Minutes of The 45TH Annual General Meeting
of the AAMM Co-op Credit Union Limited
held on Friday March 19, 2004,
at the Knutsford Court Hotel, Ruthven Road, Kingston 5.

1 PRAYER
Director Joseph Earle led the meeting in prayer.

2 CALL TO ORDER
The meeting was called to order by the Chairman Dennis Scott at 5:00pm.

3 AUTHORITY TO CONVENE AND NOTICE OF MEETING
The General Manager, Radcliffe Clarke read the letter from the Registrar of Co-operative and Friendly Societies, authorizing the meeting as well as, the notice of the meeting on behalf of the Secretary of the Board.

4 APOLOGIES
Marjorie Hyatt a member advised that she would be absent and Mrs. Althea Daley Manager of Petroleum Employees Credit Union, an invited guest, sent word that she would be late.

5 WELCOME AND OPENING REMARKS
President Scott welcomed all who were present particularly the first timers and requested that the meeting observe a minutes silence for those members who passed on during the year.

President Scott also invited members to become volunteer in the credit union, through indicating to the Office what special skill or talent they possess, which may be called upon at any time to assist AAMM in achieving its mission of being ‘the best provider of financial services by encouraging thrift among our members and maximizing surplus.’

6 PRESENTATIONS
The General Manager, Radcliffe Clarke introduced the meeting to a Member Service Charter which was developed as a means of putting in writing the credit union’s commitment to achieving and maintaining service excellence.

The charter aimed at outlining the basic service standards to be provided to the membership at all times, as well as, what the credit union expects from the membership in terms of how they should treat each other, the credit union’s employees, assets and rules.
7 MINUTES
A motion was moved by Clide Nesbeth and seconded by Ms. Cassita Pinnock for the minutes to be taken as read. Secretary Taylor thereafter asked for corrections to the minutes.

Corrections
Page 4 section 12.3 sixth line to read, ‘further, in all instances’ and not ‘further that all instances’

After the corrections Michael Brydson moved for the confirmation of the minutes which was seconded by Mr. Edson Carr.

7.1 MATTERS ARISING
Ms. Junette Grandison questioned whether or not a decision was taken to accept ancillary workers as members of the credit union.

Director Taylor indicated that a resolution must be tabled at an annual general meeting before the matter can be looked at, however President Scott advised that a Committee chaired by Director Vernon Ricketts is reviewing the rules as well as the bond of the credit union, therefore at a later date an appropriate response will be provided.

8 Reports
8.1 Report of the Board of Directors
President Scott presented the report and highlighted the following:
* AAMM did well in its performance for 2003, total assets grew by 22 percent.
* The credit union total assets is in excess of half a billion dollars.
* Gross revenue grew by 22.3 percent over 2002.
* Two sub-branches were opened, one in Mandeville and the other in Portmore.
* Improved efficiency of staff and volunteers through training.
* More visible in the media through increasing the number of spots in the print and electronic media.
* Retreats for School Representatives.
* Dennis Scott was selected as the Volunteer of the year by the Credit Union League.
* B.O.J. credit union regulations not finalized.
* Jamaica accepted the International Accounting and International Financial Reporting Standards.
* Members encouraged to access business loans from the credit union.
* Marketing and promotion, asset liability management and human resource development are high on the agenda of the credit union for the next year.
* Member Service Excellence critical to the accomplishment of our goals.
Mr. Darby asked about outreach assistance to two credit unions, that is City of Kingston and JDF, it was outlined however that supplements were taken out in these credit union’s anniversary booklets, and the assistance should have been noted in advertising.

The report was accepted on a motion by Mr. Samuel Darby and seconded by Ms. Angella Meredith.

8.2 TREASURER’S AND AUDITOR’S REPORT
The Treasurer’s report was presented by Mrs. Cynthia Cooke. The report was taken as read on a motion moved by Ronald Riley and seconded by Mr. Patrick Smith.

* The Treasurer then went on to highlight the performance of the credit union in relation to the P.E.A.R.L.S.-M. monitoring tool.

* The fact that the credit union was focused on its core business of granting loans.

* Over 90% of the credit union’s assets are earning assets. AAMM has consistently controlled its operating expenses to within three and ten percent of average asset in keeping with the standard.

* The credit union operates under safe and sound principles.

* The performance of the credit union resulted in an eleven percent dividend being paid.

8.2.1 The Auditor’s Report was presented by Mr. Anthony Drummond representing our auditors, Drummond and Associates. In their opinion proper accounting records were kept and the Financial Statements gave a true and fair view of the state of the credit union as at December 31, 2003.

8.2.2 FINANCIAL STATEMENTS
The following discussion arose from the presentation of the Financial Statements by the Treasurer.

8.2.2.1 OTHER ASSETS
Mr. Blenman expressed concern over the significant increase in other assets, particularly, pension benefits. The General Manager, Radcliffe Clarke explained that the international accounting standards requires employee benefits such as pensions to be reported in keeping with international financial reporting standards.
8.2.2.2 BAD DEBTS WRITTEN-OFF
Mr. Ray Howell asked for more information on the bad debts written-off, and Radcliffe Clarke the General Manager pointed out that the credit union must make full provision for loans outstanding for more than one year. He also advised that although full provision is made, the credit union continues to pursue action to recover amounts outstanding, through the courts and its Delinquency Officer. Mr. Milton Darby asked if the shares are taken into consideration before write-offs are made, to which the Treasurer Mrs. Cooke answered in the affirmative.

8.2.2.3 PAYABLES
Mr. Blenman questioned the increase of amounts payable to the Collector of Taxes with the figure moving from $77,822 to $349,226 and the General Manager explained that this is a direct result of an increase in the savings portfolio of the credit union and the corresponding increase in withholding tax to be remitted to the Government.

Mr. Blenman also asked if the credit union was reneging on its responsibilities with respect to Estate Deceased Members and was advised by the General Manager that the figure in the payables represents a deceased member who did not update their nomination form and the credit union has to hold the funds until the process with the Administrator General Department is completed.

The President Mr. Scott used this opportunity to remind members to update their nomination forms to represent their change in status since they first joined the credit union.

8.2.2.4 OPERATING EXPENSES
Mr. Blenman questioned the significant increase in employee benefits and was advised by the Treasurer and the Manager that this increase represented a change in payment policy, rather than granting an increase that would take into account performance every June, a profit sharing incentive tagged to the net income of the credit union was initiated in January 2003, hence the appearance of a significant increase, whereas it was in fact an 11.6 percent increase in salaries and wages overall.

Questions were also raised by Mr. Blenman concerning the increase in the expense of repairs and maintenance, to which he was advised that this was spent in relation to the car park; printing and stationery increase over the previous year, and the expenses position generally. Mr. Blenman was advised that the increases were due to more business being done, and the fact that the costs for printing also increased. By and large, the Treasurer Mrs. Cooke declared that the credit union performed well in this area and will continue to do so in the ensuing years, and commended Mr. Blenman on the questions raised.
8.2.2.5 INCENTIVES
Mr. Henry suggested that where incentives are given they should relate to an improvement in the delivery of service.

The Treasurer’s and Auditor’s Report were accepted on a motion by Mr. Milton Darby and seconded by Mrs. Sandra Samuels.

8.3 CREDIT COMMITTEE REPORT
The report was accepted as read on a motion moved by Mr. Hopeton Henry and seconded by Mrs. Gurleydean Watson.

Patrick Duncan the chairman of the Credit Committee presented the report and highlighted the following:

8.3.1 Loan Portfolio
There is a steady growth in the loan portfolio over the years with motor vehicle loans being the primary reason for loans, followed by home improvement, home acquisition, domestic and personal loans and finally educational loans.

8.3.2 LOAN PACKAGES
Mr. Duncan also informed the meeting that there were other loan packages available, such as, the Easi-Loan Facility, the Computer Window and the Vacation Loan Package.

The Credit Committee’s report was accepted on a motion moved by Mr. Patrick Smith and seconded by Mr. Dennis Kelly.

8.4 SUPERVISORY COMMITTEE
Ms. Hazel Hutchinson moved that the Committee’s report be accepted as read seconded by Ms. Pearline Kerr.

Michael Brydson, chairman of the Supervisory Committee presented the report and highlighted the following:

8.4.1 AUDITS
Mr. Brydson indicated that during the year cash counts, loans, and the suggestion box were checked. The cash count revealed no discrepancies and the concerns noted from the other two areas were addressed.

8.4.2 Delinquency
This was controlled within the P.E.A.R.L.S.-M.

8.4.3 BANK RECONCILIATION
This was current at the end of the year despite problems with the timeliness of the bank statements during the year.
8.4.4 INTERNAL AUDIT -LEAGUE
The League’s Internal Audit Department was asked to assist with the audit of the credit union and they reported favourably on AAMM.

8.4.5 MEMBERSHIP
The chairman of the committee Mr. Brydson, implored members to invite at least five new persons to join the credit union and to increase their savings, to the benefit of all members.

The Supervisory Committee report was accepted on a motion by Ms. Christine Seivwright and seconded by Mr. Ronald Riley.

9 FIXING OF MAXIMUM LIABILITY
The meeting accepted the recommendation of the Board that the maximum liability be fixed at fifty percent of total savings and external loans or $180.7 million.

The motion to accept this recommendation was moved by Mrs. Rose Peynado and seconded by Mr. Charles Reid.

10 APPROPRIATION OF SURPLUS
The Treasurer proposed the following appropriations:

<table>
<thead>
<tr>
<th>Appropriation</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Institutional Capital</td>
<td>$1,400,000</td>
</tr>
<tr>
<td>Other Reserves</td>
<td>500,000</td>
</tr>
<tr>
<td>Milestone Events</td>
<td>220,000</td>
</tr>
<tr>
<td>Outreach</td>
<td>500,000</td>
</tr>
<tr>
<td>Honoraria</td>
<td>300,000</td>
</tr>
<tr>
<td>Dividend @ 11%</td>
<td>28,000,000</td>
</tr>
</tbody>
</table>

The appropriation was accepted on a motion by Mrs. Norma Bernard-Powell and seconded by Mrs. Rose Peynado.

11 ELECTIONS
Mr. Milton Darby commended the outgoing Committees for a job well done and hoped that the similar verve will continue in the ensuing years.

The President invited Father Wolde Dawitt of the Technical Services Department of the League to conduct the elections.

11.1 Board of Directors
The Nominating Committee comprising of Mr. Charles Reid, and Messrs Hibbert and Clarke nominated, Lennox Deane, Dennis Scott, Joseph Earle, Cynthia
Cooke and Godfrey Taylor. There being no other nominations from the floor, the above were all declared members of the Board for a two year term.

11.2 Credit Committee
The Nominating Committee nominated Allison Peart and Roselda Hall for two years. There were no other nominations from the floor, therefore all were declared members of the Credit Committee.

11.3 Supervisory Committee
All members of this committee are elected for one year, as such all were retiring. The Nominating Committee nominated Michael Brydson, Denham Henry, Cordell Dietrich, Nedrick Young and Sonia Vassal-Hurd. There being no other nominations from the floor, all were declared as members of the Supervisory Committee for one year.

11.4 Delegates to the League
The members voted to give the Board the authority to select the delegates and the alternate delegates to the League on a motion moved by Milton Darby and seconded by Mrs. Pauline Bennett-Thompson.

12 ANY OTHER BUSINESS

12.1 Presentations
Mr. Elvis King the Loans and Marketing Manager of the credit union presented the top six school representatives with gift baskets for their role in recruitment during the year.

Allison Peart, Cassita Pinnock and Verona Barnes were presented with gift baskets by Mr. Joseph Earle for placing fourth, fifth and sixth respectively.

Mrs. Elaine Russell-King and Mrs. Pauline Bennett-Thompson received cash incentives for being the second and first runners-up respectively.

The President Dennis Scott presented the President’s trophy to Ms. Lorna Matthews for being the School Representative of the Year 2003 having signed up sixty-six persons for membership. Ms. Matthews also won a weekend for two at an all-inclusive resort.

Mrs. Allison Peart also made presentations to members on various categories.

* Acknowledgements
John Sayers former Board member
Mrs. Yvette Smith former Secretary to the Board
Astley Hibbert retired General Manager
Mrs. Rose Peynado founding member
Junior Taylor former Supervisory Committee member
Ms. Vera Lindo, Technical Services Department of the credit union league, Ms. Sandra Hucey of the Examination department of the league.

13 ADJOURNMENT
The meeting adjourned at 7:30 pm on motion by Ms. Millicent Barrett and seconded by Mr. Edson Kerr.