

2016

A YEAR IN REVIEW
METINĖ ATASKAITA

Serving our
Community for
65 years

Parama remia
mūsų bendruomenę
65 metus



Joint Message from the Board Chair and Chief Executive Officer / Bendras valdybos pirmininkės ir CEO pranešimas

Mums nepaprastai malonu pranešti, kad pradedant 65-us veiklos metus PARAMA yra finansiškai stipri ir stovi geroje padėty patenkinti įdomius ateities iššūkius. Parama tebėra stipriai įsipareigojusi toliau užtikrinti, kad geriausios tinkamos paslaugos ir aptarnavimai patenkintų narių lūkesčius, kad palūkanų normos būtų konkurencingos, kad asmens aptarnavimo lygis liktų užtikrintas, nuosekliai besilaikant išbandytų stipraus pajamų ir išlaidų valdymo ir atsakingo vadovavimo principų. Taigi, PARAMA toliau išlieka viena iš sėkmingesnių kredito unijų Ontarijo provincijoje.

Padidėjusi konkurencija dėl taupymo ir ipotekos, kartu su sudėtingesniais reikalavimais, turėjo neigiamos įtakos Ontarijo kredito unijoms ir per paskutinius 10-tis metų, kredito unijų skaičius sumažėjo 60 procentų. Ši kryptis didėja ir neseniai kredito unijų skaičius sumažėjo iki 76. Ateitis yra nežinoma.

Bendras metinis paskolų ir indėlių \$28 milijonų dolerių augimas leido turto lygiui pasiekti naują, rekordinę \$249 milijonų dolerių aukštumą. Pajamos viršijo \$1.5 milijonus dolerių prieš premijinių palūkanų išmokas, pajamų mokesčius ir investicijų neišmokėto pelno, nors finansiniai skirtumai visoms finansų įstaigoms buvo spaudžiami. Tuo lai-

We are very pleased to report that PARAMA enters its 65th year financially strong and extremely well positioned to meet the exciting challenges which lie ahead. Through our strong commitment to ensuring that our members benefit from best available products, rates and personalized service, along with the prudent management of assets and expenses, PARAMA remains a top performer within Ontario's credit union system.

Increased competition for loans and deposits together with growing regulatory requirements, have combined to eliminate over 60% of Ontario's credit unions over the past 10 years. This trend only appears to be gaining momentum as the number of Ontario Credit Unions recently dipped to 76 with no let up in sight.

Combined annual growth in loans and deposits of over \$28 million represents a historic high for PARAMA, and enabled asset levels to reach a record \$249 million. Operating profits topped \$1.5 million before patronage payouts, income taxes and unrealized gains; in a year during which margins for all financial institutions continued to suffer. Parama's no fee everyday banking proposition continues to stand out at a time when more and more financial institutions are turning to service



RITA URBONAVICIUS, *Board Chair*



TARMO LÕBU, *Chief Executive Officer*

ku, kai dauguma finansų institucijų papildė pajamas įvesdamos padidintus paslaugų mokesčius, Parama vis dar lieka su minimaliais mokesčiais už aptarnavimą. Konkurencingos palūkanų normos ir platus pasirinkimas moderniškų paslaugų ir aptarnavimų, kartu su išskirtiniu aptarnavimo lygiu, toliau užtikrina Paramos esmines vertybes ir skatina jos augimą.

Sausio pradžioje PARAMA išmokėjo savo nariams premijines paskolų ir santaupų palūkanas už 2016 metus. Išmokos suma buvo aukštesnė negu 2015 metais, nes santaupų palūkanų priemoka buvo padidinta ir ta, susijusia su premijinių paskolų, kuri reikalauja neproporcingai kapitalo atidėjimo, buvo sumažinta. Sumokėjus premijinių palūkanų išmokas ir pajamų mokesčius, PARAMA vis dėl to galėjo toliau investuoti \$1 milijoną dolerių į savo verslą tuo metu, kai kapitalo lygis atsižvelgia į didesnę svarbą visoms finansų įstaigoms.

PARAMOS pagrindinis tikslas yra patenkinti savo narius suteikiant jiems gerą aptarnavimą ir kuo geresnius ekonominius pasiekimus. PARAMA telieka laiminga turėdama aukštos kvalifikacijos ir išsilavinusius tarnautojus, kurie sąžiningai atsidavę suranda teigiamus sprendimus kiekvienam nariui: ar tai būtų namo pirkimas, komercinio nekilnojamo turto pirkimas, investicijų patarimai arba kaip naudotis paslaugomis ir aptarnavimais naujausiu technologišku būdu. Norime asmeniškai padėkoti mūsų 22 pilno etato ir pagalbiniam darbuotojams, kurie ateina dirbti kiekvieną dieną su tikslu sąžiningai aptarnauti mūsų narius. Ačiū.

Yra liūdna bet suprantama, kad 2016-ais metais atsistatė dvi vertingos tarnautojos. Ramune Beattie po ilgaus kasdieninio važiavimo iš Guelph miesto, priėmė naują darbą arčiau namų. Virginia Pečiulis nusprendė grįžti atgal į universitetą pilnu laiku. Linkime Ramunei ir Virginijai gero pasise-

kimo ateityje ir esame dėkingi už jų prisidėjimą PARAMOS labui. Taip pat mums buvo malonu pasveikinti John Moretto ir priimti jį į paskolų direktoriaus pareigas. Jis daugelį metų dirbo Toronto Dominion Banke, tad tikimės, kad jo sugebėjimai ir patirtis bus PARAMAI į naudą. Taip pat 2016-ais metais buvo priimtos Jurgita Romanowska ir Emilia Degutis. Sveikinam.

PARAMAI sulaukus 65-ų metų, nėra lengva pamiršti mūsų steigėjų principų ir pagrindinių vertybių, nes be jų PARAMA nebūtų tapus stipri ir sveika finansinė įstaiga, tokia kokia ji ir yra šiandien. Įdomu pagalvoti ar PARAMOS steigėjai galėjo įsivaizduoti 1952-ais metais, kad jų pasiryžimas padėti lietuvių bendruomenei išaugs į ketvirtį milijardo dolerių aktyvę finansinę įstaigą, kurios paslaugos ir aptarnavimai patenkina visus narių lūkesčius ir kuri yra efektyviai konkurencinga tarp kitų finansinių įstaigų, iššūkių, augančių poreikių ir platesnių nustatytų reikalavimų. PARAMOS valdybos patirtis, nuolatinė parama, patarimai ir sumanymai užtikrina PARAMOS pasisekimą šioje konkurencingoje ir sudėtingoje verslo aplinkoje ir už tai mes liekame labai dėkingi.

BOARD OF DIRECTORS:

Sitting:

Jane Macijauskas,
Rita Urbonavicius,
Tomas Kuras

Standing:

Audrius Vaidila,
Edmund Pamatat,
Monika Spudas,
Rimas Kruzyk

Svarbiausiai yra tai, kad PARAMOS pasiseimai per paskutinius 65-ius metus yra dėka lietuvių bendruomenės už jų nuolatinį pasitikėjimą bei paramą. Teikdami mums galimybę aptarnauti bendruomenę financiais poreikiais, mes galėjome suteikti karjeros galimybes nariams. Galiausiai, PARAMOS pasiseimai remia ne tik narius, bet ir bendruomenę, išduodami premijinių palūkanų išmokas arba suteikdama reikalingą paramą. Nuolatiniai dirbame ir stengiamės ugdyti šį pasitikėjimą ir toliau pagerinti bendruomenės interesus, nes be Jūsų PARAMA negyvuotų tokia, kokia ji ir yra šiandien. Mes esame dėkingi už Jūsų nuolatinę paramą ir išliekame įsipareigoti toliau lavinti šį nepaprastai ypatingą ryšį tarp mūsų.

Ačiū

Su pagarba,

RITA URBONAVICIUS
Board Chair

TARMO LÖBU
Chief Executive Officer



charges and fee revenues to support their earnings. Highly competitive rates and complete array of modern products and services in a highly personalized environment continued to round out PARAMA's value proposition and sustain current growth levels.

In early January, PARAMA distributed loan rebates and bonus interest to both borrowers and savers on qualifying 2016 interest payments. Total payouts were up from 2015 levels, as entitlements on premium savings balances were increased and those associated with mortgages which require a disproportionate amount of capital to be set aside, were reduced. After payouts and taxes, PARAMA was still able to reinvest more than \$1 million back into its business at a time when capital levels are taking on greater importance for all financial institutions.

Being member-owned with no competing stakeholders, makes prioritizing our members in a highly personalized setting deserving of an owner, come naturally to us. PARAMA remains blessed by competent and knowledgeable staff which works diligently and takes the time to find solutions for each and every one of our members, whether related to the acquisition of a home, arranging a commercial mortgage, tailoring an investment portfolio or harnessing the latest technology to access products and services. We'd like to express our sincere personal gratitude to the 22 full and part time staff members who come to work each day with the goal of putting our members first – Thank You!

In this vein it was sad, albeit understanding to see two highly valued employees leave PARAMA during 2016; namely Ramune Beattie who abandoned her long commute to PARAMA in favour of a new position in her newly adopted home town of Guelph and Virginia Peciulis who returned to

school in September. We wish both Ramune and Virginia well and remain grateful for their contributions to PARAMA. On the other hand we were very pleased to welcome John Moretto as our new Manager of Lending Services. John brings with him a wealth of experience and knowledge from a successful career with TD Bank. Also new to PARAMA over 2016 were Jurgita Romanowska and Emilia Degutis - Welcome!

As we approach a new milestone it is difficult to overlook the visionaries and board members who provided PARAMA with vision and hard work which ultimately brought the organization to where it is today. One often wonders whether the founding members could have imagined that their efforts back in 1952 would blossom into a quarter billion dollar full service financial institution which competes effectively with the best in the business in today's challenging business and regulatory environments. PARAMA continues to benefit from a highly competent board which continues to provide the organization with oversight and counsel in an increasing complex and competitive environment, for which we should all be very grateful.

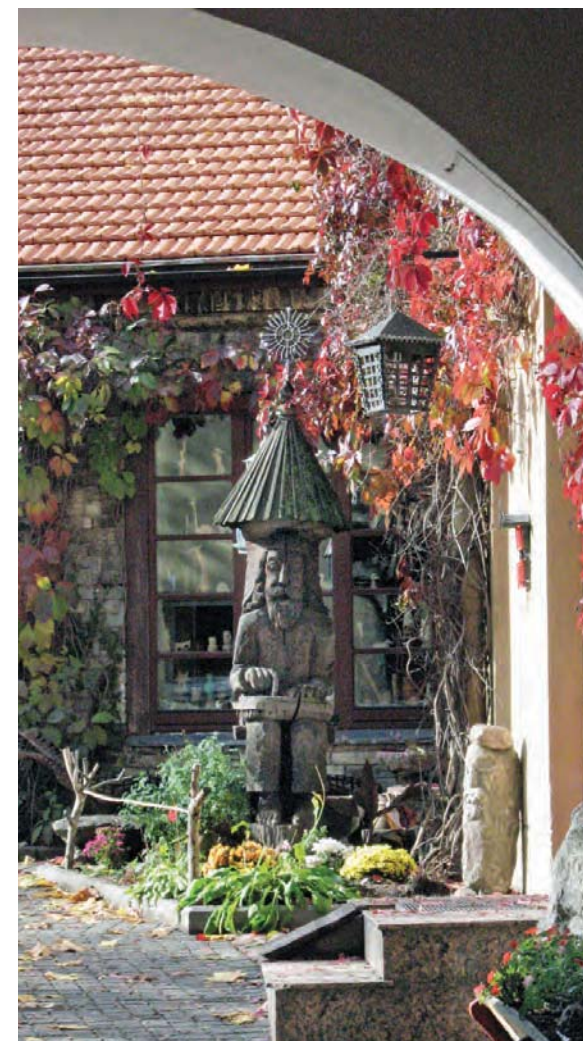
Most importantly, PARAMA owes its success over the past 65 years to a community which has consistently blessed the organization with a high level of confidence and trust. By providing us with an opportunity to serve your financial needs, PARAMA has been able to provide career opportunities to community members and ultimately return its success to members and community alike in the form of rebates, donations and other forms of financial and community support. PARAMA has worked hard over the years to nurture this trust and further enrich the community which has made us what we are today. We remain highly grateful for your sup-

port over the years and are committed to further build upon this special relationship in the years to come. Acui!

Sincerely,

RITA URBONAVICIUS
Board Chair

TARMO LÖBU
Chief Executive Officer

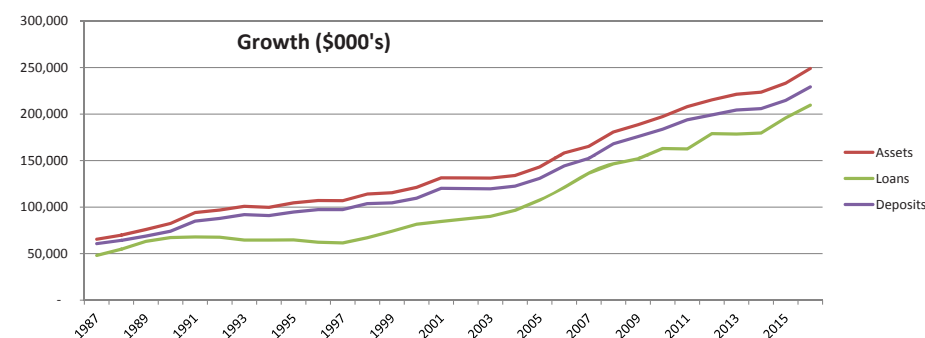


Financial Pages

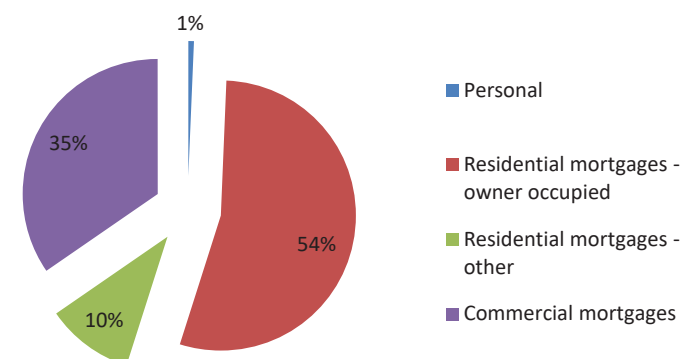


Parama Lithuanian Credit Union Limited Statement of Financial Position

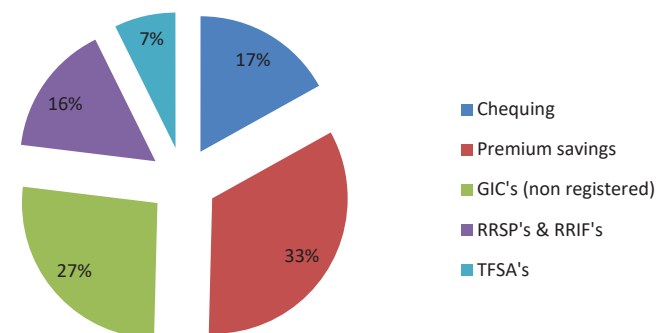
As at December 31,	2016	2015
Assets		
Cash	\$ 12,454,414	\$ 6,600,130
Investments	25,509,262	29,315,726
Member loans	209,603,767	195,928,977
Other assets	1,006,644	877,330
Property and equipment	562,299	617,483
	\$ 249,136,386	\$ 233,339,646
Liabilities		
Member deposits	\$ 229,215,931	\$ 214,693,236
Other liabilities	2,354,313	2,149,623
Member shares	253,625	253,825
	\$ 231,823,869	\$ 217,096,684
Members' Equity		
Retained earnings	\$ 16,754,215	\$ 15,715,474
Accumulated other comprehensive income	558,302	527,488
	\$ 17,312,517	\$ 16,242,962
	\$ 249,136,386	\$ 233,339,646



Loan mix



Deposit mix



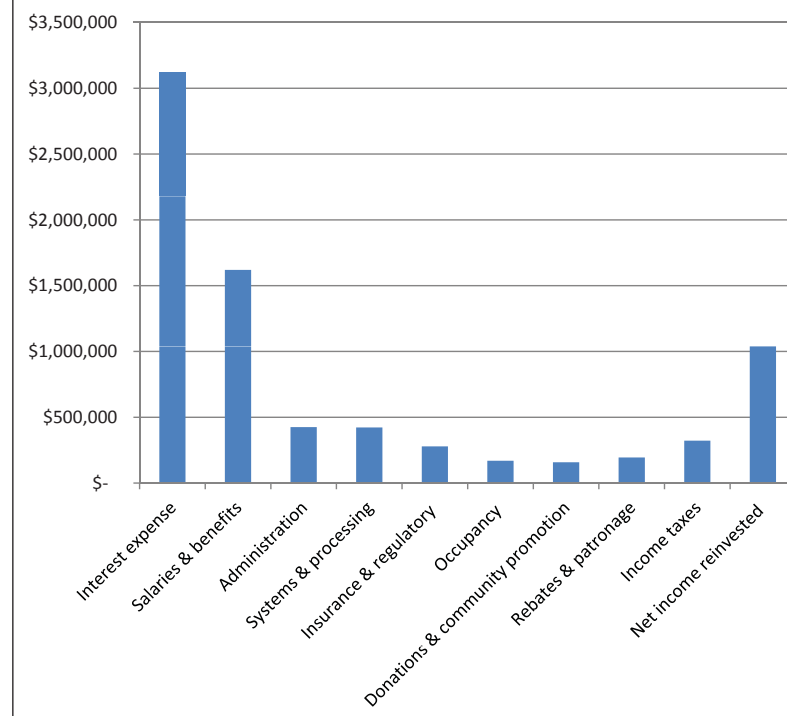
Parama Lithuanian Credit Union Limited

Statement of Income

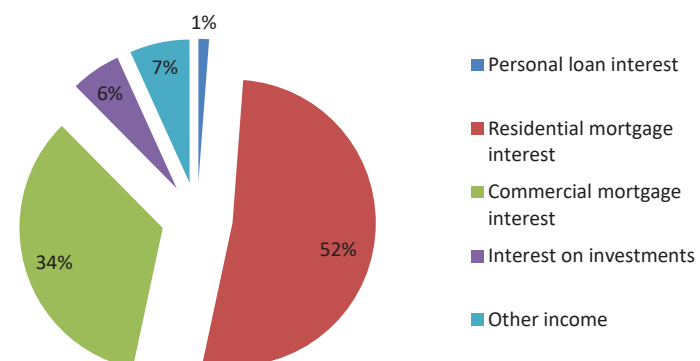
<i>For the year ended December 31,</i>	<i>2016</i>	<i>2015</i>
Interest income		
Member loans	\$ 6,875,340	\$ 6,250,762
Investments	433,588	564,159
	\$ 7,308,928	\$ 6,814,921
Interest expense		
Member deposits	\$ 3,119,704	\$ 2,889,752
Net interest income	\$ 4,189,224	\$ 3,925,169
Provision for (recovery of) impaired loans		(40)
Net interest income after provision for impaired loans	\$ 4,189,224	\$ 3,925,209
Other income	441,588	362,421
Net interest and other income	\$ 4,630,812	\$ 4,287,630
Operating expenses		
Administrative expenses	\$ 959,687	\$ 873,427
Depreciation	57,780	62,083
Donations, community promotion and advertising	158,203	148,498
Insurance and regulatory costs	279,236	263,443
Salaries and benefits	1,619,792	1,528,699
	\$ 3,074,698	\$ 2,876,150
Income before distribution and taxes	1,556,114	1,411,480
Distribution to members	195,000	184,000
Income taxes	322,373	286,463
Net income	\$ 1,038,741	\$ 941,017
Other comprehensive income		
Unrealized gain on investments	\$ (632)	\$ 23,757
Unrealized gain on interest rate swap	41,717	(14,847)
Income taxes	(10,271)	(2,049)
Total other comprehensive income	\$ 30,814	\$ 6,861
Total comprehensive income	\$ 1,069,555	\$ 947,878

**Cumulative patronage returns to members:
\$13,900,000 and climbing**

Where the money went (2016)



Income mix (2016)



Achieving Great Things Together!

Parama Credit Union proudly supports our community through donations and sponsorship programs.

Our support extends to a broad scope of community activities and organizations ranging from scouting, education, arts and culture, community development and sports and athletics.

Over the last 65 years Parama has provided \$2.3 million to various organizations within the Lithuanian community alone.





Parama's Services

Parama always provides friendly personalized service to our members.

Please ask about any of our products and services:

- No Fee Chequing, Point of Sale and a range of other Free Services
- High Interest Savings Accounts
- USD and Euro Accounts
- RRSP
- RRIF
- RESP
- TFSA
- Mutual Funds
- Travel Insurance
- Safety Deposit Boxes
- Foreign Currency Exchange
- Personal Loans
- Retail Mortgages
- Commercial Mortgages
- Co-op Apartment Loans



Other Services

While we enjoy seeing our members come into the branch, Parama offers convenient and fast banking solutions using modern technology.

Here are some of our other services:

* ONLINE BANKING

Experience the convenience of online banking. View account balances and transactions, pay bills, schedule a transfer or a bill payment. Use your computer, tablet or smart phone.

* MOBILE APP

Enjoy Parama's user friendly mobile app on Android or iPhone.

* DEPOSIT ANYWHERE

Deposit cheques quickly and securely using your Android or Apple smart phone or tablet.

* E-MAIL ALERTS

Protect your account and receive an email every time a transaction goes through.

* FLASH MEMBERCARD (DEBIT CARD)

Make Point of Sale payments and ATM withdrawals or deposits from personal and business accounts. Pay no fees on payments or at participating ATM's.

* MASTERCARD

Consider a number of card options for personal and business use.



* EXCHANGE NETWORK OF ATM's

Pay no surcharges with Canada's second largest ATM network for withdrawals, deposits or account enquiries. Download our convenient app to locate the ATM closest to you.

* CREDIT APPLICATIONS

Come in and speak to a lender or complete the secure and easy online application to speed up the process of applying for a loan.

* INTERAC E-TRANSFERS

Transfer funds securely to anyone with an email address and a bank account in Canada. You don't need to know their banking information and they will not know yours.

* E-NEWSLETTER

Keep in touch with what's happening at Parama by signing up for our electronic newsletter.

* SCHOLARSHIPS

Download an application for a Parama Scholarship from our website. All post secondary students are eligible.

Student Scholarship Recipients / Studentų Stipendijų Gavėjai

In the wake of Parama's successful launch of student loans, our new Scholarship Program was introduced in 2015, aimed at supporting our membership's youth in their undergraduate or graduate studies. A total of \$10,000 was awarded to 15 students - with studies ranging from biochemistry to economics to a PhD in mechanical engineering.



Parama Credit Union would like to congratulate our 2016 Scholarship recipients. It was very difficult choosing our recipients with so many deserving applicants. To all who applied, Parama thanks you and wishes you all the best in your future studies.

The following individuals were selected as the 2016 Parama Scholarship recipients for demonstrating outstanding commitment and service to their community while balancing an outstanding level of academic performance.

\$2,500	Martynas Sirvinskas
\$1,250	Sophia Herrera
\$1,000	Livija Cygas and Matas Sriubiskis
\$500	Ryan Baronaitis Madeleine Brown Jonas Juodis Linas Kairys Ruta Rekas Romas Simkus
\$250	Emilija Biga Monika Karnis Kassandra Kulnys-Douglas Daina Norkus Alexa Turuta

It is encouraging to see such talent and passion in our community's younger generation!



Tarnautojai / Staff

Generalinis direktorius

TARMO LÖBU

Chief Executive Officer

Vykdančioji direktorė

NIJOLĖ LEWINGTON

Manager, Operations

Paskolų direktorius

JOHN MORETTO

Manager, Lending Services

Buhalterė

DALIA JANKAUSKAS

Controller

Verslo vystymo specialistas

ANDRIUS UTZ

*Investment Advisor &
Business Development Officer*

Komercinių paskolų specialistė

NEMIRA BALSYTĖ-GORDON

Commercial Mortgage Officer

Komercinių paskolų specialistas

ANDREW POVILAITIS

Commercial Mortgage Officer

Komercinių paskolų specialistė

ADRIANA TURCZYN

Commercial Mortgage Officer

Paskolų specialistė

JURGITA ROMANOWSKA

Credit Officer

Paskolų specialistė

JOLANTA ZYLINSKA

Credit Officer

Paskolų administratorė

KRISTINA STRUMKIS

Loan Administrator

Skyriaus vadovė

IRENA PAZNĖKAS

Branch Supervisor

Skyriaus vadovė

GRAŽINA ŠIAUČIŪNAS

Branch Supervisor

Įstatų vadovas

PRANAS VILKELIS

Compliance Officer

Narių aptarnavimo specialistė

KRISTINA DAMBARAS-JANOWICZ

Member Service Representative

Narių aptarnavimo specialistė

JANINA DZEMIONAS

Member Service Representative

Narių aptarnavimo specialistė

EWA GUMOWSKA

Member Service Representative

Narių aptarnavimo specialistė

KRISTINA RAMANAUSKAITĖ

Member Service Representative

Narių aptarnavimo specialistė

TERESĖ SAMONIS

Member Service Representative

Narių aptarnavimo specialistė

JOLANTA STASIULEVIČIUS

Member Service Representative

PAGALBINIAI TARNAUTOJAI / PART-TIME STAFF

AUŠRA TRUSSOW

EMILJA PUTERIS

EDITA PUTRIMAS

VILJA GAČIONIS

EMILIA DEGUTIS

ANETA WOJCZULIS



MEMBER SERVICES TEAM:

Sitting: Dalia Jankowska, Grazina Siauciunas. Standing 1st row: Irena Pozniak, Jolanta Stasiulevicius, Andrew Utz, Nijole Lewington, Pranas Wilkialis, Ewa Gumowska, Terese Samonis. Standing 2nd row: Kristina Ramauskaite, Janina Dzemionas, Aneta Wojczulis, Vilija Gacionis, Kristina Dambaras-Janowicz.



LENDING TEAM:

Sitting: Jurgita Romanowska, John Moretto, Kristina Strumkis. Standing: Nemira Gordon, Jolanta Zylinska, Andrew Povilaitis, Adriana Turczyn.



Parama's 65th annual meeting

will be held on

Tuesday March 7, 2017 at 6:30 p.m.

Lithuanian Hall, 1573 Bloor St. W., Toronto.

Registration will commence at 6:00 p.m.

*Parama's Board of Directors invites members to join us
for refreshments immediately after the meeting.*

Copies of 2016 audited financial statements, reports of the Audit Committee and the Auditor, minutes from the 2016 AGM and copies of the resolutions, which are up for confirmation, will be available for inspection at the meeting and at the offices of the credit union 10 days prior to the AGM.

65th Annual General Meeting

AGENDA

1. Opening Remarks
2. Reports of:
 - a) Chair
 - b) Chief Executive Officer
 - c) Audit Committee
 - d) Auditor
3. Discussion of Reports
4. Appointment of Auditors
5. Amendments to By-laws & Articles
 - a) Reduction in board size¹
 - b) Reduction in quorum from 50 to 25 members²
 - c) Cancellation of shares for inactive accounts³
 - d) Change in legal name⁴
6. Elections
7. Scholarships
8. Suggestions
9. Adjournment

¹ The reduction board size from eight to seven member will address the vacancy created by the resignation of a director in 2016 and is expected to increase the effectiveness of the board recognizing the present complement of directors and existing structure of board committees.

² The reduction of quorum requirements for member meetings from 50 to 25 recognizes that attendance at membership meetings has been falling in recent years and brings Parama's by-law provisions closer into line with credit union norms.

³ The cancellation of shares associated with inactive accounts will reduce the level of fees which are levied by various financial partners on the number of Parama's members. Following the cancellation of these shares, share registers and member counts will constitute a more accurate representation of Parama's prevailing membership base.

⁴ The proposed change will simplify Parama's legal name for ease of use and to better conform to its business name ("Parama Credit Union") as is under general usage.



LITHUANIAN CREDIT UNION **PARAMA LIETUVIŲ KREDITO KOOPERATYVAS**

2975 Bloor St. West, Etobicoke M8X 1C1 | 416-207-9239 | Mon-Wed 9-3:30 Pirm-Treč | Thurs-Fri 9-8 Ketv-Penk | Sat 9-1 Šešt
1573 Bloor St. West, Toronto M6P 1A6 | 416-532-1149 | Mon-Wed 9-3:30 Pirm-Treč | Thurs 9-6 Ketv | Fri 9-3:30 Penk | Closed Sat Šešt Uždaryta
info@parama.ca | www.parama.ca

PRINTED ON RECYCLED PAPER | SPAUSDINTA ANT PERDIRBTO POPIERIAUS

