708	19.60%	\$20,261	16.42%
5 North Winnipeg	\$6,315	16.42%	\$6,037	16.42%
6 New Community	\$7,398	13.14%	\$6,516	13.11%
	\$178,892	13.23%	\$170,704	14.11%

Five Year Results of Ukrainian-Canadian Credit Unions in Canada

Ukrainian Credit Unions in Canada						5 yr Avg.
	2013	2014	2015	2016	2017	
Number of Credit Unions	6	6	6	6	6	
Members	64,540	64,899	64,543	63,773	62,478	
Growth rate %	-5.6%	0.6%	-0.5%	-1.2%	-2.0%	-1.8%
Assets (\$Mils)	\$1,973	\$2,109	\$2,242	\$2,364	\$2,495	
Growth rate %	6.6%	6.9%	6.3%	5.4%	5.5%	6.1%
Assets per member	\$30,570	\$32,503	\$34,736	\$37,066	\$39,933	
Growth rate %	12.9%	6.3%	6.9%	6.7%	7.7%	8.1%
Total Loans (\$Mils)	\$1,685	\$1,826	\$1,912	\$2,008	\$2,188	
Growth rate %	6.4%	8.3%	4.7%	5.0%	8.9%	6.7%
Allowance % loans	0.12%	0.12%	0.12%	0.12%	0.13%	0.12%
Residential mortgages (\$mils)	\$1,056	\$1,133	\$1,194	\$1,238	\$1,384	
Growth rate %	4.2%	7.2%	5.4%	3.8%	11.8%	6.5%
Commercial mortgages (\$mils)	519	580	596	656	687	
Growth rate %	11.9%	11.9%	2.8%	10.0%	4.7%	8.3%
Consumer loans (\$mils)	86	84	83	89	93	
Growth rate %	0.0%	-1.3%	-1.9%	7.1%	5.4%	1.8%
Business Loans (\$mils)	27	30	41	27	26	
Growth rate %	10.9%	12.8%	36.7%	-33.8%	-6.1%	4.1%
Total Deposits (\$mils)	\$1,755	\$1,809	\$1,907	\$1,983	\$2,075	
Growth rate %	7.0%	3.1%	5.4%	4.0%	4.7%	4.8%
Demand deposits (\$mils)	550	600	664	716	774	
Growth rate %	4.9%	9.0%	10.8%	7.7%	8.2%	8.1%
Term deposits (\$mils)	869	848	852	846	869	
Growth rate %	6.1%	-2.5%	0.4%	-0.6%	2.7%	1.2%
Registered deposits (\$mils)	335	361	391	421	432	
Growth rate %	12.9%	7.7%	8.2%	7.7%	2.8%	7.9%

Five Year Results of Ukrainian-Canadian Credit Unions in Canada

Ukrainian Credit Unions in Canada						5 yr Avg.
	2013	2014	2015	2016	2016	
Equity and Shares (\$mils)	\$144.0	\$153.9	\$162.7	\$170.3	\$178.0	
Growth %	5.1%	6.9%	5.7%	4.7%	4.5%	5.4%
Capital % assets	7.30%	7.30%	7.26%	7.21%	7.13%	7.24%
Promotions, Donations & Advertising (\$Mils)	\$2.527	\$2.965	\$3.660	\$3.084	\$2.324	
Growth rate %	0.3%	17.3%	23.4%	-15.7%	-24.6%	0.1%
As a % total operating expenses	6.20%	8.24%	9.52%	7.83%	5.70%	7.50%
Net Income (\$Mils)	\$11.1	\$8.8	\$11.0	\$8.4	\$8.8	
Growth rate %	2.4%	-20.5%	24.4%	-23.7%	5.0%	-2.5%
Return on assets	0.58%	0.43%	0.51%	0.36%	0.36%	0.45%
Return on Equity	7.8%	5.9%	6.9%	5.0%	5.1%	6.1%
Net interest margin % avg. assets	2.04%	2.06%	1.99%	1.89%	1.93%	1.98%
Other Income % avg. assets	0.32%	0.31%	0.37%	0.34%	0.37%	0.34%
Gross Income % avg. assets	2.36%	2.37%	2.36%	2.23%	2.30%	2.32%
Operating expense % avg. assets	1.77%	1.76%	1.77%	1.71%	1.68%	1.74%
Loan loss ratio % avg. assets	0.02%	0.03%	0.01%	0.03%	0.03%	0.02%
Other income % total income	13.6%	13.1%	15.6%	15.1%	16.0%	14.7%
Number of employees	283	307	301	345	354	
Salary expenses (\$mils)	17.6	18.4	19.7	20.3	21.3	
Average salary per employee	\$62,131	\$59,774	\$65,484	\$58,760	\$60,310	\$61,292
Productivity ratio	74.9%	74.3%	74.9%	76.7%	72.9%	74.7%
Dividends/Patronage paid (\$Mils)	\$1.959	\$1.825	\$1.396	\$1.080	\$0.813	
% return to members	17.6%	20.6%	12.7%	12.9%	9.2%	14.6%

Schedule 1		UKRAINIAN CREDIT UNIONS IN CANADA				
Asset Growth		as at December 31, 2017				
Name of credit union	Members	Assets (\$Mils)	Growth %	Net Income * (\$'000's)	Return on Assets %	Return on Equity %
1 Buduchnist	20,655	\$832	3.3%	\$3,426	0.42%	5.2%
2 Ukrainian	23,925	\$803	8.4%	\$1,051	0.14%	2.2%
3 Carpathia	8,774	\$490	5.8%	\$1,330	0.28%	5.0%
4 CP Ukrainienne de Montreal	3,492	\$163	3.1%	\$1,865	1.16%	8.7%
5 North Winnipeg	3,375	\$109	2.1%	\$329	0.30%	5.3%
6 New Community	2,257	\$98	9.8%	\$809	0.87%	12.9%
Total	62,478	\$2,495	5.5%	\$8,810	0.36%	5.1%
Total 2016	63,773	\$2,364	5.4%	\$8,387	0.36%	5.0%
Total 2015	64,543	\$2,242	6.3%	\$10,996	0.51%	6.9%
Total 2014	64,899	\$2,109	6.9%	\$8,842	0.43%	5.9%
Total 2013	64,540	\$1,973	6.6%	\$11,121	0.58%	7.8%
Total 2012	68,367	\$1,851	8.0%	\$10,857	0.62%	8.1%
Total 2011	68,390	\$1,715	5.0%	\$10,593	0.63%	8.5%
Total 2010	70,035	\$1,633	9.6%	\$9,481	0.62%	8.5%
Total 2009	68,653	\$1,490	4.4%	\$8,172	0.56%	8.0%
Total 2008	71,338	\$1,427	7.9%	\$7,266	0.53%	7.4%
Total 2007	72,280	\$1,322	6.2%	\$7,656	0.60%	8.1%
Average Growth (10 years)			6.5%			

* Net income is defined as net income before extraordinary gains/(losses), dividends and patronage payments.

Schedule 2 Capitalization		UKRAINIAN CREDIT UNIONS IN CANADA as at December 31, 2017			
Name of credit union	Capital (\$'000's)	% Assets	Growth in Capital %	Dividends & Patronage (\$'000's)	Return to Members %
1 Buduchnist	\$67,379	8.37%	4.6%	\$200	4.6%
2 Ukrainian	\$47,288	6.38%	1.6%	\$313	8.8%
3 Carpathia	\$27,400	5.91%	5.1%	-	-
4 CP Ukrainienne de Montreal	\$22,274	14.10%	7.5%	\$283	15.2%
5 North Winnipeg	\$6,315	5.91%	4.6%	\$17	-
6 New Community	\$7,352	8.25%	12.4%	-	-
Total	\$178,009	7.53%	4.5%	\$813	9.5%
Total 2015	\$170,314	7.21%	4.5%	\$1,080	11.8%
Total 2015	\$162,702	7.26%	5.7%	\$1,396	13.2%
Total 2014	\$153,946	7.30%	4.9%	\$1,825	18.3%
Total 2013	\$146,707	7.44%	5.8%	\$1,959	20.8%
Total 2012	\$138,655	7.49%	6.5%	\$2,035	20.3%
Total 2011	\$130,252	7.59%	7.6%	\$1,674	15.8%
Total 2010	\$121,030	7.41%	12.4%	\$2,083	22.0%
Total 2009	\$107,707	7.23%	8.6%	\$2,153	26.4%
Total 2008	\$99,189	6.95%	2.2%	\$1,280	16.1%
Total 2007	\$97,086	7.34%	5.6%	\$2,559	21.9%
Average Growth (10 years)		7.34%	6.2%		17.8%

Schedule 2a Risk Adjusted Capitalization (Basel)		UKRAINIAN CREDIT UNIONS IN CANADA as at December 31, 2017					
		Tier I Risk Adjusted Capital (\$'000's)	Tier II Risk Adjusted Capital (\$'000's)	Total Risk Adjusted Capital (\$'000's)	Risk adjusted Ratios		
2017					Tier I Ratio	Tier II Ratio	Total Ratio
Name of credit union							
1	Buduchnist	\$63,902	\$3,598	\$67,499	14.44%	0.81%	15.25%
2	Ukrainian	\$46,463	\$1,990	\$48,453	11.79%	0.51%	12.30%
3	Carpathia	\$27,519	\$0	\$27,519	9.91%	0.00%	9.91%
4	CP Ukrainienne de Montreal	\$21,708	\$0	\$21,708	19.60%	0.00%	19.60%
5	North Winnipeg	\$6,315	\$0	\$6,315	16.42%	0.00%	16.42%
6	New Community	\$7,325	\$73	\$7,398	13.01%	0.13%	13.14%
Total		\$173,232	\$5,661	\$178,892	12.81%	0.42%	13.23%
Growth rate %		5.4%	-10.4%	4.8%			
2016							
1	Buduchnist	\$60,177	\$4,236	\$64,413	14.54%	1.02%	15.56%
2	Ukrainian	\$45,333	\$2,059	\$47,392	13.10%	0.60%	13.70%
3	Carpathia	\$26,085	\$0	\$26,085	10.85%	0.00%	10.85%
4	CP Ukrainienne de Montreal	\$20,261	\$0	\$20,261	16.42%	0.00%	16.42%
5	North Winnipeg	\$6,037	\$0	\$6,037	16.42%	0.00%	16.42%
6	New Community	\$6,493	\$23	\$6,516	13.06%	0.05%	13.11%
Total		\$164,386	\$6,318	\$170,704	13.58%	0.52%	14.11%
Growth rate %		9.7%	-26.8%	7.7%			
2015							
1	Buduchnist	\$56,981	\$4,114	\$61,095	13.90%	1.00%	14.90%
2	Ukrainian	\$44,096	\$2,424	\$46,520	13.08%	0.72%	13.80%
3	Carpathia	\$24,838	\$0	\$24,838	10.74%	0.00%	10.74%
4	CP Ukrainienne de Montreal	\$12,237	\$2,069	\$14,306	11.41%	1.93%	13.34%
5	North Winnipeg	\$5,800	\$0	\$5,800	16.38%	0.00%	16.38%
6	New Community	\$5,840	\$27	\$5,868	14.25%	0.07%	14.31%
Total		\$149,792	\$8,635	\$158,427	12.89%	0.74%	13.63%
Growth rate %		5.4%	15.9%	6.0%			
2014							
1	Buduchnist	\$54,025	\$3,772	\$57,797	14.11%	0.99%	15.10%
2	Ukrainian	\$42,630	\$1,561	\$44,191	12.64%	0.46%	13.10%
3	Carpathia	\$23,626	\$0	\$23,626	10.92%	0.00%	10.92%
4	CP Ukrainienne de Montreal	\$11,026	\$2,086	\$13,112	10.30%	1.95%	12.25%
5	North Winnipeg	\$5,516	\$0	\$5,516	16.11%	0.00%	16.11%
6	New Community	\$5,259	\$27	\$5,286	14.36%	0.07%	14.43%
Total		\$142,082	\$7,447	\$149,529	12.75%	0.67%	13.42%
Growth rate %		6.0%	-11.9%	4.9%			
2013							
1	Buduchnist	\$51,226	\$3,695	\$54,921	13.99%	1.01%	15.00%
2	Ukrainian	\$40,949	\$2,299	\$43,248	12.97%	0.73%	13.70%
3	Carpathia	\$21,704	\$0	\$21,704	10.56%	0.00%	10.56%
4	CP Ukrainienne de Montreal	\$10,193	\$2,434	\$12,627	9.55%	2.28%	11.83%
5	North Winnipeg	\$5,257	\$0	\$5,257	11.56%	0.00%	11.56%
6	New Community	\$4,746	\$28	\$4,774	13.74%	0.08%	13.82%
Total		\$134,075	\$8,456	\$142,531	12.48%	0.79%	13.27%
Growth rate %		5.1%	-3.5%	4.5%			

Schedule 3						
UKRAINIAN CREDIT UNIONS IN CANADA						
Loan Portfolio as at December 31, 2017						
Name of CU	Residential	Commercial	Consumer	Business	Total	Allowance/
	Mortgage	Mortgage				
	Loans	Loans	Loans	Loans	Loans	Loans
	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	%
1 Buduchnist	\$482,379	\$239,857	\$8,044	\$0	\$730,280	0.12%
2 Ukrainian	\$459,222	\$218,194	\$24,474	\$0	\$701,890	0.20%
3 Carpathia	\$244,846	\$148,305	\$22,080	\$23,413	\$438,643	0.07%
4 CP Ukrainienne de Montreal	\$58,768	\$61,013	\$20,704	\$0	\$140,485	0.07%
5 North Winnipeg	\$75,820	\$14,573	\$4,797	\$2,110	\$97,300	0.09%
6 New Community	\$63,425	\$5,295	\$13,364	\$91	\$82,175	0.07%
Total	\$1,384,460	\$687,237	\$93,463	\$25,614	\$2,190,774	0.13%
Growth % Year over Year	11.8%	4.7%	5.4%	-6.1%	9.0%	
<i>Mix of loans %</i>	63%	31%	4%	1%	100%	
Total 2016	\$1,238,489	\$656,157	\$88,711	\$27,279	\$2,010,636	0.12%
Total 2015	\$1,193,572	\$596,457	\$82,830	\$41,223	\$1,914,082	0.12%
Total 2014	\$1,132,805	\$580,372	\$84,443	\$30,145	\$1,827,765	0.12%
Total 2013	\$1,056,400	\$518,798	\$85,549	\$26,731	\$1,687,478	0.16%
Total 2012	\$1,013,901	\$463,588	\$85,574	\$24,110	\$1,587,172	0.16%
Total 2011	\$909,577	\$420,282	\$82,899	\$15,447	\$1,428,205	0.15%
Total 2010	\$866,555	\$364,909	\$80,030	\$44,073	\$1,355,567	0.21%
Total 2009	\$798,205	\$328,223	\$75,118	\$37,982	\$1,239,528	0.27%
Total 2008	\$769,625	\$295,952	\$74,986	\$35,710	\$1,176,273	0.28%
Growth rates %						
Total 2017	11.8%	4.7%	5.4%	-6.1%	9.0%	
Total 2016	3.8%	10.0%	7.1%	-33.8%	5.0%	
Total 2015	5.4%	2.8%	-1.9%	36.7%	4.7%	
Total 2014	7.2%	11.9%	-1.3%	12.8%	8.3%	
Total 2013	4.2%	11.9%	0.0%	10.9%	6.3%	
Total 2012	11.5%	10.3%	3.2%	56.1%	11.1%	
Total 2011	5.0%	15.2%	3.6%	-65.0%	5.4%	
Total 2010	8.6%	11.2%	6.5%	16.0%	9.4%	
Total 2009	3.7%	10.9%	0.2%	6.4%	5.4%	
Total 2008	7.3%	3.5%	19.3%	52.9%	8.0%	
Average Growth (10 yrs)	6.8%	9.2%	4.2%	8.7%	7.3%	

Schedule 4		UKRAINIAN CREDIT UNIONS IN CANADA				
Deposit Portfolio		as at December 31, 2017				
Name of credit union	Borrowings (\$'000's)	Demand Deposits (\$'000's)	Term Deposits (\$'000's)	Registered Savings (\$'000's)	Total Deposits (\$'000's)	
1 Buduchnist	\$90,303	\$262,172	\$296,416	\$109,645	\$668,233	
2 Ukrainian	\$104,603	\$247,666	\$268,332	\$126,821	\$642,819	
3 Carpathia	\$0	\$184,727	\$150,543	\$123,435	\$458,705	
4 CP Ukrainienne de Montreal	\$21,888	\$25,657	\$65,305	\$25,499	\$116,461	
5 North Winnipeg	\$1,000	\$24,077	\$41,410	\$33,543	\$99,031	
6 New Community	\$0	\$29,752	\$46,764	\$13,324	\$89,840	
Total	\$217,794	\$774,051	\$868,770	\$432,268	\$2,075,090	
Growth % Year over Year	16%	8%	3%	3%	5%	
<i>Mix of deposits</i>		37.3%	41.9%	20.8%	100.0%	
Total 2016	\$187,075	\$715,653	\$846,338	\$420,686	\$1,982,677	
2 Growth % Year over Year	25%	7.7%	-0.6%	7.7%	4.0%	
<i>Mix of deposits</i>		33.2%	46.9%	20.0%	100.0%	
Total 2015	\$150,242	\$664,447	\$851,602	\$390,579	\$1,906,628	
3 Growth % Year over Year	21%	10.8%	0.4%	8.2%	5.4%	
<i>Mix of deposits</i>		33.2%	46.9%	20.0%	100.0%	
Total 2014	\$124,075	\$599,665	\$848,060	\$361,031	\$1,808,755	
4 Growth % Year over Year	147%	9.0%	-2.5%	7.7%	3.1%	
<i>Mix of deposits</i>		33.2%	46.9%	20.0%	100.0%	
Total 2013	\$50,326	\$550,107	\$869,468	\$335,141	\$1,754,716	
5 Growth % Year over Year	28%	4.9%	6.1%	12.9%	7.0%	
<i>Mix of deposits</i>		31.4%	49.6%	19.1%	100.0%	
Total 2012	\$39,439	\$524,322	\$819,178	\$296,829	\$1,640,329	
6 Growth % Year over Year	140%	19.2%	7.1%	13.3%	11.8%	
<i>Mix of deposits</i>		32.0%	49.9%	18.1%	100.0%	
Total 2011	\$16,461	\$439,928	\$764,892	\$261,943	\$1,466,763	
7 Growth % Year over Year	-16%	-4.4%	-2.6%	15.6%	-0.4%	
<i>Mix of deposits</i>		30.0%	52.1%	17.9%	100.0%	
Total 2010	\$19,592	\$460,399	\$784,970	\$226,675	\$1,472,044	
8 Growth % Year over Year	69%	-2.8%	16.4%	11.2%	8.9%	
<i>Mix of deposits</i>		31.3%	53.3%	15.4%	100.0%	
Total 2009	\$11,593	\$473,883	\$674,382	\$203,757	\$1,352,022	
9 Growth % Year over Year	444%	17.1%	1.2%	12.3%	3.7%	
<i>Mix of deposits</i>		35.0%	49.9%	15.1%	100.0%	
Total 2008	\$2,132	\$404,852	\$666,631	\$181,453	\$1,303,818	
10 Growth % Year over Year	-71%	16.4%	-1.5%	6.7%	9.1%	
<i>Mix of deposits</i>		32.3%	53.2%	14.5%	100.0%	
Average Growth (10 yrs)	80%	8.6%	2.7%	9.8%	5.7%	
Average Mix (10 yrs)		32.9%	49.1%	18.1%	100.0%	

Schedule 5 Operating results		UKRAINIAN CREDIT UNIONS IN CANADA as at December 31, 2017 As a % of Average Asset			
Name of credit union	Net Interest Margin	Other Income	Operating Income	Operating Expenses	
1 Buduchnist	1.93%	0.26%	2.19%	1.52%	
2 Ukrainian	2.06%	0.42%	2.48%	1.92%	
3 Carpathia	1.64%	0.39%	2.03%	1.64%	
4 CP Ukrainienne de Montreal	2.34%	0.43%	2.77%	1.47%	
5 North Winnipeg	1.61%	0.39%	2.00%	1.70%	
6 New Community	2.14%	0.64%	2.77%	1.60%	
Total	1.93%	0.37%	2.30%	1.68%	
2 Total 2015	1.89%	0.34%	2.23%	1.71%	
3 Total 2015	1.99%	0.37%	2.36%	1.77%	
4 Total 2014	2.06%	0.31%	2.37%	1.76%	
5 Total 2013	2.04%	0.32%	2.36%	1.77%	
6 Total 2012	2.18%	0.33%	2.51%	1.84%	
7 Total 2011	2.25%	0.40%	2.66%	1.90%	
8 Total 2010	2.31%	0.42%	2.73%	1.98%	
9 Total 2009	2.27%	0.42%	2.68%	1.95%	
10 Total 2008	2.28%	0.44%	2.73%	2.03%	
Average (10 yrs)	2.12%	0.37%	2.49%	1.84%	

Schedule 5a Operating results				
UKRAINIAN CREDIT UNIONS IN CANADA as at December 31, 2017				
Name of credit union	Net Interest Margin (\$000s)	Other Income (\$000s)	Operating Income (\$000s)	Operating Expenses (\$000s)
1 Buduchnist	\$15,767	\$2,145	\$17,912	\$12,424
2 Ukrainian	\$15,885	\$3,231	\$19,116	\$14,843
3 Carpathia	\$7,837	\$1,851	\$9,688	\$7,823
4 CP Ukrainienne de Montreal	\$3,751	\$694	\$4,445	\$2,357
5 North Winnipeg	\$1,738	\$416	\$2,154	\$1,839
6 New Community	\$1,996	\$597	\$2,593	\$1,493
Total	\$46,973	\$8,934	\$55,907	\$40,779
Growth % Year over Year	7.8%	15.4%	8.9%	3.6%
Total 2016	\$43,589	\$7,744	\$51,333	\$39,376
Growth % Year over Year	0.5%	-3.2%	0.0%	2.4%
Total 2015	\$43,352	\$7,998	\$51,350	\$38,447
Growth % Year over Year	3.0%	25.8%	6.0%	6.8%
Total 2014	\$42,088	\$6,358	\$48,446	\$35,993
Growth % Year over Year	8.0%	3.5%	7.4%	6.5%
Total 2013	\$38,974	\$6,144	\$45,118	\$33,783
Growth % Year over Year	1.3%	6.2%	2.0%	4.1%
Total 2012	\$38,456	\$5,787	\$44,243	\$32,463
Growth % Year over Year	2.0%	-14.3%	-0.5%	1.9%
Total 2011	\$37,710	\$6,751	\$44,461	\$31,862
Growth % Year over Year	7.2%	5.7%	7.0%	5.7%
Total 2010	\$35,180	\$6,386	\$41,566	\$30,136
Growth % Year over Year	7.3%	6.3%	7.3%	6.8%
Total 2009	\$32,781	\$6,006	\$38,737	\$28,213
Growth % Year over Year	4.9%	-1.3%	3.8%	1.5%
Total 2008	\$31,245	\$6,087	\$37,331	\$27,793

Schedule 6		UKRAINIAN CREDIT UNIONS IN CANADA				
Operating results		as at December 31, 2017				
		As a % of Average Assets				
Name of credit union	Net Income before loan losses	Provision for Loan Losses	Income Taxes	Comprehensive Adjustment	Net Income*	
1 Buduchnist	0.67%	0.03%	0.13%	-0.09%	0.42%	
2 Ukrainian	0.55%	0.05%	0.05%	-0.32%	0.14%	
3 Carpathia	0.39%	0.02%	0.06%	-0.04%	0.28%	
4 CP Ukrainienne de Montreal	1.30%	0.03%	0.14%	0.04%	1.16%	
5 North Winnipeg	0.29%	-0.06%	0.04%	-0.01%	0.30%	
6 New Community	1.18%	0.10%	0.22%	0.00%	0.87%	
Total	0.62%	0.03%	0.09%	-0.14%	0.36%	
2 Total 2016	0.52%	0.03%	0.09%	0.00%	0.40%	
3 Total 2015	0.59%	0.01%	0.09%	0.02%	0.51%	
4 Total 2014	0.61%	0.03%	0.05%	-0.09%	0.43%	
5 Total 2013	0.59%	0.02%	0.08%	0.09%	0.58%	
6 Total 2012	0.67%	0.02%	0.08%	0.05%	0.62%	
7 Total 2011	0.75%	0.00%	0.12%	0.00%	0.63%	
8 Total 2010	0.75%	0.02%	0.11%	0.00%	0.62%	
9 Total 2009	0.73%	0.04%	0.12%	-0.01%	0.56%	
10 Total 2008	0.70%	0.07%	0.10%	0.00%	0.53%	
Average (10 yrs)	0.65%	0.03%	0.09%	-0.01%	0.52%	

* Comprehensive net income

Schedule 6a Operating results		UKRAINIAN CREDIT UNIONS IN CANADA as at December 31, 2017			
Name of credit union	Net Income Before loan losses (\$000s)	Provision for Loan Losses (\$000s)	Income Taxes (\$000s)	Compre- hensive Adjustment	Net income* (\$000s)
1 Buduchnist	\$5,488	\$84	\$1,070	(\$907)	\$3,426
2 Ukrainian	\$4,273	\$340	\$388	(\$2,494)	\$1,051
3 Carpathia	\$1,865	\$243	\$291	\$0	\$1,330
4 CP Ukrainienne de Montreal	\$2,088	(\$9)	\$232	\$0	\$1,865
5 North Winnipeg	\$314	(\$64)	\$41	(\$8)	\$329
6 New Community	\$1,101	\$90	\$201	\$0	\$809
Total	\$15,128	\$685	\$2,223	(\$3,410)	\$8,810
Growth % Year over Year	26.5%	-8.7%	9.6%		5.0%
Total 2016	\$11,957	\$750	\$2,028	(\$792)	\$8,387
Growth % Year over Year	-7.3%	166.2%	-1.2%		-23.7%
Total 2015	\$12,903	\$282	\$2,052	\$427	\$10,996
Growth % Year over Year	3.6%	-49.8%	7.2%		24.4%
Total 2014	\$12,452	\$561	\$1,915	(\$1,134)	\$8,842
Growth % Year over Year	9.9%	45.2%	24.9%		-20.5%
Total 2013	\$11,335	\$387	\$1,532	\$1,706	\$11,121
Growth % Year over Year	-1.1%	19.9%	7.6%		2.4%
Total 2012	\$11,458	\$322	\$1,425	\$825	\$10,857
Growth % Year over Year	-9.1%	-	-29.8%		3.0%
Total 2011	\$12,599	(\$23)	\$2,029	(\$48)	\$10,545
Growth % Year over Year	10.2%	-108.0%	21.9%		11.2%
Total 2010	\$11,430	\$285	\$1,664	\$0	\$9,481
Growth % Year over Year	8.1%	-55.9%	-5.3%		16.0%
Total 2009	\$10,574	\$646	\$1,757	\$0	\$8,172
Growth % Year over Year	10.9%	-32.7%	33.8%		12.5%
Total 2008	\$9,539	\$960	\$1,313	\$0	\$7,266
* comprehensive net income					

Schedule 7		UKRAINIAN CREDIT UNIONS IN CANADA		
Operating results		as at December 31, 2017		
		As a % of Average Assets		
Name of credit union	Net Income*	Net Dividends & Patronage	Net Income	
1 Buduchnist	0.42%	0.02%	0.39%	
2 Ukrainian	0.14%	0.04%	0.10%	
3 Carpathia	0.28%	0.00%	0.28%	
4 CP Ukrainienne de Montreal	1.16%	0.18%	0.99%	
5 North Winnipeg	0.30%	0.02%	0.29%	
6 New Community	0.87%	0.00%	0.87%	
Total	0.36%	0.03%	0.33%	
Total 2016	0.36%	0.05%	0.32%	
Total 2015	0.49%	0.06%	0.43%	
Total 2014	0.43%	0.09%	0.34%	
Total 2013	0.58%	0.10%	0.48%	
Total 2012	0.62%	0.10%	0.51%	
Total 2011	0.63%	0.10%	0.53%	
Total 2010	0.62%	0.14%	0.48%	
Total 2009	0.56%	0.15%	0.41%	
Name of credit union	Net Income*	Dividends & Patronage	Net Income less dividends	
	(\$000s)	(\$000s)	(\$000s)	
1 Buduchnist	3,426	200	3,225	
2 Ukrainian	1,051	313	738	
3 Carpathia	1,330	0	1,330	
4 CP Ukrainienne de Montreal	1,865	283	1,582	
5 North Winnipeg	329	17	312	
6 New Community	809	0	809	
Total	\$8,810	\$813	\$7,997	
Growth % Year over Year	5.0%	-24.7%	9.4%	
Total 2016	\$8,387	\$1,080	\$7,307	
Growth % Year over Year	-21.4%	-22.6%	-21.2%	
Total 2015	\$10,673	\$1,396	\$9,277	
Growth % Year over Year	20.7%	-23.5%	32.2%	
Total 2014	\$8,842	\$1,825	\$7,017	
Growth % Year over Year	-20.5%	-6.8%	-23.4%	
Total 2013	\$11,121	\$1,959	\$9,162	
Growth % Year over Year	2.4%	7.2%	1.5%	
Total 2012	\$10,857	\$1,828	\$9,029	
Growth % Year over Year	3.0%	9.2%	1.8%	
Total 2011	\$10,545	\$1,674	\$8,870	
Growth % Year over Year	11.2%	-19.6%	7.7%	
Total 2010	\$9,481	\$2,083	\$8,240	
Growth % Year over Year	16.0%	-3.3%	26.1%	
Total 2009	\$8,172	\$2,153	\$6,534	
* comprehensive net income before distributions to members				

Schedule 8 Expense Analysis		UKRAINIAN CREDIT UNIONS IN CANADA as at December 31, 2017				Productivity Expense Ratio (a)
		As a % of Average Assets				
Name of credit union		Personnel Expense	Occupancy Expense	Other Expenses	Total Operating Expenses	
1	Buduchnist	0.74%	0.11%	0.65%	1.52%	69.4%
2	Ukrainian	1.08%	0.21%	0.64%	1.92%	77.6%
3	Carpathia	0.87%	0.27%	0.50%	1.64%	80.8%
4	CP Ukrainienne de Montreal	0.64%	0.00%	0.83%	1.47%	53.0%
5	North Winnipeg	0.88%	0.26%	0.57%	1.70%	85.4%
6	New Community	0.91%	0.06%	0.63%	1.60%	57.6%
Total		0.88%	0.17%	0.62%	1.68%	72.9%
2	Total 2016	0.88%	0.17%	0.66%	1.71%	76.7%
3	Total 2015	0.91%	0.18%	0.68%	1.77%	74.9%
4	Total 2014	0.90%	0.18%	0.68%	1.76%	74.3%
5	Total 2013	0.92%	0.19%	0.66%	1.77%	74.9%
6	Total 2012	0.95%	0.19%	0.69%	1.84%	73.4%
7	Total 2011	0.98%	0.19%	0.73%	1.90%	71.7%
8	Total 2010	0.98%	0.22%	0.78%	1.98%	72.5%
9	Total 2009	0.97%	0.24%	0.74%	1.95%	72.7%
10	Total 2008	1.03%	0.25%	0.75%	2.03%	74.4%
Average (10 yrs)		0.94%	0.20%	0.70%	1.84%	73.8%

New Disclosure Regulations – Restricted Party Transactions

Restricted Party Transactions

Credit unions are required to disclose the total amount loans made to restricted parties. Under section 82 of Regulation 76/95 of the Credit Unions and Caisses Populaires Act, restricted party is defined as follows:

“A restricted party includes a person who is, or has been within the preceding twelve months, a director, officer, committee member, or any corporation in which the person owns more than 10% of the voting shares, his or her spouse, their dependent relatives who live in the same household as the person, and any corporation controlled by such spouse or dependent relative.”

The restricted party loans to total loans ratio ranged from 0.34% (Buduchnist CU) to a high of 1.69% (New Community located in Saskatoon). One credit union did not disclose the level of restricted loans in their statements.

The average ratio for the 5 credit unions which disclosed the loans held by restricted parties was 0.66% of the total loans outstanding compare to 0.88% in the previous year. (See schedule below).

Schedule 9 Director & Employee Loans		UKRAINIAN CREDIT UNIONS IN CANADA as at December 31, 2017			
Name of credit union	Location	Net Loans (000's)	Director & Employee Loans (000's)	As a % of Net Loans	
1	Buduchnist	Toronto	729,421	2,496	0.34%
2	Ukrainian	Toronto	700,463	5,966	0.85%
3	Carpathia	Winnipeg	438,342	3,181	0.73%
4	CP Ukrainienne de Montreal	Montreal	140,382	0	0.00%
5	North Winnipeg	Winnipeg	97,213	1,402	1.44%
6	New Community	Saskatoon	82,155	1,386	1.69%
Total			2,187,975	14,431	0.66%
Growth % Year over Year			8.9%	-18.4%	
2	Total 2016		2,008,299	17,676	0.88%
Growth % Year over Year			5.0%	39.9%	
3	Total 2015		1,911,843	12,631	0.66%
Growth % Year over Year			4.7%	-3.8%	
4	Total 2014		1,825,603	13,134	0.72%
Growth % Year over Year			8.3%	-9.7%	
5	Total 2013		1,685,479	14,540	0.86%
Growth % Year over Year			6.4%	-3.2%	
6	Total 2012		1,584,698	15,022	0.78%
Growth % Year over Year			11.1%	5.8%	
7	Total 2011		1,426,081	14,201	0.97%
Growth % Year over Year			5.4%	-24.2%	
8	Total 2010		1,352,703	18,735	1.34%
Growth % Year over Year			9.4%	-16.8%	
9	Total 2009		1,236,135	22,516	1.76%
Growth % Year over Year			5.4%	-10.6%	
10	Total 2008		1,172,961	25,186	2.41%
Growth % Year over Year			7.9%	17.8%	

New Disclosure Regulations - Expenses Related to Board of Directors**Expenses Related to Board of Directors**

Generally, member of the board of directors are remunerated for their work and may be entitled to be paid their traveling expenses and other expenses properly incurred by them in connection with activities they undertake on behalf of the their credit union.

- Total remuneration (fees & costs) paid to members of the board of directors ranged from \$12,450 to \$104,000.
- The average remuneration per director was \$6,667 per director in 2017 compared to \$6,115 per director in the previous year.

Schedule 10		UKRAINIAN CREDIT UNIONS IN CANADA				
Director Fees & Costs		as at December 31, 2017				
Name of credit union	Operating Expenses (000's)	Directors Fees & Costs	Directors fees & costs/ Operating Expenses %	Number of Directors	Avg. Director fees & costs/ Director	
1 Buduchnist	\$12,424	\$66,225	0.53%	7	\$9,461	
2 Ukrainian	\$14,843	\$104,000	0.70%	12	\$8,667	
3 Carpathia	\$7,823	\$101,940	1.30%	9	\$11,327	
4 CP Ukrainienne de Montreal	\$2,357	\$0	0.00%	15	\$0	
5 North Winnipeg	\$1,839	\$22,053	1.20%	9	\$2,450	
6 New Community	\$1,493	\$12,450	0.83%	9	\$1,383	
Total	\$40,779	\$306,668	0.75%	61	\$6,667	
Growth % Year over Year	3.6%	9.0%			9.0%	
2 Total 2016	\$39,376	\$281,312	0.71%	61	\$6,115	
Growth % Year over Year	2.4%	-9.3%			-9.3%	
3 Total 2015	\$38,447	\$310,187	0.81%	61	\$6,743	
Growth % Year over Year	6.8%	4.7%			4.7%	
4 Total 2014	\$35,993	\$296,291	0.82%	61	\$6,441	
Growth % Year over Year	6.5%	6.1%			6.1%	
5 Total 2013	\$33,783	\$279,344	0.83%	61	\$6,073	
Growth % Year over Year	4.1%	28.4%			28.4%	
6 Total 2012	\$32,463	\$217,623	0.67%	61	\$4,731	
Growth % Year over Year	1.9%	-21.7%			-21.7%	
7 Total 2011	\$31,862	\$278,024	0.87%	70	\$6,044	
Growth % Year over Year	5.7%	21.1%			-2.6%	
8 Total 2010	\$30,136	\$229,619	0.76%	52	\$6,206	
Growth % Year over Year	6.8%	11.7%			38.9%	
9 Total 2009	\$28,213	\$205,517	0.73%	61	\$4,468	
Growth % Year over Year	1.5%	-19.9%			-2.5%	
10 Total 2008	\$27,793	\$256,490	0.92%	71	\$4,580	
Growth % Year over Year	2.3%	-7.4%			32.3%	
Average (10 years)			0.79%			

Schedule 11		UKRAINIAN CREDIT UNIONS IN CANADA				
Branch, Member & Employee averages		as at December 31, 2017				
Name of credit union	Branches	Deposits/ Branch (\$Mils)	Members	Assets/ Member	Number of Employees	Average Compensation /Employee
1 Buduchnist	9	\$74.2	20,655	\$38,988	101	\$59,634
2 Ukrainian	16	\$40.2	23,925	\$30,975	139	\$59,957
3 Carpathia	5	\$91.7	8,774	\$52,831	77	\$54,104
4 CP Ukrainienne de Montreal	1	\$116.5	3,492	\$45,235	14	\$73,500
5 North Winnipeg	2	\$49.5	3,375	\$31,652	14	\$67,754
6 New Community	1	\$89.8	2,257	\$39,480	10	\$84,928
Total	34	\$61.0	62,478	\$37,834	355	\$60,140
Growth % Year over Year	3.0%	1.6%	-2.0%	2.1%	2.9%	2.3%
2 Total 2016	33	\$60.1	63,773	\$37,066	345	\$58,760
Growth % Year over Year	0.0%	4.0%	-1.2%	13.4%	14.6%	-10.3%
3 Total 2015	33	\$57.8	64,543	\$32,682	301	\$65,484
Growth % Year over Year	0.0%	5.4%	-0.5%	14.6%	-2.0%	9.6%
4 Total 2014	33	\$54.8	64,899	\$28,524	307	\$59,774
Growth % Year over Year	6.5%	-3.2%	0.6%	-0.6%	8.4%	-3.8%
5 Total 2013	31	\$56.6	64,540	\$28,683	283	\$62,131
Growth % Year over Year	6.9%	0.1%	-5.6%	5.9%	1.2%	3.6%
6 Total 2012	29	\$56.6	68,367	\$27,080	280	\$59,958
Growth % Year over Year	3.6%	11.8%	0.0%	8.0%	2.6%	0.0%
7 Total 2011	28	\$50.6	68,390	\$25,077	273	\$59,974
Growth % Year over Year	-9.7%	-10.0%	-2.3%	7.6%	2.6%	6.6%
8 Total 2010	31	\$56.2	70,035	\$23,310	266	\$56,283
Growth % Year over Year	3.3%	24.6%	2.0%	7.4%	1.9%	4.4%
9 Total 2009	30	\$45.1	68,653	\$21,706	261	\$53,908
Growth % Year over Year	7.1%	-3.2%	-3.8%	8.5%	-4.7%	4.3%
10 Total 2008	28	\$46.6	71,338	\$20,007	274	\$51,695
Growth % Year over Year	-3.4%	13.1%	-1.3%	9.4%	-1.1%	6.0%

Schedule 12		UKRAINIAN CREDIT UNIONS IN CANADA				
Promotions, Donations & Advertising		as at December 31, 2017				
Name of credit union	2013 Total (\$000)	2014 Total (\$000)	2015 Total (\$000)	2016 Total (\$000)	2017 Total (\$000)	17/16 Growth %
1 Buduchnist	\$1,252	\$1,719	\$2,353	\$1,731	\$1,249	-27.8%
2 Ukrainian	\$683	\$770	\$806	\$793	\$984	24.1%
3 Carpathia	\$478	\$391	\$422	\$472	\$340	-27.9%
4 CP Ukrainienne de Montreal	\$67	\$71	\$65	\$71	\$73	2.8%
5 North Winnipeg	\$47	\$14	\$14	\$18	\$18	0.0%
6 New Community	-	-	-	-	-	-
Total	\$2,527	\$2,965	\$3,660	\$3,084	\$2,664	-13.6%

Schedule 12a		UKRAINIAN CREDIT UNIONS IN CANADA				
		as at December 31, 2017				
		Promotions, Donations & Advertising (PDA)				
		% operating expenses				
Name of credit union	PDA Total (\$000)	Operating Expenses (\$000)	PDA/Operating Expenses	Net Income* (\$000)	PDA/Net Income*	
1 Buduchnist	\$1,249	\$12,424	10.06%	\$3,426	36.47%	
2 Ukrainian	\$984	\$14,843	6.63%	\$1,051	93.63%	
3 Carpathia	\$340	\$7,823	4.35%	\$1,330	25.56%	
4 CP Ukrainienne de Montreal	\$73	\$2,357	3.10%	\$1,865	3.91%	
5 North Winnipeg	\$18	\$1,839	0.96%	\$329	5.35%	
6 New Community	\$0	\$1,493	\$0	\$809	\$0	
Total	\$2,664	\$40,779	8.47%	\$8,810	39.94%	

** net income before taxes, dividends and PDA*

Canadian Chartered Banks	Donations & Sponsorships (\$mils)	Canadian Operating Expenses	Donations/Operating Expenses
Royal Bank	\$115	\$7,526	1.53%
TD Bank	\$107	\$9,473	1.13%
Bank of Nova Scotia	\$80	\$6,654	1.20%
CIBC	\$80	\$6,463	1.24%
BMO	\$62.3	\$3,805	1.64%
	\$444	\$33,921	1.31%

Schedule 13		UKRAINIAN CREDIT UNIONS IN CANADA				
		as at December 31, 2017				
		Membership				
Name of credit union	2013	2014	2015	2016	2017	17/16 Growth %
1 Buduchnist	21,705	21,997	22,377	21,940	20,655	-5.9%
2 Ukrainian	25,205	24,925	24,222	23,960	23,925	-0.1%
3 Carpathia	8,737	8,850	8,820	8,729	8,774	0.5%
4 CP Ukrainienne de Montreal	3,370	3,530	3,457	3,492	3,492	0.0%
5 North Winnipeg	3,389	3,375	3,375	3,375	3,375	0.0%
6 New Community	2,134	2,222	2,292	2,277	2,257	-0.9%
Total	64,540	64,899	64,543	63,773	62,478	-2.0%

Brief Overview of the Ukrainian-Canadian Credit Unions

[as outline in the annual reports of each credit union]



Buduchnist Credit Union is the largest Ukrainian credit union in Canada, 15th largest credit union in Ontario and 44th largest in Canada based on asset size.

	Buduchnist Credit Union
CEO:	Oksana Prociuk-Ciz
CFO:	Bohdan Cup
Head Office Address:	2280 Bloor Street West Toronto, Ontario M6S 1N9
Telephone:	(416) 763-6883
Website:	www.buduchnist.com
Board of Directors:	Michael Szepetyk - Chair (from July 1, 2016) Tedosij Buyniak - Honorary Board Member Roman Medyk - Honorary Board Member (Chair to June 30, 2016) Bohdan Leshchysen Stefan Steciw (new) Roman Kulyk (new) Nadiya Kuz (new) Oleh Romanyschyn Ihor Kozak Andrew Tarapacky Irene Hryniuk
	<i>Source: Website</i>

Boards of Directors and CEO Report

Michael Szepeetyk
Chairman of the Board



Oksana Prociuk-Ciz
Chief Executive Officer

2017 – A Year of Building for Tomorrow

2017 was not only a year of celebration but also one of reflection, consolidation and building for tomorrow. It was a 65th anniversary year for BCU and one in which your Board and Management discussed, planned and took the first steps to ensure a strong and bright tomorrow – tomorrow, with a vision for the next generation; tomorrow with up-to-date products, services, facilities, and technology; tomorrow that is poised to capture each new opportunity with yesterday's hard earned capital.

Planning for Tomorrow

After our members voted to increase the size of their Board from seven to nine directors at the AGM in April 2017, your Board commenced a comprehensive review of the skills and competencies required to strengthen the BCU leadership and began the search for candidates to fill these requirements and target future needs. Likewise, senior management proposed a re-organization of responsibilities addressing tomorrow's necessary skills and experience while planning for an orderly succession of knowledge transfer. Like today's BCU, tomorrow's Credit Union needs to ensure a steady, stable growth and continued superior profitability and sustained capital growth. As such, sustainability, financial resilience and community building remain the focus of our efforts.

During 2017, BCU invested in its employees. The IT Department was re-organized and focused first and foremost on current technology and the acceleration and deployment of digital technology to enhance the member experience. The first test of our restructuring was the successful migration of BCU's banking system in May 2017 to an upgraded system which will allow BCU to co-operate with credit union peers on member focused needs and other system requirements.

Second, Branch Operations, our Human Resources, Compliance and Marketing areas of responsibility were evaluated and strengthened, each one the better for it. Finally, Commercial Credit was separated from Retail Credit operations and the search began for an experienced Director of Commercial Credit to manage this new division. Coincidentally, commercial credit policies and procedures were segregated and revised, addressing the more complex credit requirements of our members.

With the expense of personnel, the lack of space for back office or non-member facing functions, as well as the need for space for meetings and training, became more acute. A plan

for the renovation of our premises at 2280 Bloor Street West along with the new 3rd floor completion for 2282 Bloor Street West were crystalized and submitted for approval to the City of Toronto.

Concurrently, the search for additional off-site back office and IT back-up site space commenced. 2280 Bloor Street West had served the Credit Union well since 1991 but as BCU's assets and membership had grown six-fold since that time, so too had its staff, much of it in a support staff capacity and BCU had already spilled over into additional premises. Our discussion and planning addressed not only vision, direction and cadres but also space capacity and location.

Financial Highlights

BCU's financial year too, was one of re-organization, strengthening and consolidation. Assets grew by \$26 million while members' equity grew by \$ 3million, increasing regulatory capital to 8.1% on year-end assets of \$832 million. Together with BCU Wealth Management assets of over \$125 million, assets under management topped \$955 million. At the same time, comprehensive income for the year of \$3.2 million was recorded including a gain on the disposition of investments acquired some 10 years ago, further to Credit Union Central of Ontario's merger with BC Central into Central 1. This resulted in approximately a \$1 million increase in our investment income and a decrease of some \$900,000 in other comprehensive income, gains that had been recorded over the years as this investment increased in market value. Our \$200,000 increase in salary costs reflected our investment in employees and the increase of some \$200,000 in professional fees reflected principally our investment in IT and our banking system upgrade.

Community Building

We remain true of our institutional heritage. That's why BCU continues to play a leading role in the vitality of the Ukrainian community in Canada – both through active leadership in community organizations and through our financial support and community interaction. Essentially, every beneficial initiative and important member-supported project in the community is sponsored by BCU! Once again, we demonstrated our commitment to community building by directing over \$1.2 million to countless youth, cultural, educational, humanitarian and recreational activities, community-based media and information services. We are also committed to supporting numerous Charitable, Church and non-profit organizations that make up the community we serve. No less significant is BCU's culture of giving, as the vast majority of our Board and staff participated in community giving and community events as well as volunteer initiatives throughout the year. As such, BCU continues to play a leadership role in the Community's growth and development.

The Year Ahead

Looking ahead to 2018, we remain disciplined and balanced in our approach to capital investment and focused on investing in our human resources to ensure continuity in our leadership, and to ensure the knowledge and skills necessary to meet the growing and more complex needs of our members and the challenges of our expanding business model are developed.

Thank You BCU Board and staff are merely a reflection of our BCU membership – proud leaders, as demonstrated by your community activism and engagement and through your generosity and your commitment to all things community. For each comment and referral, we simply say, Thank You. By doing so, you have expressed your confidence and support in your Credit Union and in our common BCU endeavour.

65 years have shown that you are all, indeed, the best of members! Thank you all!

To our directors and committee members, we express our appreciation for your hard work, dedication and commitment to the stewardship of BCU. To our management and staff, we acknowledge your hard work and attention to the needs of our members, and your enthusiasm in BCU and in our common purpose.

Together, we strive to make BCU stronger and more vibrant for the benefit of our membership, securing our common future and enriching the shared values of our community-at-large.

Source: Annual Report

Donations and Sponsorships

CHARITABLE AND HUMANITARIAN Friends of Ukraine Defense Forces Fund Guardian Angels Fund Pomich Ukraini Fund United Ukrainian Charitable Trust

COMMUNITY CENTRES Ivan Franko Homes Narodnyj Dim – (Poland) St. Vladimir Institute (Toronto) St. Volodymyr Cultural Centre Ukrainian Cultural Centre Toronto

COMMUNITY EVENTS & PROJECTS Association of Ukrainians Zakerzonnia – 70th Anniversary Aktsia Visla Baturyn Archeological Project Canada 150 Gala Carassauga Festival of Cultures – Ukraine Pavilion Christmas Collage Benefit Choir Concert Christmas Navity Mysteria Cleaning The Capital (Ottawa) CUIA Fund – Tribute to Courage: Politics & Journalism Enbridge Ride to Conquer Cancer Expressions in Art Exhibit Help Us Help the Children – Summer & Winter Camps Knights of Columbus Hamilton – Bishop Crosby Charities Dinner Kosa Kolektiv – Folk Camp Lemko Vatra LUCW – An Evening in Honour of our Heroes Maskarada Mississauga Ukrainian Festival “Okradena Zemlya” – Educational Version Oakville Ukrainian Festival Ottawa Capital Ukrainian Festival Project Nadiya – Joint Project of Lemko Foundation & Association of Ukrainians “Zakerzonnia” Singing Competition “Ukrainian Star” “Sprava Ryfy” – Josyf Cardinal Slipyj Documentary Film St. Joseph’s Health Centre St. Mary’s Yarmarok St. Vladimir’s Ukrainian Orthodox Church – Pysanka Bingo Sviato Heroiyn – Celebration of Heroines Sviato Materi – Mother’s Day Celebration Taras Shevchenko Concert Toronto Vyshyvanka Day UCC Hamilton Branch - Hamilton Ukrainian Tradeshow UCC XXV Triennial Congress of Ukrainian Canadians UCET – Arise! Youth Rally UCET – Break 4 Jesus Camp UCPBA of Toronto - Yalynka UCSS – Helping Hands Humanitarian Award Banquet UCWLC Holy Dormition Branch – Spring Tea UCWLC St. Demetrius Branch – Flowers of Spring Tea UCWLC St. Josaphat’s Branch – Golden Autumn Tea UCWLC St. Nicholas Branch – Turkey & Bingo UCWLC St. Volodymyr Branch –

Valentine's Tea Ukrainian Canadian Business and Professionals Tradeshow Ukrainian Music Festival 50th Anniversary of Ukrainian World Congress UNF Ottawa-Gatineau – "I've Returned": PTSD Awareness Evening & Fundraiser Vechornitsi Musical Show Zhayvir Choir 10th Anniversary Concert

COMMUNITY ORGANIZATIONS Association of Ukrainians "Zakerzonnia" Canada Ukraine International Assistance Fund Canada Ukraine Chamber of Commerce Canadian Lemko Association Desna Foundation Dopomoha Ukraini Fourth Wave International Organization of Ukrainian Communities Glebe Annex Community Association Knights of Columbus – Sheptytsky Council Knights of Columbus – Hamilton Knights of Columbus – Ottawa League of Ukrainian Canadians – National Executive League of Ukrainian Canadians – Etobicoke Branch League of Ukrainian Canadians – Toronto Branch League of Ukrainian Canadian Women – National Executive League of Ukrainian Canadian Women – Etobicoke Branch League of Ukrainian Canadian Women – Toronto Branch Lemko Foundation Inc PLAST Ukrainian Youth Association Society of Veterans of UPA UCB Ukrainian Community of Bradford Ukrainian Canadian Congress – National Executive Ukrainian Canadian Congress – Hamilton Branch Ukrainian Canadian Congress – Toronto Branch Ukrainian Canadian Congress – Ottawa Branch Ukrainian Canadian Professional Business Association of Toronto Ukrainian Canadian Social Services of Canada – Toronto Branch Ukrainian Canadian Women's Council – Toronto Branch Ukrainian National Federation of Canada – Ottawa Gatineau Branch Ukrainian World Congress Ukrainian Youth Association of Canada (CYM) – National Executive Ukrainian Youth Association of Canada (CYM) – Etobicoke Branch Ukrainian Youth Association of Canada (CYM) – Hamilton Branch Ukrainian Youth Association of Canada (CYM) – Ottawa Branch Ukrainian Youth Association of Canada (CYM) – St. Catharines Ukrainian Youth Association of Canada (CYM) – Camp Weselka Vyshyvane Toronto

CHURCHES & RELIGIOUS INSTITUTIONS Holy Dormition of the Mother of God Ukrainian Catholic Church (Mississauga) Holy Spirit Ukrainian Catholic Church (Hamilton) St. Demetrius the Great Martyr Ukrainian Catholic Church St. Josaphat's Ukrainian Catholic Church St. Joseph's Ukrainian Catholic Church (Oakville) St. Vladimir's Ukrainian Orthodox Church St. Volodymyr Ukrainian Orthodox Cathedral Sts. Cyril & Methodius Ukrainian Catholic Church St. Nicholas Ukrainian Catholic Church Sts. Volodymyr and Olha Ukrainian Catholic Church – Cawaja Beach Ukrainian Catholic Eparchy of Toronto and Eastern Canada Ukrainian Catholic Church of the Great Martyr St. George – Oshawa Branch Ukrainian Catholic Church of the Holy Transfiguration – Kitchener Branch Ukrainian Catholic Sobor of The Holy Protection (Toronto) Ukrainian Catholic Women's League of Canada – Holy Dormition of the Mother of God Ukrainian Catholic Women's League of Canada – St. Demetrius The Great Martyr Ukrainian Catholic Women's League of Canada - St. Volodymyr Branch Ukrainian Catholic Women's League of Canada - St. Josaphat's Branch

CULTURE AND THE ARTS Arkan Dance Company Barvinok Ukrainian Dance School Chaika Ukrainian Song & Dance Ensemble Kolizhanky Choir (Ottawa) Kosa Kolektiv Literary and Artistic Association Canada Branch (LATCA) Rezonans Music Studio Sheptitsky Institute Choir Svitanok Choir (Hamilton) Svitanok Ukrainian Dance Society (Ottawa) Tyrsa Ukrainian dance School (Hamilton) Ukrainian Youth Association SUM Ensembles (Toronto) - Baturyn - Dibrova - Prolisok - Prometej - Zhayvir Ukrainian Youth Ensembles (Levada and Orion YMA) Ukrainian Association of Visual Artists of Canada

MEDIA SUPPORT Forum TV Show Homin Ukrainy Newspaper Meest Newspaper New Pathway Ukrainian News Postup Radio Program – Toronto Radio Meest – Toronto Raduysia Mariye Radio Program – Toronto Razom Magazine Song of Ukraine Radio Program – Toronto Ukrainian Canadian Business Directory Ukr Pages Directory Ukrainian Radio Program, CHIN – Ottawa

RESEARCH & PUBLICATIONS Canadian Institute of Ukrainian Studies Ucrainica Research Institute Ukrainian Canadian Research & Documentation Centre

SCHOOLS & DAYCARES Holy Dormition Catholic Church Nursery School Holy Spirit Ukrainian Saturday School Josyf Cardinal Slipyj School Lesia Ukrainka School (Ottawa) Sadochok Preschool Centre Sonechko Nursery School St. Demetrius Catholic School St. Josaphat Catholic School St. Nicholas Ukrainian Heritage School St. Sofia Ukrainian Catholic School Svitlychka Ukrainian Cooperative Nursery School Ukrainian Canadian School Board – Toronto (Matura Graduation) Ukrainian First Steps Playgroup William Sarchuk Ukrainian School Nursery – Hamilton Yuriy Lypa Ukrainian Heritage School

SPORTS BCU Foundation Golf Tournament Ben Tycholis Memorial Golf Tournament Canada Ukraine Chamber of Commerce Golf Tournament FC Slavutych Toronto Fellowship of Sts. Cyril and Methodios Golf Tournament Invictus Games - Toronto Knights of Columbus Golf Tournament Ottawa Ukrainian Golf Association Ryerson Dynamo Cup Tournament Ryerson Trampoline Dodgeball Tournament St. Demetrius Golf Tournament St. Elias Golf Tournament St. Joseph's Golf Tournament St. Naum of Ohrid, Macedonian Orthodox Church Golf Tournament St. Vladimir's Cathedral Golf Tournament St. Volodymyr Orthodox Cathedral Golf Tournament St. Volodymyr and Olha Ukrainian Catholic Church Golf Tournament Toronto Atomic FC Ukrainian Diaspora Soccer Tournament (4th Wave) Ivano Frankivsk Ukrainian Youth Association Golf Tournament USC Karpaty

UNIVERSITY STUDENTS' ASSOCIATIONS Ukrainian Canadian Students' Union (SUSK) McMaster Ukrainian Students' Association (Hamilton) Ukrainian Students' Club at Ryerson University UTM Ukrainian Students' Club



Ukrainian Credit Union is the second largest Ukrainian credit union in Canada, 15th largest credit union in Ontario and 45th largest in Canada based on asset size.

	Ukrainian Credit Union
CEO:	Taras Pidzamecky
CFO:	Marc Sirard
Head Office Address:	145 Evans Avenue, Suite 300 Toronto, Ontario M8Z 5X8
Telephone:	(416) 922-2797
Website:	www.ukrainiancu.com
Board of Directors:	Slawko Borys - Chair Natalia Lishchyna - 1st Vice-Chair (new) Andre Sochaniwsky - 2nd Vice-Chair Michael Shipowick - Honourary Director Jerry Pryshlak - Secretary Irena Fedchun Peter Szlichta Borden Osmak Olya Sheweli Greg Adamowich Robert Diakow Taras Rohatyn (new) Peter Malajczuk
Source: Website	

Executive Report for 2017

Dear Members,

Working together cooperatively to support the aspirations of our member families and businesses, in 2017 we achieved the highest operating earnings and highest net profit in the history of Ukrainian Credit Union Limited. Adding to these milestones, our assets surpassed \$800 million, and UCU continued to maintain its prominent role as a financial pillar in all the communities across Ontario which we call home.

Throughout the past year your credit union's leadership and employees stayed focused on the execution of strategic imperatives to remain engaged in providing competitive products and the convenience of evolving technologies to members, diversify revenue sources through added value services, renew our membership base, and continue building strong capital reserves through prudent balance sheet management and increased profitability. These priorities are laying a strong foundation for future growth and prosperity.

"...in 2017 we achieved the highest operating earnings and highest net profit in the history of Ukrainian Credit Union Limited."

Financial Highlights for 2017

Assets increased \$62.3 million (8.4%) to \$803.4 million; deposits grew \$40.5 million (6.7%) to \$646.3 million, while loans to members increased \$72.1 million (11.5%) to \$701.5 million.

Net income after taxes was \$3.5 million in 2017 reflecting both a year-over-year increase in regular profit from operations of \$1.5 million in 2016 to \$2.37 million in 2017, as well as an additional \$1.14 million in net revenue generated by the CUCO Coop Ltd. returning a significant portion of the remaining proportionate share of the credit union's investments in the Coop as a tax exempt dividend.

The investment fund administered by CUCO Coop Ltd. was originally established in 2008 to work through the recovery of the former Credit Union Central of Ontario (CUCO) write down of its then impaired ABCP investments. These investments had been proportionately assumed by CUCO's member credit unions in Ontario and, in keeping with a successful recovery strategy, the investments were partially repaid on an annual basis as a return of capital to the investing credit unions.

Unlike in previous years, the redemption of investments in 2017 were primarily paid out by the CUCO Coop Ltd. in the form of dividends rather than a return of capital. This change is reflected in the adjustments to both Other income and Other comprehensive income, with no net effect to our Statement of Financial Position.

Our positive results from operations were aided by increasing interest rates and a larger lending portfolio which helped buoy our financial margin, growing revenues from wealth management, credit card and creditor insurance sales, as well as operating expense discipline.

Regulatory capital grew to \$48.5 million (vs. \$47.4 million in 2016) resulting in stable capital ratios in relation to asset growth during the year. Our year-end leveraging ratio stood at 6.0% (vs. 6.4% in 2016), and our risk weighted capital ratio was 12.3% (vs. 13.7% in 2016), substantially exceeding minimum regulatory requirements.

The reduction in capital ratios resulted from greater-than-budgeted balance sheet growth triggered by unprecedented residential mortgage loan demand in mid-year 2017, as well as increases in personal and commercial credit portfolios.

The Credit Union received a total of 2,305 credit applications (vs. 1,971 in 2016) of which 1,545 were advanced, 758 were declined or cancelled, and 2 were pre-approved but not yet advanced by year-end.

Loans advanced totaled \$216,800,091 (vs. \$181,090,606 in 2016) and were broken down as follows:

1. Residential Mortgages	293	\$ 104,101,411
2. Personal Loans	724	\$ 12,121,363
3. Lines of Credit	354	\$ 39,437,403
4. Commercial Loans	174	\$ 61,139,914

The credit union's actual loan losses for 2017 remained well below that of the credit union sector overall. Nevertheless, we continued with our strategy in recent years to increase our loan loss provisions in support of a plan to prudently grow personal and commercial loans.

This should serve the credit union in good stead as we transition in 2018 to the more risk-attuned IFRS 9 rules for loan loss provisioning. The aggregate annualized dividend paid on Class A Investment Shares was 3.8125%, and at the end of December, 2017 the credit union's membership was 23,925.

Innovation and product enhancements

Throughout 2017 your credit union worked actively to ensure that our financial cooperative stayed technologically current and secure, while improving service and convenience to UCU members through innovation and product enhancement. In the past year we introduced or paved the way for the following new service offerings and improvement:

- Mobile App upgrades – alerts, push notifications, recurring bill payments (June, 2017)
- Moved to Everlink Payment Services as a new supplier to allow for future enhancements to ATM & Debit Card services (October, 2017)
- Interac online payments (December, 2017)
- More affordable loan disability insurance to help give borrowing families greater peace of mind (effective January 1, 2018)
- Debit card tap through Everlink (effective May, 2018)
- A new UCU MasterCard program for consumer and business credit card offerings (effective Spring, 2018)

“Throughout 2017 your credit union worked actively to ensure that our financial cooperative stayed technologically current and secure, while improving service and convenience to UCU members through innovation and product enhancement.”

Sharing our Co-operative Success

While we are here first and foremost to serve our members in their search for principled, convenient and competitive financial services, building community has always been an essential part of Ukrainian Credit Union Limited's identity. We do so by sharing the successes of our co-

operative enterprise by supporting dozens and dozens of worthy projects and causes across Ontario and beyond, be they cultural-educational, religious, humanitarian or recreational. We are proud of our contributions toward building community.

From the beginning of the Russian Federation's illegal invasion and ongoing occupation of the Ukrainian territories of Crimea, Donetsk and Luhansk, Ukrainian Credit Union Limited has played a significant role in supporting the victims and veterans of this war. Thus, humanitarian and civil society support of Ukraine remained an important component of our giving programs in 2017.

With the support of our members and other people of good will, our staff-driven "UCU Helps Ukraine" program has raised over \$200,000 to date to provide practical assistance for wounded and disabled Ukrainian war veterans injured in eastern Ukraine in their fight against Russian aggression. Here in Canada we were thrilled to support Ukraine's veterans through our platinum sponsorship and volunteer assistance in support of Ukraine's team to the Invictus games held in Toronto in September, 2017.

UCU was also a proud contributor to the memorial opened in France to mark the 100th anniversary of the Battle of Hill 70 to honour the memory of Canadian military members who distinguished themselves and our country at this pivotal event of World War I. Our credit union was a key sponsor of the portion of the memorial known as Filip Konowal VC Walk, named for the Ukrainian Canadian war hero whose Victoria Cross is today displayed at the National War Museum in Ottawa.

UCU also played a prominent role in supporting the Canada Ukraine Parliamentary student internship program, particularly the Day on the Hill organized by this year's grouping of university students from Ukraine as part of their 10-week placement with Canadian members of Parliament. The objective is that, through their parliamentary immersion experience in Canada, these future leaders of Ukraine gain insight and experience that will serve them in building democracy and civil society in their homeland.

Thank You

Our year-end member on-line survey showed most of our members continue to be highly satisfied overall with our products and service. The UCU board, management and staff thank you for your vote of confidence. At the same time, we urge you to let us know where services could be improved or innovations introduced. After all, UCU belongs to you as your member-owned cooperative financial institution and your opinions are valued.

In closing, once again please accept our sincere thanks for your continued patronage of Ukrainian Credit Union Limited over the past year. We are committed to continue earning your trust and your business.

Co-operatively yours,

Andre Sochaniwsky, Chair of the Board
Taras Pidzamecky, Chief Executive Officer

Source: Annual Report

Donations and Sponsorships

Association of Ukrainians "Zakerzonnia"
Barvinok Dance Group - Hamilton
Barvinok Ukrainian School of
Dance - Mississauga
Belle River Novice AA Hockey - Windsor
Big Band Orpheus - Toronto
Break for Jesus Catechetical Camp
Caboto 208 Girls Soccer Strikers - Windsor
Camp Sokil Softball Tournament
Canada 150 "Sesquicentennial Blooms"
Canada Ukraine Parliamentary Program
Canada-Ukraine Chamber of Commerce
Canada-Ukraine International Assistance Fund
Canadian Credit Union Association
Canadian Ethnocultural Council
Canadian Lemko Association
Canadian Tapestry Exhibit - Hamilton
Canadian Ukrainian Opera Association
Capital Ukrainian Festival - Ottawa
Carassauga Ukraine Pavilion
Chapters & Verse Documentary
Children of Chernobyl Canadian Fund - Dzhherelo
Council of Ukrainian Credit Unions of Canada
Cruisin' for Organs - Sudbury
Desna School of Ukrainian
Dance - Toronto
Dnipro/Veselka Cultural & Education
Society - Sudbury
Dormition of the Mother of God
Ukrainian Catholic Church - Mississauga
Dovercourt Boys & Girls Club - Toronto
Dunai Dance Ensemble - St. Catharines
Exaltation of the Holy Cross Ukrainian Catholic Church - Thunder Bay
Facer District European Festival - St. Catharines
Fellowship of Sts. Cyril and Methodios
Firefighter Aid to Ukraine
Folk Camp - Kosa Kolektiv
H. Skovoroda Ukrainian Saturday School - Hamilton
Help Us Help the Children
Holy Cross Croatian Roman
Catholic Church - Hamilton
Holy Protection of the Blessed Virgin
Mary Ukrainian Catholic Church - Burlington

Holy Spirit Ukrainian Catholic Church - Hamilton
Holy Spirit Ukrainian Saturday School - Hamilton
Holy Trinity Roman Catholic Polish Parish - Windsor
Holy Trinity Ukrainian Catholic
Church - Choral Concert - Edmonton
HOPE Worldwide of Canada/Helping
Hand for Ukraine Relief Projects
Independence Day Celebrations - Toronto
Invictus Games
Ivan Franko Homes for the Aged - Mississauga
Ivan Franko International Fund
Ivan Franko Ukrainian School - Oshawa
Ivana Kupala at Camp Sokil
Josyf Cardinal Slipyj Catholic School - Toronto
Jr. Chaika Dance Group - Hamilton
Juvenile Diabetes Research
Knights of Columbus – Sheptytsky Council #5079
Lake Superior District Chapter of the MS Society of Canada - Thunder Bay
Lesia Ukrainka Ukrainian School - Toronto
Maidan-Donbas - Photo Art Book
Matura Committee of the Ukrainian Canadian School Board
McMaster Ukrainian Students' Association
Memory Failures: Lakuny Pamyati Exhibit
Metropolitan Andrey Sheptytsky Institute Foundation
Music on Canvas - Concert
My Canada Somewhere – Nowhere Exhibit
Nativity of the Holy Mother of God - Niagara Falls
New Pathway Ukrainian News
Oakville Ridna Shkola
Ochrymovych Humanitarian Award
ODUM Camps - Bandura
Operation UNIFIER
Plast Ukrainian Youth Association - St. Catharines
Plast Ukrainian Youth Association - Toronto
Pokrova Ukrainian Arts Network - Ottawa
Pontifical Institute of Mediaeval Studies - Baturyn Project
Raduisia Mariye Radio Program
Rezonans Music Studio
Ridna Shkola UNF - Toronto West
Rizdvyana Misteria Passion Play
Rotary Club of Burlington
Ruta International Soccer Academy
Sadochok Preschool Centre
Shevchenko Scientific Society of Canada
St. Andrew Ukrainian Orthodox Church - Toronto

St. Andrew's College - Winnipeg
St. Demetrius Catholic School
Parents Committee - Toronto
St. Demetrius Orthodox Church - Toronto
St. Demetrius Ukrainian Catholic Church - Toronto
St. Demetrius Ukrainian Catholic Church Choir - Toronto
St. Elias Ukrainian Catholic Church - Brampton
St. George Ukrainian Catholic Church - Oshawa
St. George Ukrainian Orthodox Church - St. Catharines
St. John Chapel - Hawkestone
St. John Ukrainian Catholic Church - St. Catharines
St. Josaphat Ukrainian Catholic Cathedral - Toronto
St. Joseph Ukrainian Catholic Church - Oakville
St. Joseph's Health Centre - Toronto
St. Mary's Nursery - Mississauga
St. Mary's School of Ukrainian Dance - Sudbury
St. Mary's Ukrainian Catholic Church - Sault Ste. Marie
St. Mary's Ukrainian Catholic Church - Sudbury
St. Michael's Choir School - Toronto
St. Nicholas Serbian Orthodox Cathedral - Hamilton
St. Nicholas Ukrainian Catholic Church - Hamilton
St. Pius X Parish - Toronto
St. Sofia Catholic School Parent Council Mississauga
St. Stefan Serbian Orthodox Church - Oshawa
St. Vladimir Ukrainian Orthodox Cathedral - Hamilton
St. Volodymyr Ukrainian Orthodox Cathedral - Expressions in Art
Sts. Cyril & Methodius Ukrainian Catholic Church - St. Catharines
Sts. Moses & St. Katherine Coptic Orthodox Church - Toronto
Sts. Vladimir & Olha Ukrainian Catholic Church - Windsor
Sts. Volodymyr & Olha Ukrainian Catholic Church - Cawaja
Studio Ikona - Kraina Canada 150 Exhibit
Svitanok Ukrainian Dance Society - Ottawa
Svitlychka Ukrainian Coop Nursery - Toronto
Taras Shevchenko Home for the Aged - Hamilton
Taras Shevchenko Ukrainian Community Centre - Etobicoke
The Orpheus Choir of Toronto - Identities: Glorious & Free
TLC Animal Aid - Windsor
Toronto Vyshyvanka Day
Trident Fishing Club
Trio Lira
Tyrsa Ukrainian Dance School - Burlington
UbrainE Club
UCU Helps Ukraine
UCWLC - Holy Dormition of the Mother of God
UCWLC - St. Demetrius

UCWLC - St. Josaphat
UCWLC - St. Nicholas Church
UCWLC - St. Volodymyr
Ukrainian Art Song Summer Institute
Ukrainian Bandurist Chorus
Ukrainian Canadian Congress - Hamilton
Ukrainian Canadian Congress - National
Ukrainian Canadian Congress - Ottawa
Ukrainian Canadian Congress - Toronto
Ukrainian Canadian Senior Club - Hamilton
Ukrainian Canadian Social Services - Hamilton
Ukrainian Canadian Social Services - Toronto
Ukrainian Canadian Students' Union - SUSK
Ukrainian Canadian Women's Council
Ukrainian Catholic Church of the Holy Protection - Toronto
Ukrainian Catholic Church of the Holy Transfiguration - Kitchener
Ukrainian Catholic Church of the Resurrection - Hamilton
Ukrainian Catholic Education Foundation
Ukrainian Catholic Eparchy of Toronto & Eastern Canada - Arise Youth Rally
Ukrainian Community of Bradford
Ukrainian Culture Festival - Toronto
Ukrainian Full Gospel Church - Toronto
Ukrainian Museum of Canada – Ontario Branch
Ukrainian Music Festival
Ukrainian National Federation - Hamilton
Ukrainian National Federation - Sudbury
Ukrainian National Federation - Toronto
Ukrainian National Federation – West Toronto
Ukrainian National Federation - Windsor
Ukrainian National Federation National Executive
Ukrainian Orthodox Church of Archangel Michael - Bradford
Ukrainian Orthodox Church of Canada - Eastern Eparchy
Ukrainian Orthodox Church of St. Vladimir - Windsor
Ukrainian Rhapsodia Choir - Sudbury
Ukrainian Self-Reliance League of Canada - Hamilton
Ukrainian Seniors Center - Sudbury
Ukrainian Sports Club "Karpaty"
Ukrainian Student's Club - Ryerson
Ukrainian War Veteran's Association of Canada
Ukrainian Women's Association of Canada - Lesia Ukrainka Branch - Hamilton
Ukrainian Women's Organization of Canada - Hamilton
Ukrainian Women's Organization of Canada - Toronto Branch
Ukrainian World Congress
Ukrainian Youth Association - Canada
Ukrainian Youth Association - Mississauga

Ukrainian Youth Association - Ottawa
Ukrainian Youth Ensemble - Toronto
Ukrainians on Bay St.
United Ukrainian Charitable Trust
University of Toronto-Mississauga
Ukrainian Student Club
UNF Foundation
USCAK-Canada
Vera Zelinska Ukrainian Youth
Bandura Capella - Zoloti Struny
William Sarchuk Ukrainian School - Hamilton
Yarmarok - Mississauga
Yavir School of Ukrainian Dance - Toronto
York Midget Baseball - Toronto



Carpathia Credit Union is Western Canada's largest Ukrainian Financial Institution and one of the oldest Ukrainian credit unions in Canada. The credit union is the 3rd largest Ukrainian credit union in Canada, 14th largest credit union in Manitoba and the 69th largest credit union in Canada.

	Carpathia Credit Union
CEO:	Nicholas Rawluk (new)
CFO:	Janet Hnytka (new)
Head Office Address:	952 Main Street, 3rd Floor Winnipeg, Manitoba R2W 3P4
Telephone:	(204) 989-7400
Website:	www.carpathiacu.mb.ca
Board of Directors:	Roman Zubach - President Peter Washchyshyn - Vice President Noella Plypowich - Secretary Ivan Bantias Don Clinsky Demyan Hyworon Dr. Taras Babick (new) Irka Semaniuk Susan Zuk
Source: Website	

President's Message

This is a major milestone. We look forward to the challenges and opportunities that will continue to enhance the growth of our credit union and its members. The financial service industry continues to become more challenging each year. Amidst in this ever changing environment of mergers and rising technology costs,

Carpathia Credit Union will continue to be competitive in this dynamic financial market. In July, 2017, Walter Dlugosh announced his retirement effective December 31, 2017. Walter served Carpathia Credit Union for 25 years, the last 12 years as CEO. Under his leadership, the Credit Union experienced strong financial growth and expanded to 5 branches in the city.

The Board is grateful to Walter for his loyalty and commitment to Carpathia Credit Union these many years. We wish him all the best in his retirement. As recently announced a new CEO has been hired. Mr. Nick Rawluk will assume his role of CEO in early January, 2018.

We have completed our 79th year of providing the financial needs to our members and associates. We continue to be a strong financial institution that is in excellent position to meet the challenges that are ahead of us.

Carpathia Credit Union's growth is directly attributable to the loyalty of our members and associates. Complementing this financial success is the hard work, commitment of our people. On behalf of our Board of Directors I thank our management and the entire team for their continued dedication to meeting the needs of our members. It has been an honour to serve as your President this past year. Our future continues to be bright. In conclusion I would like to thank the Board of Directors for their professionalism, time and energy and their wise advice during our board meetings. Finally, I thank all of our members and associates for their business, and support which contributes to the success and growth of CCU.

Roman Zubach, President

Chief Executive Officer's Message

Carpathia Credit Union experienced a growth rate in assets of 6% this year, going from \$463 million and reaching \$490 million by September 30th. The deposits of the credit union's members grew in total by over \$25 million, ending the year at \$462 million.

Deposit growth for the year was 6% which was slightly less than the 8% achieved in 2016. Loan growth during the year accelerated to 12% or \$46 million. This rate of growth was 4 times that of last year and primarily occurred in residential mortgages. The net increase in residential mortgages was \$36 million. The credit union's commercial mortgages experienced a net increase of \$9 million for the year which also contributed to the growth in total loans. By the end of September, the residential mortgage total represented 56% of all total loans outstanding while the commercial mortgage total represented 34%. This represents a planned shift in the credit union's loan portfolio towards a higher reliance on the less risky consumer loan sector. An ever-increasing compliance regime has made the credit union more conscientious in attaining prescribed capital levels and is the underlying reason for building up its retained earnings for the future.

Carpathia welcomed 394 new members and 332 new associates during 2017. In terms of the associate status, which was introduced in 2003, Carpathia Credit Union had 1,445 associates as at September 30, 2017. Associate loans outstanding as at September 30, 2017 comprised 30% of total loans outstanding (26% in 2016), while deposits held by associates represented 16% of total deposits payable (15% in 2016). Income earned from associates of the credit union was equal to 26% of the total income earned by the credit union in 2017. In 2016 total income earned from associates represented 24% of the total income earned by the credit union.

The credit union's operating income remained relatively unchanged at \$1.86 million when compared to last year. Although the credit union's gross financial margin increased by \$344,000 operating expenses increased by \$515,000. The loan growth experienced by the credit union during the year resulted in loan interest income increasing by \$472,000.

Deposit growth on the other hand resulted in increasing the cost of funds by \$132,000. Total operating expenses for the year increased by 7%. This increase was related to higher Personnel, Occupancy, Members' security, and Organizational expenses. The increase to the staff compliment related to the opening of the credit union's fifth branch last year was fully realized in 2017 with this branch being operational for the entire year. This also accounts for the increase in Occupancy expenses with the full year of the new branch being opened. Members' security expenses increased entirely due to the insurance assessment on members' deposits.

The increase in Organizational expenses was attributed to increases in affiliation dues and director training and education expenses. Finally, the credit union's other revenue for the year experienced an increase of 13% due to increased commercial loan application fees and foreign exchange gains.

Highlighting the year the credit union undertook to updating its website and improving its online banking product and mobile banking application. In addition to these improvements the credit union introduced an online member application form and an online loan application form. The objective of these improvements was to provide a more user friendly content that was consistent with other financial institutions and to meet the needs of an ever increasing mobile membership.

In 2018 our members can expect further investment in web-based services that will allow them to access their financial affairs anywhere at any time. In conclusion, I would like to personally thank our members for their continued support and loyalty to our credit union over the last year, our Board of Directors for their support and guidance throughout the year, and our staff for their commitment and dedication in serving our members.

Walter Dlugosh, Chief Executive Officer

Source: Annual Report

Carpathia Support for the Community

Bernie Wolfe Community School
Canada Ukraine Foundation
Chief Peguis Community School

David Livingston School
East Selkirk Middle School
EUBP River East School Division
Gateway Mini Jets Team Sponsorship
Happy Thought School
Holy Family Home
“Homin Ukrainy” Publishing Co. Ltd.
Kildonan Horizons
Kyiv Pavilion
Lubov SSMI Foundation
Never Alone Foundation
Oak Bank Elementary School
Orlan Ukrainian Folk Ensemble
Oseredok Ukrainian Cultural and Educational Centre
Osvita Foundation
Plast
R.F. Morrison School
Ralph Brown School
Rusalka Ukrainian Dance Ensemble
Selo Ukrainian Dancers
Sopilka Ukrainian dance
Spirit of Ukraine Pavilion
Springfield Heights School
Springfield Middle School
St. Vladamir & Olga Cathedral
The Catholic Foundation
The New Pathway
The Welcome Home
Trident Press Limited
Troyanda Ukrainian Dance Ensemble
Ukrainian Canadian Congress
Ukrainian Canadian Institute Prosvita
Ukrainian Canadian Social Services Inc.
Ukrainian Canadian Students Association
Ukrainian Catholic Women’s League of Canada
Ukrainian Golf Classic
Ukrainian Park Camp
Ukrainian Reading Association
Ukrainian Youth Association
United Way of Winnipeg
Veselka Summer Camp
Westland Foundation



Caisse populaire Desjardins Ukrainienne de Montréal (the “Caisse”) is the 4th largest Ukrainian credit union in Canada.

CEO:	CP Desjardins Ukrainienne de Montreal Yourko Kulyckyj
Head Office Address:	3250 rue Beaubien Est Montreal, Quebec H1X 3C9
Telephone:	(514) 727-9456
Website:	Desjardins.com
Board of Directors:	Eugene Czolij - Chair Stephen Spilkin - Vice-President Anastasia Kyva - Secretary Myroslaw Balycky Garry W. Grosko Paul Harasymoycz Helen Holowka Orest Humenny Gregory Kowryha Orest Mytko Yury Monczak Edmond Pasioka Igor Pryszlak George Sztyk Volodymyr Zhovtulya
Source: Annual Report	

President's report

On behalf of our Executive Board, it is my great pleasure to present to you the annual report of the Caisse Populaire Desjardins Ukrainienne de Montréal ("Caisse") for the fiscal year 2017.

In 2017, Caisse had an operating surplus of \$ 1,042,886. These results demonstrate the good business management of Caisse. This performance encourages us to continue our efforts to offer you services and solutions that will even better meet your expectations.

I congratulate our members on these remarkable results. Your loyalty to Caisse remains the main driving force of our success. Indeed, the wider use of our products and services by our members has a direct positive impact on Caisse's profitability. Our membership loyalty is has a positive effect on the Caisse and its members, but also for our Ukrainian community.

The Caisse's financial situation allowed its Board to propose to the Annual General Meeting the approval of \$289,000 patronage interest payment to our members.

In addition, Caisse donated and provided sponsorships of more than \$73,000 to various organizations and their projects in 2017. We can all be proud of contribution made by the Caisse in the development of our Ukrainian community.

Caisse provides services to over 3,600 members and clients. We continue to improve our services and develop our products continually to better suit your needs.

Your satisfaction with the quality of our products and the high level of our services is continuing to be our priority. We will continue to introduce approaches that are simple, humane, modern and effective to keep our privileged position in your financial life.

We have made our Caisse more accessible by introducing many new mobile services. Desjardins mobile payments, Apple Pay and Android Pay, mobile deposit checks and Internet transfers are just some of the mobile services available to you.

You can now personalize your balance information, deposit your cheques to your account on line. With regard to the new Desjardins insurance program, it gives you direct access to your insurance file on the Internet. From autumn 2017 your mortgage documents and any funding request can be actually signed by using an electronic signature.

During the last fiscal year, we also reviewed some of our practices to better meet your expectations by canceling, for example, the fees for Interac services.

As members, you can play a role in the development of our Caisse to make it even more effective. We are always looking for the best ways that you can interact with us.

Caisse also takes an active part in the Ukrainian cooperative movement. Ukrainian credit unions are viable financial institutions in Canada and America. They are significant sponsors and supporters our communities and their various important projects. Caisse is a member of the Ukrainian Co-operative Council of Canada.

The President of Caisse is the member of the Board of representatives of the Federation of Desjardins Credit unions of Quebec from the Eastern Montreal and of the Board of Directors of the Ukrainian Co-operative Council of Canada.

I am sincerely thankful to our general manager, Mr Yourko Kulycky, for his great commitment to Caisse. Equally, I want to thank all our employees who diligently serve our members and clients. I congratulate all members of the Executive and Supervisory Commission, who contribute to the success of our credit unions. I also want to express our gratitude to all the members of Caisse for the trust that remains our main source of motivation.

Eugene Czolij, President

General Manager's Report

Dear members,

In 2017, our Caisse Populaire Desjardins Ukrainienne de Montréal ("Caisse") has been hard at work to offer its members and clients distinctive and relevant services. This exercise will continue during the current year. To achieve this, we can count on the know-how of our staff as well as on the collaboration of with Desjardins Group, but also on new computer technology.

In person or with the support of this new computer technology, Caisse will assist you to reach your financial goals and objectives. With your Caisse following you everywhere thanks to, among others, the AccèsD application on your smartphone, we can more than ever participate actively in your everyday life. These new tools provide a benefit of our members and customers and will continue to boost the development of our business and our relationship with you.

It is thanks to the loyalty of our members that we can support the development of our Caisse and that of our Ukrainian community.

The assets of our Caisse increased by 3.1% from last year to \$162,859,194. Loans to individuals and businesses totaled \$140,484,453, an increase of 3.9%.

The Caisse's deposits totaled \$116,460,736, a 0.4% decrease.

At December 31, 2017, your Caisse's members capital increased to \$ 22,274,190, representing a growth of 7.5%. The equity consists of the share capital, which now stands at \$ 181,256, surplus earnings to be distributed of \$725,370, accumulated other comprehensive income of \$565,689 and finally reserves of \$20,801,875. The amount of the stabilization reserve represents \$ 118,550, while the reserve for potential rebates is \$777,825. Your Caisse has also accumulated \$ 89,000 in the Community Development Fund.

During the past year, your Caisse generated \$1,042,886 in operating surplus, down 1.3% from the previous year.

Net interest income totaled \$4,027,699, a decrease of 1.5% over last year. Interest expenses fell 2.7% to \$1,332,320. Other income, mainly from the distribution of Desjardins products and services, totaled \$694,746, down 1.8% from last year.

Given the rigor of our members with respect to their financial commitments, the Caisse did not experience any credit losses. She even recovered \$9,285.

Non-interest expenses were generally up moderately, up 1.5% to \$ 2,356,524.

We are proposing the payment of a rebate of \$ 289,000. The allocation chosen is based on the importance of the balance between surplus distribution, growth and capitalization. Your Caisse,

like Desjardins Group as a whole, must ensure a high capitalization. The development and sustainability of our Caisse are based on a fair distribution between the needs of our members and the requirements of the financial markets.

Technology, especially mobility, gives you unparalleled access to tools, products and services offered by Desjardins, 24 hours a day, 7 days a week.

We are also continuing to improve the services and products offered on all our channels, whether on the Internet, on the phone, at the Caisse or at ATMs. To this end, Desjardins Group is preparing for the deployment of new ATMs.

Our fourteen employees are here to assist you in the realization of your projects. I want to acknowledge their commitment and their commitment, and I thank them for choosing Desjardins as their employer.

Thank you also to the Caisse's management, people who sincerely love Desjardins, but also deeply their community and their region. Your investment in time and energy is essential for the development of a stimulating community.

Choosing Desjardins means participating together in a more dynamic environment!

Yourko Kulycky, General Manager

Source: Annual Report [translation]



North Winnipeg Credit Union, which has been serving the Ukrainian Community in Manitoba for over 65 years, is now the fifth largest Ukrainian credit union in Canada; North Winnipeg CU continued to enhance its tradition of community service. North Winnipeg has two branches, four ATMs, internet, telephone banking services, website and mobile banking access.

	North Winnipeg Credit Union
CEO:	Lisa Jaworsky
CFO:	Myron Fiks (new)
Head Office Address:	310 Leila Avenue Winnipeg, Manitoba R2V 1L8
Telephone:	(204) 954-7450
Website:	www.nwcu.mb.ca
Board of Directors:	Nicholas Chubenko - Chair (new) Sophia Kachur - Vice Chair Ihor Gawrachynsky - Secretary Orest Deneka Ostap Hawaleshka Olena Lyubashenko Maxim Paches John Zacharuk (new) Eugene Waskiw
<i>Source: Website</i>	

Report of the Board of Directors

I am pleased to present the 2017 Report of the Board of Directors for North Winnipeg Credit Union. Our Credit Union has continued the trend of positive financial performance in 2017. Assets grew to \$109 million (2.1 per cent increase) while net income was \$360,802. These positive values reflect strong member patronage that allows us to reach these outcomes year after year. We remain sensitive and very appreciative of the ongoing loyalty and trust of our members.

his past year has brought some unexpected changes to the Board. Our Board Chair, Myron Pawlowsky, tendered his resignation after being appointed to the Board of Deposit Guarantee Corporation of Manitoba. We thank Myron for his many years of leadership and service on the Board of NWCU and wish him success in his new position and all future endeavors. We were pleased to welcome back Olena Lyubashenko to the Board. Our Vice-Chair, Sophia Kachor, regrettably was forced to take a leave of absence from Board activities due to illness. We have missed her knowledge and experience, but I am happy to report she is making a remarkable recovery and gradually returning to her position on the Board. In the meantime, I thank my fellow Board colleagues for their resolve, guidance and support while entrusting me in the role of Chair during these changes.

The senior management team and staff led by our CEO Lisa Jaworsky worked together very effectively and efficiently in meeting the financial service needs of our members. Their collective efforts and hard work have definitely not gone unnoticed and we are proud of what they continue to accomplish.

This past year we made the decision to close our Henderson Highway Branch and consolidate all financial services and operations back to the main Leila Branch. With due diligence, we opted to concentrate on enhancing and building upon a stronger single branch model with the benefits of extended financial services, increased hours of operation and staffing. The underlying goal is to promote opportunities for stronger service offerings to all our members in keeping with the original cooperative values.

To this end, we do not lose sight in continuing to maintain and build relationships with our community partners. In 2017, NWCU's community support budget remained strong at \$14,399 which included \$2,700 that was allocated towards various scholarships to high schools and Ukrainian school programs.

This year commemorates the 75th anniversary of North Winnipeg Credit Union and reaching this special milestone has been a very proud and valuable achievement. We celebrate our past members who helped establish the foundation of our credit union over these years. Today, our members continue to drive the success of NWCU and we value and take pride in their loyalty as well as the personal and financial services being offered. On behalf of the Board of Directors,

Nicholas Chubenko, Chair

Chief Executive Officer's Report

It has been my pleasure to serve the members as CEO for North Winnipeg Credit Union (NWCU) over the past year. My first year as CEO has been extremely rewarding, and I'm pleased to share with our membership our 2017 results.

Our Successful Year – 2017 was another successful year for North Winnipeg Credit Union, despite the challenge of the low interest rate environment that continually places pressure on our margins. Last year, our asset growth surpassed \$109 million; an increase of 2.1 per cent year over year. Our member deposits remained constant at \$100 million; with our loan portfolio increasing 5.0 per cent or \$4.6 million. Based on the 2017 financial results the Board of Directors declared a 4.39 per cent cash dividend or \$16,540 on all common shares and a 10 per cent cash payout of \$34,714 of all active surplus shares.

Our Value for our Members – In order to deliver increased value back to our members, we are focused on maximizing our operational efficiencies. In 2017, we improved our efficiency ratio by 9 per cent year over year to 80 per cent. As successful as we were, our Board also faced some tough decisions and as a result in February 2017, NWCU amalgamated its branches. Making changes to service delivery is very difficult and not something we take lightly. Your Board and management are always searching for efficiencies that will help keep our credit union solid and viable. We continue to collaborate with other credit unions to explore opportunities for cost savings and improving service deliveries. This approach will help our credit union deal with challenges such as increased regulation, increased operating costs, and continued financial margin compression.

Your Feedback – In September, we invited all members to participate in a comprehensive survey. The member survey uncovered areas where we are keen to improve. Two themes emerged from the survey: invest in technology and offer competitive rates and products. Thank you for your participation in our survey. Your opinions make a tremendous difference at your credit union and were integrated in our three-year business plans.

Our Future – During the year the Board and senior management developed a three-year business plan along with strategic priorities to help us achieve this plan. This is a great example of the vision the Board has for NWCU, providing goals, objectives and strategies for the coming years as we navigate through these ever-changing times in our industry. 2018 promises to be very exciting as we enter our 75th year of operations and focus on an expect investment in new electronic services that will allow them to deal with North Winnipeg anywhere at any time.

Our People – Our success in 2017 is a direct result of the heart and passion of our people. This includes our Board of Directors, management and all our dedicated employees, who work as a team every day to deliver the exceptional value that our members have come to expect. In September we invited our employees to participate in an employee survey to help us better understand NWCU's strengths and weaknesses. In 2018, we will focus on the areas our employees have identified as important to them.

Our Members – It is the trust, confidence and loyalty that our members place in North Winnipeg Credit Union that enable us to succeed. Thank you for your business and your loyalty to North Winnipeg Credit Union. We are excited for the future and will continue to work hard to deserve your patronage and maintain your trust. North Winnipeg Credit Union is your community credit union that is truly yours...mine....OURS!

Lisa Jaworsky, CPA, CMA Chief Executive Officer

Source: Annual Report

Community Organizations Supported By North Winnipeg Credit Union

2017 Canada Games
Blessed Virgin Mary Ukrainian Catholic Church
Canada's National Ukrainian Festival Folklorama - Kyiv Pavilion
Folklorama - Spirit of Ukraine Pavilion
Garden City Collegiate
Holy Family Nursing Home Ladies Auxillary
Humanitarian Association of Ukrainian Volunteers Myloserdia
Immaculate Heart of Mary School
IPAC Soccer Club
Kinofilm Fest - Winnipeg
Knights of Columbus - Canon Luhovy Assembly #0374
Knights of Columbus - Fr. Shyshkowich Council #8925
Knights of Columbus - St. Josaphat #4138
Lubov SSMI Foundation - Holy Family Home revitalization project
Manitoba Credit Union Golf Tournament
O. Koshetz Choir
Oseredok Ukrainian Cultural and Educational Centre
Osvita Foundation Inc.
Platinum Jets Charity
Project "Liubov - Love"
Ralph Brown School
Rozmai Winnipeg CYMK Ukrainian Dancers
Rusalka Ukrainian Dance Ensemble
Seven Oaks Sadok Inc.
St. Anne Ukrainian Catholic Church
St. Basil Ukrainian Catholic Church
St. Joseph Ukrainian Catholic Church
Ukrainian Canadian Foundation of Taras Shevchenko
Ukrainian Canadian Women's Council, Winnipeg Branch
Ukrainian National Federation of Canada
Ukrainian Orthodox Summer Camp "Veselka"
Ukrainian Park Camp
Ukrainian Self-Reliance League of Canada
Ukrainian Social Services, Manitoba Branch
University of Winnipeg Chair in Cooperative Management
University of Winnipeg Ukrainian Students Association
Winnipeg Ukrainian Golf Classic



New Community Credit Union is the oldest Ukrainian credit union in Canada and was incorporated on January 26, 1939, which has been serving the Ukrainian Community in Saskatoon for over seventy seven years. New Community is the sixth largest Ukrainian credit union in Canada.

New Community Credit Union

GM: Darren Doepker

Office Supervisor: Cheryl Helmeczi

Head Office Address: 321 - 20th Street West
Saskatoon, Saskatchewan
S&M 0X1

Telephone: (306) 653-1300

Website: www.newcommunitycu.com

Board of Directors: Roman Sywanyk - Chair (new)
George Zerebecky - Secretary
Cliff Arthurs
Angela Wojcichowsky
Barry Slowski
Delva Rebin
Rosanne Alain (new)
Gwen Klypak
Morris Bodnar

Source: Website

Chairperson's Report

On behalf of the Board of Directors, I am pleased to present the New Community Credit Union 2017 Annual Financial Report.

I would like to congratulate the New Community Credit Union for 79 years of excellent service to our members and community.

Over the past year we have seen numerous changes on how we do our business. These changes are driven by technology, compliance requirements set by our regulators and changes to the standards of sound business practice. Through all of this the Credit Union as in the past has enjoyed another successful year with growth in assets and increased net revenue.

I congratulate the management and staff of the New Community Credit Union, as it is through their dedication and hard work that enables the Credit Union to grow and be profitable.

In closing, the Board of Directors, management and staff of our credit union, would like to extend our sincere thanks to you, the members for your continued patronage and support. In working together, we assure our success into the future.

Roman Sywanyk, Chairperson of the Board

Management Discussion & Analysis

Introduction

New Community Credit Union (NCCU) is an independent member owned Saskatchewan credit union. Current legislation enables NCCU to provide financial services to members and non-members. As of December 31, 2017, there are 2,257 members. This amount is down slightly from the 2,277 members in 2016. All members hold two \$5 shares, allowing them to participate in the democratic process. NCCU has held its office in the Riversdale Community our entire 79-year history, predominately providing services to Saskatoon and bordering communities. Service channels are in-branch, the ATM network, CU Connect, internet banking and mobile banking. Although cost restraints sometimes limit NCCU from being on the leading edge of technology we are committed to listening to the needs of our membership. In 2017 we launched our Mobile App. NCCU remains dedicated to balancing the cost of technological advancements with the evolving expectation of a more connected society. NCCU remains committed to providing a good balance between fiscal responsibility and meeting and exceeding the service level expectations of all membership.

Strategy

NCCU's Mission is "To be the premier provider of personalized financial services to a growing and diverse membership". A strategic initiative has always been to provide our members with an elite level of personal service.

NCCU is very pleased to be ending 2017 with the exact staff we started the year with. We remain committed to providing a premier level of personal service and believe we have an entire staff complement, who has embraced our member-first philosophy. We continue to be mindful of organizational expenses, while not jeopardizing our focus on the diverse needs of

our membership. Maintaining relevance in the highly competitive and scrutinized financial services industry is a daily challenge; however, NCCU is looking to long term sustainability.

Success and sustainability continue to have an evolving definition. Escalating attention on Compliance, Capital Adequacy, Liquidity and Enterprise Risk Management continue to place pressure on balancing growth while remaining profitable, in order to increase Retained Earnings. NCCU is pleased to report strong financial performance in 2017. Thank you to our loyal members for your ongoing support which has allowed NCCU the opportunity to continue to build strength.

Low commodity prices continue to impact the local economy which has placed pressure on our industry. 2017 did see 3 separate rate increases by the Bank of Canada. These increases did alleviate some of the pressure on the record low interest margin, which was felt for a number of years. As a result, a portion of NCCU's strong results can be attributed to a more favorable investment return.

Results

Financial Performance

The following will provide a summary of the Financial Statements found later in this report. NCCU ended 2017 exceeding budget in the majority of categories. With a 9.8% increase in Balance Sheet Assets we ended the year at \$97.8M.

The growth in Assets was once again made possible by an increase in total deposits. NCCU saw deposits increase 9.9% to \$90.4M. This growth was spread out in the various different deposit accounts; both registered and non-registered.

Strong loan demand continued in 2017 resulting in a 12.9% increase in loans, to \$82.7M. Loans currently make up 84.5% of assets. After being slightly down last year, this ratio is back up to more traditional levels. In addition to balance sheet loans NCCU administers an additional \$25.4M for strategic partners. Our total loan portfolio as at Dec 31st was \$104.7M.

Credit Risk

NCCU's loan portfolio has traditionally been heavily weighted in residential mortgages. The last number of years the Board has assessed risk through a Risk Appetite Statement. Although comfortable with the lack of diversity in a heavily concentrated residential portfolio, they recognized the strain that it placed on the Interest Margin. Over the past few years NCCU has placed considerable emphasis on a more diversified loan portfolio. Although this does expose our organization to increased risk, the expectation is it will also increase interest and noninterest revenue. This focus is the primary reason you will see a large increase in loan writeoffs in 2017. Included in this year's written-off loans, is an allowance of \$34,000. This amount has been allocated with the potential for future losses. Although we have seen the increase in loan write-offs, our overall delinquency has edged down nicely. We feel strongly the 34.6% increase in net income is a positive result of the increased risk exposed to in the loan portfolio. We experienced an increase to comprehensive Return on Assets of 0.83%, after tax.

Liquidity Risk

Liquidity is the capacity to generate or obtain sufficient cash in a timely manner at a reasonable price to meet commitments as they become due. High-quality liquid assets can be easily and

immediately converted into cash at little or no loss of value. Saskatchewan credit unions are required to maintain 10% of their deposits with SaskCentral. These statutory deposits support clearing and settlement within the national credit union system and are administered by SaskCentral.

Operating Liquidity is the availability of high quality liquid assets as a percentage of potential outflows. NCCU's well managed growth of deposits in 2017 resulted in our ability to move more of these deposits into loans; placing this liquidity into loans results is the best opportunity to maximize revenues. 2017 also saw our regulator, Credit Union Deposit Guarantee Corporation implement new Liquidity Standards. A new measure of liquidity referred to Liquidity Coverage Ratio (LCR) came into effect Jan 2017. There is a 3 year faze-in of the LCR with a minimum standard of 80% for 2017, 90% for 2018 and 100% for 2019 and beyond. NCCU has done an effective job of managing these new standards remaining comfortably within the long range threshold throughout 2017.

Capital and Profitability

Management We are very pleased to report another successful year with net profit of \$809,398. This represents a 34.6% year-over-year increase. Good profitability results in a strong and healthy equity position. Increased regulatory requirements continue to place pressure on building reserves; as a result, the Board made the decision to move 100% of this year's profit into Retained Earnings. Equity is the difference between assets and liabilities which is the measure of ownership. Equity can be measured both as a percentage of assets or as a dollar amount. We completed 2017 with \$7,352,434.

Equity or Capital is the financial strength of a credit union. The level of capital held protects against anticipated and unexpected events. Credit Union Deposit Guarantee Corporation sets standards for the Credit Unions to follow. Although CUDGC set's minimum standards, they consider it prudent to maintain Capital levels which exceed regulatory minimums. One ratio measured is the Leverage Ratio. NCCU has a Leverage Ratio of 7.44% which exceeds the 5.0% regulatory minimum. The Board is pleased with the progress towards the self-imposed target of 7.5%.

Efficiency Ratio

Productivity is an area of operations we continue to focus considerable attention. With increased costs and continued pressure on interest rate margin we are constantly looking for ways to become more efficient. Efficiency ratio is another measure often used in the financial services industry. The efficiency ratio is typically used to analyze how well a company uses its assets and liabilities internally. The Efficiency Ratio is effectively the amount you need to spend in order to make \$1. It is one of the few ratios where the lower the number the stronger the result. NCCU's efficiency ratio has seen a steady decline, from a high of 79.98% in 2013 to 57.56% in 2017. This is down from 64.44% in 2016 and compares favorably to the credit union system average of 70.30%. There are only a limited number of ways for us to increase revenue so we need to commend our staff for continuously looking for ways to control costs.

Summary

With a 34.6% increase in net income NCCU has maintained good profitability. Continuing to look for additional revenue streams will continue to be important. Both the board and

management are committed to sound financial management. Part of this will be to pay close attention to balancing capital levels and maintaining a sustainable growth rate. With escalating attention on capital, NCCU will continue to focus on building reserves for the foreseeable future.

As a financial institution, the credit union is essentially in the business of taking on and managing risk on a number of fronts. The Board of Directors and Executive Management are committed to balancing and managing the various risks of the organization to ensure strength and stability well into the future. We have a stable staff compliment and feel we have the expertise combined with the financial industry experience to position NCCU for the future. Management works closely with the credit union's Board of Directors to establish policies and procedures to effectively manage the various risks the organization is exposed to. The Financial Services Industry is highly scrutinized and regulated. Regular audits; both internal and external, combined with ongoing monitoring performed by the Credit Union Deposit Guarantee Corporation provides support to the risk management function of the credit union. Risk is managed on a regular basis with monthly meetings and detailed reporting presented to NCCU's Board of Directors.

Source: Annual Report

Bohdan Leshchysen profile

Bohdan Leshchysen has been a member of Buduchnist Credit Union for over 60 years and was first elected to the Board of Directors in 1993. He presently serves as a Director and sits on the following committees: Audit Committee and Investment Committee (Chairman).

In addition to his board work at Buduchnist Credit Union, Mr. Leshchysen has the following community service experience. He was the Executive Producer of Forum TV Omni Community TV program from August 2012 to April 2017 and Chairman of BCU Foundation from July 2010 to April 2017. He has been member of the Ukrainian Youth Association of Canada and League of Ukrainian Canadians for over 50 years. He sits on the Board of Directors of the National Executive of the League of Ukrainian Canadians, Desna Foundation, Ucrainica Research Institute, Ukrainian Youth Association Charitable Trust and Canada Ukraine Chamber of Commerce.

Bohdan Leshchysen's business career has spanned more than 40 years with particular emphasis on the financial services sector.

His chartered bank and credit union regulatory experience includes senior positions with the Deposit Insurance Corporation of Ontario (DICO) and the Office of the Superintendent of Financial Institutions (Federal regulator) and credit lending positions with the Canadian Imperial Bank of Commerce.

He has had extensive research and analytical experience with several prominent equity research and credit-rating organizations, including Independent Equity Research (eResearch), Northern Securities, St. James Securities, Dominion Bond Rating Service, PPM Fund Mangers (Canada), a unit of Prudential Life Insurance Company, and McNeil Mantha.

In December 2007 he was appointed Director of Corporate Development with CHF Investor Relations and in April 2011, he was appointed Vice President, Corporate Development & Investor Relations for Century Iron Mines Corporation. He served as President and CEO of Old Mill Toronto for a one year term ending July 2016. Old Mill Toronto has a 250 seat restaurant, 16 banquet halls that host wedding receptions and corporate events and 57 room hotel with a spa.

Most recently, he came out of semi-retirement and was appointed in May, 2018 as the Canadian Project Director of Canada-Ukraine Trade and Investment Support Project (CUTIS). The CUTIS Project is a 5-year (2016-2021) Canadian development assistance initiative designed to help Ukraine through increasing exports from Ukraine to Canada and investment from Canada to Ukraine.

Bohdan Leshchysen's credit union related public and private directorships included the following: Director of Selient Inc., a public company providing lending software to credit unions in Canada (2003-2007); Director of Northwest & Ethical Investments LLP (formerly The Ethical Funds Inc.), a mutual fund company owned by the Credit Union Centrals in Canada and the Desjardins Movement in Quebec (2006-2009).

He has a Bachelor of Arts Degree from the University of Toronto and an Master of Business Administration from the University of Toronto - Faculty of Management Studies (Rotman School

of Management) and holds a CFA designation (Chartered Financial Analyst) from the CFA Institute.

For further information and past reports, please visit: www.canadiancreditunion.ca