



**Together,
we're good for
business.**

Don't just bank. Prosper.

Field House



Local Business Owner
& Prospera Member
Field House Brewing,
Abbotsford

“

We went through a number of different scenarios with some of the big banks, but none of them worked out. Luckily, we were introduced to the team at Prospera and they were able to put together a package and proposal for us, and it came just in time. We really wouldn't have been able to open our doors if that didn't happen. Since then, our business has grown and Prospera's been there for us by making sure that we're on track and that we're running a healthy business. Not only that, they've also been able to provide us with the financial support to grow it.

— Josh Vanderheide, Field House

Eric Nadin



Chair of the Board

Together, we're good for business.

In 2018, Prospera reached a milestone as we celebrated our 75th anniversary. This means that for over seven decades, we have been serving our members and helping our communities grow stronger. As your Board of Directors, we are proud to serve our communities and believe that together, we're good for business. To us, this means that as a financial institution we partner with our members to help them reach their financial goals. Together we're stronger, and together, we'll help our members, their families, and their businesses prosper.

Throughout 2018, Prospera's Board of Directors worked to provide oversight and input to Prospera's executive team, while ensuring effective governance, so that Prospera is equipped to face any future challenges in an increasingly competitive financial market. We are focused on improving both individual and community financial well-being, and strengthening the financial, social, and economic resiliency of the people in our BC communities. We aim to deliver value and a unique banking experience, so that we can grow our credit union and be a true financial partner to our members.

PROSPERA AND WESTMINSTER SAVINGS ENTER MERGER DISCUSSIONS

In 2018, a large part of the year was spent discussing a potential merger with Westminster Savings Credit Union. A Joint Merger Team, comprised of three directors from each credit union and the CEOs of both organizations, was established to explore the opportunities and benefits associated with a merger of the two credit unions.

Generally, a merger of credit unions can be broken down into four phases.

- Phase 1 is to complete due diligence. Through due diligence, we analyzed the merits of a merger to assess whether it would deliver significant value for our members, enhance opportunities for our employees, further enrich our community investment opportunities, and help strengthen the credit union system. This was completed by both credit unions in Fall 2018.
- Phase 2 involves building a business case and application for a merger and submitting these to the Financial Institutions Commission of BC (FICOM), the provincial agency that regulates credit unions. This was completed in February 2019.

If FICOM grants consent for the proposed merger, the third phase is to consult and engage with members of both credit unions on the opportunities associated with a merger. The fourth phase would culminate in a member vote on the proposed merger in late 2019.

No merger is possible without the approval of our members and we have developed a detailed communication plan to engage with you and give you the information you need. Your Board of Directors is committed to transparent communication and we look forward to providing you with more information soon.

Eric Nadin

Chair of the Board

COMMITMENT TO COMMUNITY

In 2018, we continued to take steps to understand what matters most to our members and communities. By leveraging our organizational assets and supporting individual members, local businesses, and communities at large, we have made a meaningful difference across British Columbia.

Here are a few of the ways we've made a difference in 2018:

BC Children's Hospital Foundation (BCCH) + Bats for a Cause

The BC Children's Hospital remains our employee's charity of choice. The Miracle Weekend, held in Vancouver on June 2 and 3, was attended by Prospera staff, family and friends and a cheque for \$303,147 was presented. Prospera has now raised a total of \$592,681 for the BCCH Foundation, an incredible achievement.

Prospera sponsored softball tournament, Bats for a Cause, hit a milestone in 2018 as it celebrated its 10-year anniversary. This year's tournament raised \$141,000 for the BC Children's Hospital, bringing the ten-year total to an astounding \$638,000.

Educational Awards Program

In 2018 we awarded over \$21,000 in educational awards. Recipients include students who have made a significant impact in their schools and communities, as well as mature students who know it's never too late to pursue their educational dreams. In 2019 we will be increasing this amount to \$35,000.

Prospera's A Great Place To Work™

Prospera was recognized as a Great Place to Work™ for the third year in a row, which made us eligible for additional best workplace awards. We were placed on the national Best Places to Work™ in Financial Services and Insurance list and named to the Best Workplaces in British Columbia™.

On behalf of myself and the Board of Directors, I would like to thank our members for their continued support and for choosing Prospera as their financial institution. I would also like to thank Prospera's more than 400 employees for their hard work in 2018 and their continued dedication to serving our members. I look forward to another year of serving our members, good governance, and strong partnerships that allow our members to reach their financial goals.



Eric Nadin
Chair of the Board

Shawn L. Good



President & Chief Executive Officer

Together, we're good for business.

When many people think about building strong communities, the first thing that comes to mind is not necessarily a financial institution. At Prospera, we want to change that perception. We know that strong communities begin with our local business owners, and we believe that by helping our local businesses prosper, we will all grow stronger. In 2016, we introduced our new enterprise-wide Business Owner strategy and full-service solutions for businesses, all with the goal of being the best business Financial Institution in Canada by 2025. In 2018, we made significant improvements to our business banking and personal service model in pursuit of our vision, to be the trusted home for everyday families and local businesses, building their financial dreams and prosperity in our communities.

The world we live in is rapidly changing and banking services continued to evolve over the past year. Prospera has embraced these trends and throughout the year we focused on innovations that make it easier for our members to deepen their relationships with us. This includes introducing two new mobile roles, the Family Banking Relationship Manager and the Business Relationship Manager, along with a fully online account opening experience for our business members, so that business owners can open an account from wherever works best for them. These mobile and online enhancements ensure that our members can be confident in Prospera's ability to meet their digital needs.

In response to the evolving state of the Canadian credit union system, the team at Prospera is committed to exploring all options that would add value to our members, employees, and

communities in the long-term. In 2018, Prospera began discussions with Westminster Savings Credit Union to explore the potential benefits of a merger between our two credit unions. A Joint Merger Team was formed, comprised of three directors from Prospera, and three directors from Westminster Savings and both Chief Executive Officers, to explore the possibility of a merger of the two credit unions. In 2018, teams from both credit unions spent hundreds of hours completing due diligence and prepared a business case for submission to the Financial Institutions Commission of BC (FICOM). If FICOM consents to the proposed merger, an extensive member communications program will follow.

HERE ARE SOME HIGHLIGHTS FROM THE YEAR:

I'm pleased to report that over the past five years, we've welcomed 20,000 new members to Prospera. On the financial side, we surpassed \$4.5 billion in Assets Under Administration and \$16.0 million in Adjusted Net Income in 2018. These strong results help us marry our desire to invest in our communities with the need to accelerate organizational innovations. You can read more about our financial performance in the Management's Discussion and Analysis and in the Consolidated Financial Statements.

Shawn L. Good

President & Chief Executive Officer

Prospera was the first financial institution in Canada to offer both integrated invoicing for small businesses and integrated online payroll for small businesses. These innovations have allowed our business members to get back some of their time, so they can focus on doing what they love. We also launched an online loan adjudication platform for small business loans. In September, we entered into a partnership with Everlink to offer our business members a vastly improved suite of point of sale (POS) solutions from Chase Paymentech and Square. Chase excels in the traditional POS space with their selection of terminals and full-service offerings. Square is a market leader in the small business payments space with its simple and low-cost approach to POS systems that leverage a business owner's existing smartphone. These are integral partnerships that will give us a competitive advantage as we continue our journey to become Canada's best business financial institution by 2025.

We became one of a handful of financial institutions in Canada to offer auto-deposit and request money features for Interac e-Transfer. We also began offering a differentiated Contact Centre experience for our members by introducing longer hours, enabling click to chat on desktop applications of prospera.ca, and a feature that assigns emails to agents in real time.

Prospera has worked to achieve these innovations in response to rapid financial market disruption, technology advancements and changes to what our members want from their financial institution. In 2018, we finalized, implemented, and executed a new branch structure that allows our branch staff to spend more time focusing on what our members want, deeper advice-based conversations about their goals, needs, and a partner that will help them reach financial wellness.

Part of building strong communities means helping when things get tough, and 2018 was once again a year where many BC communities needed support. In April, 78 workers in Abbotsford were displaced from their homes after a fire destroyed the building. Prospera staff rallied around the workers, donating Visa gift cards to each of them so that they could buy daily necessities. This past summer, British Columbia's wildfire season was the second largest on record, with more than 945,000 hectares of land burning from April to September. Prospera donated \$10,000 to help those affected by the wildfires.

At Prospera, we believe that we prosper together and that is why it is so important for us to be involved in the communities in which we live, work and play. In 2018, Prospera participated in 21 community events in the Lower Mainland, Fraser Valley and Okanagan. Some highlights include two Gran Fondo cycling competitions, six Cinema Under the Star events, and over \$60,000 raised for the United Way of the Fraser Valley and Okanagan. As a credit union, we logged thousands of volunteer hours on the Do Some Good app, which allows people to locate volunteer opportunities and track their hours. That time is worth over \$50,000.

As we look forward to 2019, Prospera will continue to look for ways to innovate and provide our members with the financial advice they need, while also igniting and inspiring our people to contribute their part to Prospera's sustainable growth for the future. I am so grateful for you, our members, and your continued trust and support of Prospera as we navigate the changing financial landscape. I'm also thankful for our Board of Directors, and staff, who are deeply committed to making a difference - together, we are truly good for business, our communities, and each other.



Shawn L. Good
President
& Chief Executive Officer



Together,
we help
the whole family.

Don't just bank. Prosper.

Sami Family



Proud Prospera Members,
the Sami Family

“

Being a young family, we truly appreciate how the team at Prospera has taken the time to understand our growing needs. Everyone we've met has taken the time to really get to know us and understand our goals as a family. We love Prospera because they know that our time is valuable, which allows us to spend less time banking, and more time together as a family.

— Madison, Darian, Jed, and Nigel Sami

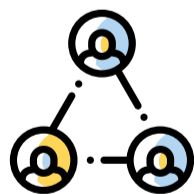
Board of Directors



Together, we're accountable for the stewardship of Prospera.

Prospera Credit Union's Board of Directors and Management are committed to acting responsibly, ethically and with the highest standards of integrity to ensure that Prospera's activities are continually structured and delivered in a manner that allows us to meet the needs of our members.

Did you know...



The Board and its Committees shall act in accordance with **Prospera Credit Union's Rules, the Financial Institutions Act, the Credit Union Incorporation Act and the Business Corporations Act** and related regulations.

We strive to ensure that our governance is of the highest standard, while at the same time practical and transparent to our members.

We are continually working to improve our policies and practices at the Board level and throughout the organization. As our members' needs evolve, we know we must adapt our business practices to ensure we meet our obligations in a changing world.



Eric Nadin

ICD.D

Board Chair

Director Since 2011

Eric has over 30 years of business experience as a professional engineer, business manager and leader. After spending a number of years in construction for BC Hydro, he retired from the organization as the Operations Training Program & Strategy Manager. In 2015, Eric earned his ICD.D designation (Institute of Corporate Directors Education Program).

Eric's community involvement includes serving as the Chair of the Association of Professional Engineers and Geoscientists BC Mentoring Committee, helping to mentor engineers as they work towards their professional designation. He is also a classroom volunteer with Junior Achievement and a graduate of the Vancouver Leadership Program, which involved participation in a year-long community project for KindActs Network Association of BC. In 2010, Eric was nominated for the BC Hydro Business Mentor Award.

Eric is a strategic thinker with strong business acumen who enjoys building valued working relationships in a team environment and developing innovative solutions based on a set of core values. He believes in setting a clear vision, goals and direction and providing responsible oversight that helps the Board and executive create a sense of purpose, passion and engagement.



I'm proud to be part of a credit union that truly believes in helping its members reach their financial dreams. We are 75 years strong, values driven, member focused in everything we do, and built on the co-operative principles.

BOARD + COMMITTEE MEETING ATTENDANCE - 2018

Board	8 of 9	89%
Human Resources	2 of 2	100%
Audit	1 of 1	100%
Ad Hoc Committee - Merger Team		

REMUNERATION + EXPENSES

Remuneration: \$63,850
Expenses: \$30,000

EDUCATION - 2018

- Canadian Credit Union Association – National Conference
- BCIT School of Business Cooperative Field School
- ICD Designing an Effective Board
- ICD CEO Oversight



Karen Laing

ICD.D

Vice Chair

Director Since 1991

Karen’s long experience with effective governance started during her career as a journalist, where she learned the art of asking the tough questions and demanding accountability. Her current position is Manager of Governance and Resource Development for Mission Community Services Society (MCSS), a not-for-profit agency responsible for delivering a variety of social programs. As a senior leader at MCSS, Karen manages an overall budget in excess of \$4 million, and is accountable to federal, provincial and local funding sources. In past years, Karen spent more than 10 years with Community Futures North Fraser and was responsible for marketing, promotion and community development initiatives. She has extensive experience in the conception and execution of major provincial events and has worked as Campaign Manager in two successful municipal elections.

Karen holds the ICD.D designation for corporate governance from the Rotman School of Business at the University of Toronto.

Karen has served as a volunteer for several community organizations and is a strong believer in the power of cooperatives and works diligently to promote that business model in the community.



My husband and I operated a small business for many years and long-term financial security requires a blueprint for success. We always appreciated the thoughtful, simple and responsible advice we received through all stages of our business development. That trusted advice has allowed us to make our financial dreams become reality and I’m proud to say that we offer this level of service to our members.

BOARD + COMMITTEE MEETING ATTENDANCE - 2018

Board	9 of 9	100%
Risk	5 of 5	100%
Human Resources	5 of 5	100%
Ad Hoc Committee - Merger Team		

REMUNERATION + EXPENSES

Remuneration: \$47,985
Expenses: \$10,186

EDUCATION - 2018

- Canadian Credit Union Association – National Conference



Stacey Crawford

MA, CCD

Director Since 2012

Stacey holds a diploma in Business Management and a Master of Arts in Leadership and Training and studied the management of cooperatives at the University of Bologna, Italy. He is also a Rotman School of Management Certified Credit Union Director, and in 2018 Stacey enrolled in the Institute of Corporate Directors DEP (Directors Education Program). Currently the Economic Development Officer for the District of Mission, Stacey is responsible for managing the economic, tourism and film development portfolios of the municipality.

He has an extensive background as a community volunteer that includes past and current board governance with the Kinsmen Club of Mission, the Mission Regional Chamber of Commerce, Community Futures Development Corporation and the Rotary Club of Mission Midday. His professional background also includes commercial lending, real estate and community economic development, where he managed environmental, First Nations and business services programs.

Stacey is an avid supporter of the philosophy that local decision-making and local development are the most effective means for communities to shape their future. He believes this approach creates the greatest sense of ownership and empowerment for communities and organizations.



Our journey as a financial cooperative is driven by a meaningful vision and well-defined strategy. Prospera is focused on unlocking value for our members, building strong connections in our communities, and fostering an unbeatable organizational culture. We are focused on the meaningful difference we make for local businesses and families and for these reasons, I am proud to be associated with Prospera.

BOARD + COMMITTEE MEETING ATTENDANCE - 2018

Board	7 of 9	78%
Governance	3 of 3	100%
Nominations + Elections	0 of 1	0%
Ad Hoc Committee - Merger Team		

REMUNERATION + EXPENSES

Remuneration: \$44,215
Expenses: \$31,677

EDUCATION - 2018

- Fintech World Report
- ICD Director Education Program (DEP)
- ICD CEO Oversight



Tracy Gray

ICD.D

Director Since 2010

Tracy has sat on most committees, is currently Chair of Risk Management and Investment Lending, and past Chair of Governance and Conduct Review, Member Relations, and Nominations and Elections Committees. Strengths include operations, human resources, media relations, sales and marketing, and has earned many business accolades including Chamber of Commerce Business Excellence Award-Kelowna and RBC Canadian Women Entrepreneur of the Year-Toronto. Tracy was also listed as one of the “100 New Women Pioneers in BC” by the Women’s Enterprise Centre.

In 2003, Tracy founded Discover Wines Ltd. in Kelowna which was the number one BC VQA Wine Retail Store in British Columbia in sales for thirteen years, opening a second location in Kamloops. She sold the rights to the VQA Licenses in 2015 to Save on Foods as part of the BC wine industry’s desire to move VQA licenses into grocery stores. Tracy lived in Vancouver for four years in the mid 90’s and held various business consultant and upper management positions, also gaining experience with unions, governments and non-government organizations. She is currently involved in the operation of three small businesses in different sectors.

Tracy gives back to the community by volunteering extensively and helping at mentoring programs for women starting new businesses and guest lectures at UBC Okanagan and Okanagan University College. She has been invited to sit on many government and economic development round table discussions. She served as Director on many not for profit boards and one term on the provincial government-appointed tribunal, Passenger Transportation Board. She was elected Kelowna City Councillor 2014-2018 and served as Director on Central Okanagan Regional District. In May 2017, Tracy earned her ICD.D designation for corporate governance from the Haskayne School of Business, University of Calgary.



Being a member of a co-operative is about being part of a greater cause. The principles are all about cooperation, both within and outside the organization, and at Prospera, we truly believe that we are all better together.

BOARD + COMMITTEE MEETING ATTENDANCE - 2018

Board	8 of 9	89%
Nominations + Elections	1 of 1	100%
Governance	1 of 1	100%
Risk	4 of 4	100%

REMUNERATION + EXPENSES

Remuneration: \$28,258
Expenses: \$10,273

EDUCATION - 2018



Manpreet Grewal

MA, C. Dir

Director Since 2017

Manpreet holds a Master’s degree from the University of Delhi and a Diploma in Journalism from the London School of Journalism. Most recently, she earned the designation of Chartered Director, a program delivered through a partnership between McMaster University, the Director’s College and UBC’s Sauder School of Business.

Currently the Director of Multicultural and Immigrant Services at Abbotsford Community Services, Manpreet has overseen the establishment of several community-based programs including services to immigrants, pre-arrival services, crime prevention, and diversity education for the community at large.

As a freelance journalist, Manpreet has been a contributing writer for the Vancouver Sun, Vancouver Province and the Abbotsford News as well as producing and hosting shows with CBC radio, Channel M and Shaw television.

Manpreet has served on several non-profit and government boards, including the Vancouver Foundation Health and Social Advisory Committee, AMSSA (Affiliation of Multicultural Societies and Service Agencies of BC) and undertaken professional development in the areas of leadership and governance.

Manpreet joined Prospera’s Board in 2017 and brings with her a passion for community development and engagement.



In my second year at Prospera, I have had the chance to experience the agility, resilience and ethos of the organization further. Prospera is not only about its people but continues to be a model for other credit unions by playing its part in building sustainable and healthier communities.

BOARD + COMMITTEE MEETING ATTENDANCE - 2018

Board	7 of 9	78%
Human Resources	5 of 5	100%
Nominations + Elections	1 of 1	100%

REMUNERATION + EXPENSES

Remuneration: \$26,727
Expenses: \$10,540

EDUCATION - 2018

- CUES Director’s Conference



Pauline Havelock
CCD
Director Since 2013

Pauline is passionate about the cooperative principles, the credit union movement and the philosophy of “People helping People” and putting members first by focusing on “Members before Profit”. She has over 36 years of experience in the financial industry.

As Corporate Secretary and Chief Governance Officer of Prospera for 23 years, Pauline has a comprehensive understanding of the Financial Institutions Act and regulatory requirements. During this time, Pauline developed strong leadership, communication and people skills. In 2017, Pauline attended Rotman’s School of Management and earned her CCD designation (Certified Credit Union Director). Pauline volunteered on the Board for The Centre for Child Development (The Centre) and the Child Development Foundation of BC. She was ultimately hired as a consultant to assist the Centre’s CEO in revising governance policies and the strategic planning process for the Board, and continues to be involved with fundraising for the Foundation.

Prior to joining The Centre, Pauline spent six years on the Board of the United Way of the Fraser Valley, serving as president for two of those years. Pauline supports the Mental Health Society and is a member of the Communitas Supportive Care Society who provide educational sessions and help people with disabilities to find part-time work.



I’m proud to be a member of a credit union that supports small businesses and our communities. At Prospera, we believe that working together makes us stronger – and that our communities benefit from both successful businesses and the success of our credit union.

BOARD + COMMITTEE MEETING ATTENDANCE - 2018

Board	8 of 9	89%
Governance	3 of 4	75%
Nominations + Elections	1 of 1	100%
Risk	3 of 4	75%

REMUNERATION + EXPENSES

Remuneration: \$27,192
Expenses: \$1,824

EDUCATION - 2018

- ICD Cyber Security



Angela Kaiser

B. Comm, CPA, CGA, CFP, ICD.D

Director Since 2001

Angela’s financial background, governance experience and passion are just some of the attributes that enable her to provide valuable input to the Board. In 2010, she obtained her ICD.D (Institute of Corporate Directors) designation which supports her other director roles at Central 1 Credit Union (Chair of Risk Review and Investment Loan Committee), CUPP Services Ltd., BC Cooperative Association (Treasurer) and Delta Police Board (Finance Chair). She also served 11 years on the Board of Stabilization Central Credit Union. As a Director she has held the role of Board Chair, Vice-Chair, as well as chair of the Audit and Governance and Conduct Review Committees.

Angela holds designations as a Chartered Professional Accountant (CPA) as well as a Certified Financial Planner. She currently operates a public practice accounting firm that focuses on the financial, tax and accounting needs of individuals and small business corporations.

Outside of her career as an accountant and her board work, Angela maintains a strong profile in the local community. She acts as a Program Facilitator for Junior Achievement of British Columbia as well as a presenter with the CPA Financial Literacy Program. She has recently started acting as a professional mentor to Indigenous youth as part of the (Paul) Martin Family Initiative. In addition she supports two non-profit organizations supporting women suffering from addictions and serves in the capacity of Director of Finance.

Angela believes strongly in loyalty to members, commitment to communities, strong governance & risk management, and the value of the cooperative principles on which a credit union is built. In 2018 she received the Peak Award from the Association of Women in Finance for Significant Board Contribution.



I believe in the power of credit unions because we put people before profit. People are the pulse of our cooperative structure and small businesses are the engine of economic growth. Prospera is focused on creating partnerships with people and small businesses because by doing so, everyone prospers.

BOARD + COMMITTEE MEETING ATTENDANCE - 2018

Board	9 of 9	100%
Audit	4 of 4	100%
Risk	4 of 5	80%

REMUNERATION + EXPENSES

Remuneration: \$30,358
Expenses: \$6,611

EDUCATION - 2018

- ICD Audit Committee Effectiveness
- ICD CEO Oversight
- ICD Board’s Role in Crisis Management
- ICD National Conference
- Women Get on Board – Disruption & Transformation
- Richard Powers – Board Diversity
- Mackay Forum - Embracing Innovation & Technology
- Public Company Audit Update 2018 – CPABC
- Payments Modernization – Board of Trade
- PWC Financial Reporting Update
- PWC Business Leader Conference – Designed to Disrupt
- Liquidity & Market Risk – Central 1
- AML & Compliance, Interest Rate Risk Management – Central 1
- Emerging Ethical Challenges



Sylvia Pranger
Director Since 1996

Sylvia’s extensive community experience on numerous Boards and committees has provided a solid foundation of skills for the credit union role. These skills include budgeting and financial management, leadership and communication skills, sound decision-making abilities and the capacity to contribute effectively as part of a team.

Sylvia served for 15 years on the District of Kent municipal council including six years as Mayor and recently served seven years as a Vice-Chair Commissioner with the Agricultural Land Commission. In 2014, she was appointed by Premier Christy Clark as a member of the Provincial Rural Advisory Council and was successfully re-elected to the District of Kent Council. In 2018, Sylvia became the newly elected Mayor for the District of Kent.

Past volunteer activities include serving on the fundraising committee for the new Emergency Room at the Chilliwack General Hospital, the Healthy Communities Committee for Kent/Harrison, founding member of the Kent Harrison Foundation, past President of the Harrison/Agassiz Rotary Club, Vice Chair of the RVRD Hospital Board and Director of the Fraser Basin Council.

Serving the membership in an active and accountable manner is Sylvia’s goal. This involvement has strengthened her resolve to ensure Prospera continues to be strong, vibrant and relevant to our staff and members.



2018 offered a great example of how Prospera continues to be a community builder, with thousands of volunteer hours donated to local organizations. This dedication to our communities helps to ensure that we are working together, making our communities stronger and a better place to live.

BOARD + COMMITTEE MEETING ATTENDANCE - 2018

Board	9 of 9	100%
Governance	4 of 4	100%
Audit	4 of 4	100%

REMUNERATION + EXPENSES

Remuneration: \$26,800
Expenses: \$3,769

EDUCATION - 2018

- ICD Audit Committee Effectiveness



Rod Thomson
GDBA
Director since 2018

Rod Thomson was elected to Prospera’s Board of Directors in 2018 and brings experience in human resources, finance, marketing and systems processes, including risk management to his role on the Board. He believes that maintaining an up to date knowledge of industry trends and making research driven, data-based decisions is the key to ensuring the goals and objectives of the organization are met. Rod is driven by his values and believes in ensuring all decisions are made with integrity.

Rod has an extensive history of working in governance and he brings this expertise to Prospera. He has been the Board Chair at the University of the Fraser Valley, St. Andrew’s Hall and the Vice President of Marketing for the Western Canada Summer Games. His community involvement also includes acting as the Vice President for the BC Disability Games; the Rotary International Public Image Coordinator; the Rotary District 5050 Governor; the Moonliters Big Band Director; Abbotsford Concert Band Director; Calvin Presbyterian Church Elder; and Historic Downtown Abbotsford Car Show Director.

Rod has over 35 years of newspaper management and entrepreneurial experience as a small business owner in White Rock. A long-time resident of the Lower Mainland, he knows the challenges that small business owners face in the area. When he was first starting his business, he credits Prospera with helping create a positive experience and now he is ready to give back to Prospera staff and members on the Board of Directors.

Rod and his wife Cathy were married in 1975 and have two children and five grandchildren. In his spare time, Rod is also an active musician who performs with the Moonliters Dance Band.



During my first year of service on the board, I learned that my experience as a Prospera member reflects the experience of many others. The services and opportunities that Prospera offers to members are more than financial; they impact lives in a positive way. I look forward to continuing this journey and working to bring financial value to our members.

BOARD + COMMITTEE MEETING ATTENDANCE - 2018

Board	6 of 6	100%
Audit	3 of 3	100%
Human Resources	3 of 3	100%

REMUNERATION + EXPENSES

Remuneration: \$20,192
Expenses: \$2,097

EDUCATION - 2018

- CUDA Financial Red Flags
- CUDA Foundations of Governance – Level A

Committees



Did you know...

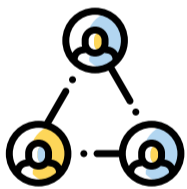
Board committees are an effective way to allow boards to more efficiently undertake oversight responsibilities.



COMMITTEES – JANUARY TO MAY



	S. CRAWFORD	E. NADIN	K. LAING	T. GRAY	M. GREWAL	P. HAVELOCK	A. KAISER	R. KELLY	S. PRANGER
Audit	EX-OFFICIO	✓					✓	CHAIR	✓
Governance	EX-OFFICIO			✓		CHAIR			✓
Human Resources	EX-OFFICIO	CHAIR	✓		✓				
Nominations + Elections	EX-OFFICIO			CHAIR		✓			
Risk	EX-OFFICIO		CHAIR				✓	✓	



Did you know...

Each spring following the Annual General Meeting, **Committees are realigned and Directors are strategically rotated** through different Committees to provide experience while preserving continuity and developing leadership.

COMMITTEES – MAY TO DECEMBER



	E. NADIN	K. LAING	S. CRAWFORD	T. GRAY	M. GREWAL	P. HAVELOCK	A. KAISER	S. PRANGER	R. THOMSON
Audit	EX-OFFICIO						CHAIR	✓	✓
Governance	EX-OFFICIO		CHAIR			✓		✓	
Human Resources	EX-OFFICIO	CHAIR			✓				✓
Nominations + Elections	EX-OFFICIO		✓		CHAIR				
Risk	EX-OFFICIO	✓		CHAIR		✓	✓		
Ad Hoc Committee - Merger Team	✓	✓	✓						

Compensation



Did you know...

Prospera offers a level of remuneration that both **reflects its co-operative heritage and satisfies the market reality** to attract and retain Directors with the business experience and skills required to achieve the Credit Union's strategic plan.

DIRECTOR COMPENSATION

The Director Remuneration Policy is reviewed every three years by the Governance and Conduct Review Committee which may, from time to time, retain the services of an independent remuneration consultant.

Annual Compensation levels are as follows:

Board Chair	\$31,000
Vice Chair	\$20,500
Committee Chairs	\$19,500
<small>(excluding Nominations & Elections Committee Chair)</small>	
Nomination & Elections Committee Chair	\$16,500
All other Directors	\$15,500

In addition to the honorarium noted above, Directors receive a \$500 per diem for attendance at Board meetings and a \$300 per diem for Committee meeting attendance.

DIRECTOR EXPENSES

Directors are reimbursed for mileage, travel and business expenses incurred on Credit Union business. Directors are expected to provide receipts for all expenses and reimbursement is based on reasonable and accountable out of pocket expenses.

EDUCATION

In accordance with the Credit Union Incorporation Act, all Directors are required to complete the Credit Union Director Achievement (CUDA) Program - the Foundations of Governance - within the first year of their election or appointment.

Additionally, Directors are required to engage in learning activities that will expand their knowledge and enhance their role as a Credit Union Director.

To further encourage active participation with individual continuous learning, Prospera provides funding up to \$15,000 per Director for each three-year term. This allowance covers registration, travel, and accommodation costs for attendance at conferences and seminars.

Prospera Credit Union and its Board of Directors must act in accordance with the Credit Union's Rules. Read the full [Prospera Credit Union Rules](https://prospera.ca/prospera-credit-union-rules) on prospera.ca.

As a member, your voice is important. Your Board of Directors works hard to represent you and welcomes your comments. Please use the form on prospera.ca to write to the Board or any Director on the Board.

Compensation

TOTAL REWARDS PHILOSOPHY

At Prospera, we provide a comprehensive and competitive total rewards programs for our employees. Our programs are designed to ensure we act with members' best interests in mind and perform as a team to the best of our capability. Our total rewards programs:

- Align the interests of our employees with the organization's business goals and interests of our clients/members.
- Are competitive within the regions/markets where we compete for talent.
- Provide clear and consistent communication to all stakeholders.
- Support the transformation and changes at Prospera.
- Enable Prospera's go-forward culture.
- Recognize differentiated levels of individual performance within the same role.
- Are comparable externally and internally.
- Are flexible in aligning with our changing business conditions and growth needs.

Our goal, for most positions, is to target the median (also known as 50th percentile or P50; it is the value in which one-half of the observations included in the sample are above and one-half are below) for all our cash compensation programs. We may target at higher than the median (P50) for certain positions due to market conditions or strategic intent. We review the external marketplace on a continuing basis using published and custom surveys. We look for data which matches the appropriate organization size, geographic region and industry in which we recruit.

COMPENSATION PROGRAMS

Prospera reviews compensation programs for all employees with the Human Resources Committee of the Board on an annual basis. The Board of Directors is responsible for CEO compensation and for determining any specific elements for the CEO.

Prospera has defined salary structures and we have published salary ranges up to senior management levels. We have a flexible benefits program and a defined benefit pension plan that is offered to eligible part time employees and all full-time employees. We have a short-term incentive plan that applies to all non-wealth management employees, and has targeted eligibility levels based on position complexity, responsibility and market practices.

CEO COMPENSATION SUMMARY

The CEO's compensation package is reviewed by the Board of Directors annually, based on the Central 1, Korn Ferry industry survey and Mercer industry survey for executive compensation in credit unions. Prospera targets the 50th percentile for total target cash in the comparator market.

DESCRIPTION	AMOUNT
Cash compensation <i>(base salary and variable pay)</i>	\$ 401,800.00
Pension, benefits and perquisites	Please see descriptions below

CEO SHORT TERM INCENTIVE

The CEO's Short-Term Incentive (STI) is the same Prospera Variable Pay Plan that applies to all non-wealth management employees in the organization, with a target commensurate to the employee's level of responsibility and influence. The STI is based on the achievement of both organizational goals and individual performance objectives and leadership competencies. The target for the CEO has been established at 40% of base salary.

In fiscal year 2019, the CEO received \$0.00 based on the achievement of 2018 organizational performance, and factored with individual performance and the overall funding available for the total organization. The STI plan specifies that all payments under the plan are contingent on audited financial results and final board approval.

BENEFITS, PENSION AND PERQUISITES

The group benefits provided to the CEO are consistent with those received by all other employee groups within Prospera. As part of the standard coverage, the CEO participates in the flexible benefit plan that provides plan credits to the participant in order to select a custom benefits package that is aligned with their life situation (e.g. single/married, dependent/spousal coverage) and which offers plan credits based on a defined formula.

Compensation

The CEO is eligible for retirement benefits through the BC Credit Union Employees Pension Plan – 1.75% Division, as well as the Prospera Credit Union Supplemental Pension Plan (SERP). The SERP is a supplemental pension that mirrors the base plan and is in place for certain executive employees whose benefits are restricted by reason of limits on retirement benefits prescribed under the Income Tax Act.

Under the 1.75% pension plan both the employee and the employer are required to contribute in an amount set by the Trustees of the Plan, in consideration of the recommendations from a qualified actuary regarding the total required level of contributions to ensure that the plan will be able to meet future obligations. Plan members are not required to contribute to the SERP.

The pension formula used for both plans to determine the annual pension is 1.75% of average earnings multiplied by years of service. For calculating contributions to the SERP for the CEO, earnings include the STI payment.

Additional benefits and perquisites are also provided to the CEO. The combined value of both is equivalent to 10% of base salary.

SEVERANCE

The CEO has a severance agreement of 18 months' base salary. The CEO would be entitled to STI for service up to the last day worked in a calendar year. The agreement does not provide for benefits continuation.



Senior Leadership Team



PROSPERA SENIOR LEADERSHIP TEAM
Senior Leadership Team bios are available on
prospera.ca

Shawn L. Good
President & Chief Executive Officer

Diane Dou
Chief Operating Officer

Michael Kerdachi
Chief Financial Officer

Greg Dyck
Chief Information Officer

Angela Champ
Senior Vice President, People & Culture

info@prospera.ca
www.prospera.ca
Toll Free: 1 888 440 4480
CORPORATE OFFICE:
500 – 32071 South Fraser Way
Abbotsford, BC V2T 1W3

FACEBOOK: www.facebook.com/ProsperaCreditUnion
YOUTUBE: www.youtube.com/prosperacreditunion
INSTAGRAM: www.instagram.com/prosperacreditunion
TWITTER: www.twitter.com/ProsperaCU