Agenda of the 49th Annual General Meeting – 2008

1. Ascertain that a quorum is present
2. Call to Order
3. Opening Prayer
4. Authority to Convene and Notice of Meeting
5. Apologies for Absence
6. Welcome and Opening Remarks
7. Official Launch of Savings Products:
   (a) Savings Gold Rush
   (b) AAMM Partner Plan
8. Guest Speaker - Minister Without Portfolio in the Ministry of Finance Mr. Don Wehby
9. Minutes of the last Annual General Meeting
10. Reports of:
    (a) Board of Directors
    (b) Treasurer & Auditor
    (c) Credit Committee
    (d) Supervisory Committee
    (e) Delegates
11. Fixing a Maximum Liability
12. Appropriation of Surplus
13. Election to:
    (a) Board of Directors
    (b) Credit Committee
    (c) Supervisory Committee
    (d) Delegates to Jamaica Co-operative Credit Union League
14. Presentation to School Representative of the Year
15. Any Other Business
16. Termination
Notice is hereby given of the 49th Annual General Meeting of the AAMM Co-op. Credit Union Limited, which will be held on Friday, April 11, 2008 at the Hilton Kingston Hotel, 77 Knutsford Boulevard, Kingston 5 at 5:00 p.m.

Clide Lao Nesbeth
Secretary
The mission of AAMM Co-Operative Credit Union limited is to maximize member satisfaction by encouraging thrift and providing quality financial services.
National Anthem

Eternal Father

Eternal Father, Bless Our Land
Guard Us With Thy Mighty Hand,
Keep Us Free From Evil Powers,
Be Our Light Through Countless Hours.
To Our Leaders, Great Defender
Grant True Wisdom From Above.
Justice, Truth Be Ours Forever.
Jamaica Land We Love.
Jamaica, Jamaica, Jamaica,
Land We Love.

Teach Us True Respect For All,
Stir Response To Duty’s Call
Strengthen Us The Weak To Cherish
Give Us Vision Lest We Perish.
Knowledge Send Us, Heavenly Father
Grant True Wisdom From Above
Justice, Truth, Be Ours Forever,
Jamaica, Land We Love.
Jamaica, Jamaica, Jamaica
Land We Love.

Credit Union Prayer

Lord, make me an instrument of thy peace
Where there is hatred, let me sow love;
Where there is injury, pardon;
Where there is doubt, faith;
Where there is despair, hope;
Where there is darkness, light; and
Where there is sadness, joy.

O divine Master, grant that I may not
So much seek to be consoled as to console;
To be understood as to understand;
To be loved as to love;
For it is giving that we receive;
It is in pardoning that we are pardoned;
And it is in dying that we are born to eternal life.

Bless O Lord our deliberations, and grant that
Whatever we may say and do, will have thy
Blessing and guidance
Through Jesus Christ Our Lord,

AMEN
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Minutes of The 48TH Annual General Meeting of the AAMM Co-op Credit Union Limited held on Friday April 13, 2007

1 Call To Order
The meeting was called to order by the Chairman Lennox Deane at 5:05pm.

2 Prayer
Father Wolde Dawitt led the meeting in prayer.

3 Authority To Convene And Notice Of Meeting
The Secretary of the Board, Clide Leo Nesbeth read the letter from the Registrar of Co-operative and Friendly Societies, authorizing the meeting.

4 Apologies
There were no apologies for absence.

5 Welcome And Opening Remarks
President Deane welcomed all who were present and expressed appreciation to those who came on time as this allowed for an early start to the meeting. He indicated too that the promptness of the attendees signaled there very high regard for the credit union, for which the Board of Management will not take for granted.

The President also advised the meeting that although the credit union performed creditably, more work will be done to facilitate the achievement of the credit union's vision of meaningfully forging ahead with the nation's teachers. He declared that it is the credit union's objective to be the primary provider of financial service for our members. He reiterated that continuous planning and strategizing is of paramount importance as we seek to move with the tides of the environment within which we operate and strive towards our goals.

President Deane also used the opportunity to introduce the Board of Directors and a few specially invited guests.

6 Minutes
Secretary Clide Nesbeth asked for corrections or amendments to the minutes.

Corrections
- Page 8 Fifth paragraph, this should read ‘Blenman’ and not ‘Blenham’.
- Page 9 fifth bullet should read ‘1.73%’ instead of ‘2%’.
- Page 11 Should read ‘President Deane’ instead of ‘President’.
- Page 12 paragraph sixteen should read ‘Mr. Thomson also noted that the rules’, rather than ‘Mr. Thomson also noted that rules’. In the same line remove the ‘s’ from ‘suggests’.
- Page 14 ‘Kerr’ should be ‘Carr’.
- Page 16 fourth paragraph should read ‘both the’, instead of ‘bothe’.
- Page 17 fourth paragraph should read ‘the President Lennox Deane’, and not ‘the President Dennis Scott’.

The meeting went back to page 6 to correct the spelling of ‘Purcey’ to ‘Percy’.

Secretary Nesbeth asked the meeting to observe a moment’s silence for all those who passed on during the previous year.

After the corrections, a motion to accept the minutes as read was moved by Edson Carr and was seconded by Norma Bernard-Powell and was carried.

Secretary Nesbeth then turned over to President Deane who guided the meeting through the matters arising.
6.1 Matters Arising
The Chairman indicated that a Delegates Report to the meeting was provided as requested by the membership.

6.1.1 Notice of Meeting: Member Mr. Adlai Thomson observed that similar to last year the minutes were not circulated with the notice of meeting or at least at some time ahead of the meeting. The President responded by advising that books were at the office from April 5, 2007 and suggested that members visit the office to retrieve a copy.

Member Solomon McCalla also expressed his concern over the tardiness of the minutes and suggested that once the notice is sent to the press, this should include a line advising that the minutes are available at the office.

President Deane commented that with the collection of e-mail addresses, the credit union will be circulating the minutes via this means as a measure of preventing this problem next year.

Member Damion Austin requested clarification on whether or not the Chairman was speaking about the minutes or the annual report being made available via e-mail. Secretary Nesbeth advised that once the notice is in the press, the minutes are ready and can be collected at the office or sent via e-mail.

6.1.2 Qualified Accounts: The President reminded the meeting that credit union’s treatment of shares is contrary to the International Financial Reporting Standards, hence the qualification by the auditors. He advised the meeting that once the Registrar of Co-operatives and the League provides clarification on the matter, AAMM will make the necessary adjustments to the final accounts.

6.1.3 Rule Book: The Chairman advised the meeting that a committee has been named to review the rules of the credit union to facilitate a more comprehensive analysis.

6.1.4 Under Provision of Dividend: President Deane explained to the meeting that there was an under-provision for dividend for 2006 payable in 2007 of $1.4 million. The dividend amounted to $35.9 million instead of $34.5 million.

Just before the presentations the Chairman used the opportunity to introduce another set of invited guests as follows: Mr. Errol Gallimore Director of Auditing from the Registrar of Co-operative and Friendly Societies, Mrs. Brenda Cuthbert General Manager of COK Credit Union, Patrick Bryan and Shernette Williams from the newest credit union in Jamaica, the Superclubs Co-operative Credit Union and Josephine Harris and Patricia Mcfarlane the Stenographers.

7 Musical Interlude
Jasmine Taylor accompanied by Godfrey Taylor then treated the AAMM family to a musical interlude.

8 PRESENTATIONS
Mr. Carlton Raymond Sales Manager from Blue Cross of Jamaica made a presentation on a Supplemental Health Insurance product known as ‘Critical Blue’. He advised that Executive Agent Barbara Grant who accompanied him, had brochures on the product.

The specific points made on ‘Critical Blue’ were as follows:

- A lump sum for four critical illnesses notably, stroke, cancer, heart attack, and renal failure.
- A lump sum of $1.5 million is paid upon diagnosis.
- The lump sum payment is based upon a three months waiting period after paying the first premium.
- 30 days after diagnosis must elapse before the cheque is prepared.
- The policy has a limited payment life of twenty years, so if nothing happens for twenty years, all the premiums are repaid.
- Premiums are paid, monthly, semi-annually or annually.
- Enrollment is between ages 18 and 65.
- The policy can only lapse once.
• If an individual has suffered from any of the four critical illnesses before, they will not be covered under the plan since it allows for one diagnosis.

• A twenty year old would pay a premium of $552.00 monthly, whilst a thirty year old would pay $1,094.00 monthly.

President Deane then welcomed Mrs. Althea Daley General Manager of Petroleum Employees Co-operative Credit Union.

8 Reports
8.1 Report of the Board of Directors
President Lennox Deane presented the report and highlighted the following:
• The credit union did not meet all of its strategic objectives.
• Delinquency rate out performed expectations.
• Expansion of service facilitated through the launch of the Portmore Branch.
• The credit union’s intention to utilize technology to communicate with members and promote services.
• Teacher’s Football League started, Netball League to be explored.
• Human Resource Development continues to be at the center of our operational focus.
• The credit union to place greater emphasis on corporate governance as we move forward.
• At this time, the staff was introduced by the General Manager, and the Credit and Supervisory Committees were introduced by President Deane, whilst the School Representatives present were also acknowledged.
• 2007 Strategic planning year for AAMM to be reported on at the next AGM.
• Membership has increased favourably over the years.
• The credit union continues to maintain the payment of a very competitive dividend payment.
• AAMM awarded the category one credit union of the year award. The President acknowledged the efforts of the hardworking staff, management, volunteers and the continued support of the membership of the credit union.
• AAMM to focus on expanding its reach to its members through branches in Mandeville and Portmore.

At this time President Deane requested a suspension of the standing orders to facilitate a presentation on Permanent Shares

Presentation on Permanent Shares
Mrs. Bucknor from C & WJ credit union made a presentation on the captioned, and the following was highlighted:
• Capital adequacy being defined as a buffer for the credit union in relation to the risk levels and the asset base of the credit union.
• Permanent Shares is a means of providing capital adequacy.
• As the credit union seeks to grow it will be exposed to more risks, hence the need for added resources to compensate for this risk.
• Permanent Shares can help to protect the membership of the credit union from risks associated with further growth and expansion.
• Deferred Shares are also a means of increasing capital adequacy, as it is shares held for five years, which are matched against loans of similar duration.
• Members would be asked to subscribe to permanent shares which would earn very competitive returns.
• The permanent shares would be traded within the credit union.
• A member leaving the credit union would have the shares transferred to another member or to the credit union.

President Deane thanked Mrs. Bucknor for her presentation and proceeded to welcome a few other invited guests namely, Mr. Winston Reid from JTA Co-operative Credit Union, C. Wilmart from BJ Staff Credit Union, Karlene Cooke the Recording Secretary of the Board of AAMM, Mr. Astley Hibbert the former Manager of the credit union, and Mrs. Rose Peynado a founding member who has never missed an annual general meeting.

The Board report was accepted on a motion moved by Mr. Michael Brydson and seconded by Mrs. Rose Peynado and was carried.
8.2 Treasurer’s And Auditor’s Report
The Treasurer’s report was presented by Mr. Patrick Duncan who mentioned the following highlights:

- AAMM continues to perform well in relation to the P.E.A.R.L.S.-M. monitoring tool.
- Operating performance: Gross Earnings totaled $142 million, an 18 percent increase over 2005, with the loan portfolio contributing to 86% of this income. In 2005 the loan portfolio contributed 84% to the then gross income.
- Expenditure totaled $59 million which was an 18% increase over the 2005 figure.
- Net income of $82 million was earned in 2006 compared to $68.5 million for 2005.
- Portfolio performance: Total Assets grew by 19% from $684.6 million to $814 million.
- Liquid and non-earning assets contributed 21% and 6.5% respectively to total assets.
- Delinquency rate down from 1.73% in 2005 to 1% in 2006.
- Savings growth continues to be a challenge, with an increase of 18.4% in comparison to our target of 24%.

8.2.1 Treasurer Duncan then invited Mr. Worrick Bogle from the audit firm Bogle and Company to present the audit report. In their opinion except in the treatment of shares as equity, rather than as deposits, resulting in the overstatement of equity and the understatement of liabilities as purported by the International Financial Reporting Standards; 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, 2006.

8.2.2 Financial Statements
Treasurer Duncan then led the meeting into the financial statements and invited questions. The following discussion arose from the presentation of the Financial Statements by the Treasurer.

8.2.2.1 Auditor’s Qualification
Marion Clayton-Johnson asked if the auditor’s qualification of the financials in relation to the treatment of shares would have a negative impact on the credit union. Mr. Radcliffe Clarke the General Manager advised the member that the qualification does not impair the accounts but he hinted that the credit union would seek to treat shares as deposits in the future in keeping with the International Financial Reporting Standards.

8.2.2.2 Capital On The Balance Sheet
Mr. Adlai Thomson indicated that he had difficulty following the Statement of Changes in Equity with the Balance Sheet section of Capital. Mr. Clarke the General Manager advised that the statement of changes in equity refers to the movement in capital from January 2005 through to December 31, 2006. Mr. Clarke pointed Mr. Thomson to the final line of the statement which provided the figures which reconciled with those of the balance sheet. Mr. Clarke however, declared that in the future the balance sheet section of capital will have a note referring to the Statement of Changes in Equity.

8.2.2.3 Undistributed Surplus
Mr. Adlai Thomson questioned whether the figure representing undistributed surplus on the balance sheet is held against some financial instrument, because he wanted to know what exactly it was building. Mr. Clarke the General Manager advised that the majority of the matching funds were being held in the League’s Central Finance Facility, and that the details of those instruments can be found in notes seven and eight.

Mr. Thomson thereafter declared that it was easy for the Manager to identify the figures whereas it was much more difficult for him to do so. Mr. Clarke commiserated with Mr. Thomson and advised that greater clarification would be provided in the future.

Mr. Thomson then questioned the Manager on the reduction of funds in Mayberry from $7.5 to $3.7 million and wondered whether the credit union had suffered a loss hence the current balance. Mr. Clarke advised that the investment was originally placed as a cash equivalent, so that whenever the credit union needs funds it is available. Mr. Clarke further indicated that these funds are generally
invested with a view of providing the best returns to facilitate the membership of the credit union.

There being no further questions Treasurer Duncan asked for a motion for the acceptance of the Financial Statements. The motion was moved by Sandra Samuels and seconded by Mr. Godfrey Taylor and was carried.

**8.3 Credit Committee Report**

Ms. Lorna Matthews the Chairman of the Credit Committee used the opportunity to re-introduce her team for 2006 and expressed sincere appreciation for the invaluable contribution of Mrs. Allison Peart who retired from the committee to pursue personal commitments.

In her presentation of the Credit Committee report, Ms. Matthews highlighted the following:

8.3.1 Loan Portfolio

- Slight decrease in loan disbursed from $317 million in 2005 to $312 million in 2006, a 1.5% decline.
- Significant loan categories continue to be domestic and personal needs, motor vehicle purchases, home improvement, home acquisition, education and other.

The Credit Committee’s report was accepted on a motion moved by Ms. Hermine Wilson and seconded by Mr. Ezekiel Brooks and was carried.

Just before the tabling of the Supervisory Committee’s report President Deane welcomed Mrs. Sophia Williams the Financial Controller of the Credit Union League.

**8.4 Supervisory Committee**

Chairman Mr. Denham Henry presented the report and highlighted the following:

8.4.1 Areas of focus in 2006

- Cash Verification through random cash counts.
- Delinquency control through sampling.
- Loan application and disbursement procedure through sampling.
- Bank reconciliation verification.
- Completion and submission of external reports.

Mr. Henry expressed commendations for the new location of the Portmore Branch as well as the increased office hours at the Mandeville branch.

Mr. Adlai Thomson asked why the committee did not pick up problems with the accounts of volunteers before the external regulatory body, the Co-operative Department did so. Mr. Henry referred the matter to the President of the Board who thanked Mr. Thomson for his comment and indicated that the appropriate action was taken and that the credit union will continue to take every action necessary to maintain transparency.

The Supervisory Committee’s Report was accepted on a motion moved by Ms. Joy Davis and seconded by Mr. Michael Gentles and was carried.

**8.5 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 $273.2 million.

The motion to accept this recommendation was moved by Mrs. Rose Peynado and seconded by Mr. Winston Kerr and was carried.
9 Appropriation Of Surplus

The Treasurer proposed the following appropriations:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statutory Reserve</td>
<td>$16,441,511</td>
</tr>
<tr>
<td>Institutional Capital</td>
<td>2,000,000</td>
</tr>
<tr>
<td>Other Reserves</td>
<td>1,500,000</td>
</tr>
<tr>
<td>Milestone Events</td>
<td>2,000,000</td>
</tr>
<tr>
<td>Outreach</td>
<td>500,000</td>
</tr>
<tr>
<td>Honoraria</td>
<td>300,000</td>
</tr>
<tr>
<td>Dividend @ 10%</td>
<td>41,000,000</td>
</tr>
</tbody>
</table>

The appropriation was accepted on a motion moved by Ms. Lorna Matthews and seconded by Mr. Ivan Sutherland.

President Deane pointed out that although in 2006 a dividend of 11% was paid on the 2005 financials, and now that a 10% dividend is being paid on the 2006 financials, the credit union is mindful of the need to increase savings, so the dividend was reduced to compensate for our underperformance in this area. He used the opportunity to reiterate the importance of increased savings among the membership, and its impact on our future growth and development.

10 Elections

Mr. Errol Gallimore Director of Auditing from the Department of Co-operative and Friendly Societies acted as the Presiding Officer during the elections to the Board, Credit and Supervisory Committees.

Mr. Gallimore used the opportunity to also address the matter of note 15, Volunteers’ Balances and declared that he was satisfied with how the Board dealt with the matter, and that the credit union should simply move on.

10.1 Board of Directors

The Nominating Committee comprising of Mrs. Cynthia Cooke, and Messrs Hibbert and Clarke after taking into consideration the fit and proper criteria to be satisfied by all volunteers and officers of the credit union, nominated Charles Reid, Isaiah Damdar, Clyde Nesbeth and Walter Scott to serve on the board of Directors.

Ballots were being circulated and it was during this time that member Godfrey Taylor suggested to the Presiding Officer that there were no nominations from the floor; hence he did not see the need for the distribution of ballots. The Presiding Officer advised that he did not want to take it for granted that there would be no nominations from the floor therefore his request for the distribution of the ballots.

There were in fact no nominations from the floor, and the above were all declared members of the Board for a two year term.

10.2 Credit Committee

The Nominating Committee nominated Sandra Samuels, Lorna Matthews, and Hector Stephenson for two years and Marlene Sewell-Sullivan for one year. There were no other nominations from the floor therefore they were declared members of the Credit Committee.

10.3 Supervisory Committee

All members of this committee are elected for one year, as such all were retiring. The Nominating Committee nominated Gurleydean Watson, Denham Henry, Millicent Lamey-Barrett, 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.

10.4 Delegates to the League

The members voted to give the Board the authority to select the delegates and the alternate delegates to the League.
11 Any Other Business

11.1 Presentations
Ms. Wendy Hutchinson Credit Officer of the credit union presented gifts to members upon the answering of certain specific questions. Immediately following her presentation Mr. Richard Dunn the Marketing Officer announced the top three School Representatives for 2006 who were Mrs. Pauline Bennett-Thompson, Ms. Delores Harris and Ms. Vashnie Gayle respectively.

11.2 Error on front Cover of Annual Report Booklet.
Member Brenda McCallum indicated to the chair that the cover of the booklet suggests that the credit union begun in 1995, when this was in fact 1960. Chairman Deane declared that he was aware of the error and that in fact it originated from the credit union’s website since the front cover represents the title page for our website, he further advised that it will be corrected.

11.3 Greetings from Mr. Christopher Samuda.
Mr. Samuda the President of the Jamaica Co-operative Credit Union League and the Caribbean Confederation of Credit Unions congratulated the credit union on its performance, and on it support role played in the negotiations between the League and the Bank of Jamaica on the Credit Union Regulations.

12 Adjournment
The meeting adjourned at 8:25 pm on motion moved by Ms. Maxine Reid and seconded by Ms. Lorna Matthews and was carried.
The Elected Board of Directors.
Seated left to right: Charles Reid, Lennox Deane (President), Micheal Brydson. Standing left to right: Isaiah Damdar, Patrick Duncan, Clide Leo Nesbeth, Walter Scott. Missing from photo: Cynthia Cooke (Vice President) and Joseph Earle
OVERVIEW

The year 2007 was far more challenging for the people and government of Jamaica, than that for 2006. There were significant changes politically, with the Jamaica Labour Party forming the 11th Government since independence, after a very close general election. Socially and economically, the challenges persisted with a soar in the homicide rate, as well as, the inflation rate.

Based on official statistics, crime recorded a 25% increase, eroding the improvements that been made in 2006, and by all indications 2008 could very well record similar trends if the people of Jamaica do not stand together against this clear and present danger.

Against the background of growing national debt, the long campaign for the general elections, vibrant alternative investment schemes, a bearish stock market, and increasing prices for basic food items; the financial and tourism sectors experienced growth, whilst the agricultural and manufacturing sectors were on the rebound from the ravages of hurricane Dean and international factors such as the record price for oil during 2007 respectively.

The Financial Services Commission, Bank of Jamaica and Government of Jamaica seemed uncertain as to who should take a lead role in the regulation of the alternative investment schemes; until the FSC took the bull by the horn

Throughout all of this the credit union movement and individual credit unions maintained their policies of safety and soundness, demonstrating again to members that credit unions are here to stay, despite the dynamism of the financial landscape within which we operate.

AAMM continues to consolidate our impressive performance with strict adherence to financial best practices and sound corporate governance principles, as the corner stone of our institution.

GROWTH

The loan portfolio continued to perform quite well during 2007, with total loans disbursed for the year being $416 million ($313 million in 2006), increasing the net loan portfolio to $717 million at year end 2007 ($585 million in 2006), a 22.5% increase over 2006.

Whilst the loan portfolio recorded favourable growth, the delinquency rate also showed good results by maintaining its 1.00% rate from the year-end 2006. Exhibiting consistency in the decline trend that we have worked hard to achieve since 1999, from a high 6.5%. The credit union’s policies of granting and following-up on loans continues to serve us well, and the keen interest of all volunteers and staff in knowing our members, granting good loans and taking quick action are strategies which we will continue to employ.

Our savings portfolio grew by 20.6%, approximately two percent below our target of 22.5%. The credit union continues to encourage our members to take advantage and make use of the myriad of savings products available, which can be tailored to your specific needs.

The total assets of the credit union grew by approximately 20% in 2007 in comparison to 19 percent in 2006 against the background of an inflation rate of 16.8% for the calendar year 2007. Although this is favourable for the credit union, protracted double digit rates of inflation will negatively impact all sectors of the economy and each stakeholder.
The following table compares the actual performance of the credit union in 2007 with its targets.

<table>
<thead>
<tr>
<th>Key Result Area</th>
<th>2007 Goal ($m)</th>
<th>2007 Actual ($m)</th>
<th>2006 Actual ($m)</th>
<th>% Change 07 over 06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shares</td>
<td>526</td>
<td>511</td>
<td>434</td>
<td>18%</td>
</tr>
<tr>
<td>Deposits</td>
<td>139</td>
<td>144</td>
<td>109</td>
<td>32%</td>
</tr>
<tr>
<td>Net Loans</td>
<td>733</td>
<td>717</td>
<td>585</td>
<td>22%</td>
</tr>
<tr>
<td>Institutional Capital</td>
<td>138</td>
<td>142</td>
<td>122</td>
<td>16%</td>
</tr>
<tr>
<td>Total Assets</td>
<td>934</td>
<td>972</td>
<td>813</td>
<td>19.6%</td>
</tr>
<tr>
<td>Delinquency rate</td>
<td>&lt;2%</td>
<td>1%</td>
<td>1.00%</td>
<td>0%</td>
</tr>
</tbody>
</table>

**STRATEGIC OUTLOOK**

The primary strategic focus for the year 2007 was to realize a 22.5% growth in savings. In December 2007 however, the strategic planning retreat for the credit union concluded that for the next 3-5 years, AAMM should focus on Member Service Excellence, Learning and Growth, Improved Efficiency in Internal Business Processes, and Optimizing Margins as the key result areas.

The many challenges in 2007 resulted in the credit union missing its savings goal by two percent. The Board in its new strategy for the ensuing years will continue to place keen emphasis on achieving our savings goal, and have already designed new savings instruments and revised existing products, to realize our targets for this critical area of operation. Specifically:

- Two products will be launched at this General Meeting.
- The Youth Savers Club has been revised to the Youth Savers Treasure Chest.
- Increased training and education for staff, volunteers and members will be a feature of 2008 and beyond.
- The formalization of a member feedback mechanism providing a standardized time frame within which all concerns will be addressed.

Being fully mindful of the dynamic financial industry within which we operate, it is our intention as your Board to maintain the rich heritage of this wonderful Credit Union, whilst advancing the attainment of the dreams and aspirations of our constituents.

**OPERATIONS**

The Board and Management knows that providing ease of access to our members and prospective members is critical to our key result area of exceeding the members’ expectations every time you do business with us, we trust that you are pleased with the increased service delivery at the branches in Mandeville and Portmore.

Both branches have begun to process real time receipts and pretty soon disbursements will begin to take place from these locations, as we continue our drive to increase the autonomy of each Branch. It is our intention by year end 2008, to provide branch and consolidated accounts for the credit union to give you our membership a quantitative assessment of the performance of the society.

**MARKETING & PROMOTION**

A recruitment drive is a continuous feature for the credit union each year, and the Board takes this opportunity of thanking the many School Representatives for their dedication to serve throughout the year and trust that you will continue to work hard. The Marketing Officer and Member Service Representatives at the Mandeville Branch, also completed a fair deal of presentations during the year 2007. We at the credit union are however mindful that whilst the increase in numbers is commendable, it is the activity on each individual accounts which is crucial to the
realization of benefits to one and all. Membership grew by 9.3 percent - from 10,421 at the end of 2006 to 11,390 at December 31, 2007.

The credit union increased its awareness in the marketplace through the maintenance of its customary public relations and advertising strategies and also with the continuation of the Teachers' Football League. In the future we intend to expand this League and its structure to include an emphasis on discipline and fair play, leadership and team cohesion.

The energy, drive and commitment displayed are expected to increase in 2008 and beyond.

OUTREACH

Aamm is committed to playing its role as a good corporate citizen. Meaningful assistance was provided to a number of educational institutions during 2007 as follows:

1. Albert Street Basic School
2. The Retired Teachers’ Association
3. St. Joseph’s Teachers’ College
4. Dunoon Park Technical High
5. Tivoli Gardens Comprehensive High School
6. Jamaica Christian Boys Home
7. Wolmer’s Girls High School
8. Woodlawn School of Special Education
9. Melrose Primary & Junior High School
10. Kingston Technical High School
11. Trench Town Primary School
12. St. Richards Primary School
13. Boundbrook Basic School
14. Escarpment Road Basic School
15. Porus Infant School
16. Charlie Smith High School
17. Ascot Primary
18. Abilities Foundation
19. Haile Selassie High School

ACHIEVEMENTS

Aamm Co-op Credit Union Limited was once more named the credit union of the year in the Large category of credit unions, by the Jamaica Co-operative Credit Union League Ltd. in 2007 for its performance in 2006. Aamm has been named the credit union of the year five times in the last eight years and runners-up twice during the same period.

SERVICES

This serves as an important reminder to all our members that Aamm is not just an institution for loans. We provide competitive returns on various savings products, and facilitate services such as health and general insurance for you our members.

Below is a list of the product offerings. Please call or visit our offices to benefit from these services:

SAVINGS PRODUCTS

- Share Account - earns dividends
- Regular Deposits - competitive interest returns
- Special/Fixed Deposits - competitive interest returns
- Golden Harvest - long-term savings and investment, insured with monthly interest returns
- Christmas Savings Club - yearly savings, monthly interest, Christmas encashment
- T.E.A.C.H. - Share account for Trainees
- Y.S.C. (Youth Savers Club) - Savings for children of Members with competitive interest returns
- Executive Plus - Competitive returns, and negotiated loan rates
LOAN PRODUCTS
• Personal
• Easi-Loans
• Productive/ Business
• Educational
• Computer
• Home Acquisition & Improvement
• Motor Vehicle
(Presently, up to ten times shares)

OTHER SERVICES
• Standing Order
• Family Indemnity Plan (F.I.P)
• Local and International Health Insurance
• Access Plus debit card
• Motor and general insurance through NUCS
• Financial Counseling

VOLUNTEERS

Board of Directors
The Board of Directors comprises nine members, and the General and Credit Managers sit on the Board as non-voting ex-officio members.

The Board held twelve regular meetings in the year, four of which represented Joint Meetings including members of the Supervisory and Credit Committees. The committees reported monthly on their activities and always provide useful suggestions for the development of the credit union.

The following table shows the attendance at meetings:

<table>
<thead>
<tr>
<th>NAMES</th>
<th>PRESENT</th>
<th>POSSIBLE MEETINGS</th>
<th>EXCUSED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lennox Deane</td>
<td>12</td>
<td>12</td>
<td>-</td>
</tr>
<tr>
<td>Cynthia Cooke</td>
<td>10</td>
<td>12</td>
<td>2</td>
</tr>
<tr>
<td>Patrick Duncan</td>
<td>12</td>
<td>12</td>
<td>-</td>
</tr>
<tr>
<td>Clide Nesbeth</td>
<td>9</td>
<td>12</td>
<td>3</td>
</tr>
<tr>
<td>Isaiah Damdar</td>
<td>9</td>
<td>12</td>
<td>3</td>
</tr>
<tr>
<td>Michael Brydson</td>
<td>11</td>
<td>12</td>
<td>1</td>
</tr>
<tr>
<td>Joseph Earle</td>
<td>10</td>
<td>12</td>
<td>2</td>
</tr>
<tr>
<td>Charles Reid</td>
<td>11</td>
<td>12</td>
<td>1</td>
</tr>
<tr>
<td>Walter Scott</td>
<td>8</td>
<td>11</td>
<td>3</td>
</tr>
</tbody>
</table>

Supervisory Committee
During 2007 the Committee was comprised of Mr. Denham Henry, Chairman, Mrs. Sonia Vassall-Hurd, Secretary, Mr. Nedrick Young, Mrs. Millicent Lamey-Barrett and Mrs. Gurleydean Watson. The Committee met on twelve occasions.

Credit Committee
The Committee included Mrs. Sandra Samuels (Chairman), Ms. Lorna Matthews, Mrs. Merline Sewell-Sullivan, Ms. Roselda Hall and Mr. Hector Stephenson, and meets weekly to approve loans. The Credit and Delinquency Control Officers also attends these meetings.
APPRECIATION

The Board of Directors graciously uses this opportunity to place on record our appreciation to the Staff and Management Team, the Supervisory and Credit Committees, all School Representatives, and volunteers of the various committees established to accomplish specific objectives during the year. Your contribution was indeed invaluable, as the credit union continues to grow from strength to strength.

A number of institutions and organizations also supported us throughout the year, and we would also like to say thanks specifically to the following:

- The Principals, Bursars and Head Teachers
- The Credit Union League
- Cuna Mutual Insurance Society
- NUCS (the National Union of Co-operative Societies)
- The Office of the Post Master General
- Mandeville Agricultural Complex
- Dr. James Peart
- NCB Oxford Road
- Bogle and Associates
- The Registrar of Co-operative Societies
- Messrs Dan Kelly and Lynden Wellesley, our attorneys
- Micro Software Designs Ltd, our software providers
- The NHT and NHDC
- The Titles Office

For and on behalf of the Board of Directors

Lennox Deane
President of the Board
The Supervisory Committee.
From left: Denham Henry (Chairman), Millicent Lamey-Barrett, Gurley-Dean Watson and Nedrick Young. Missing is Mrs. Sonja Vassel-Hurd, the Secretary of the committee.
Report of the Supervisory Committee to the 49th Annual General Meeting

The following members were elected to serve on the Supervisory Committee at the last Annual General Meeting:

Denham Henry
Nedrick Young
Sonja Hurd
Millicent Barrett
Gurleydean Watson

At the first meeting of the Committee Mr. Denham Henry was elected Chairman and Mrs. Sonja Hurd secretary.

The following table gives a profile of member’s attendance at meetings:

<table>
<thead>
<tr>
<th>Members</th>
<th>Regular</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Possible</td>
<td>Present</td>
<td>Absent</td>
<td>Possible</td>
<td>Present</td>
<td>Absent</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D. Henry</td>
<td>12</td>
<td>12</td>
<td></td>
<td>3</td>
<td>3</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>S. Hurd</td>
<td>12</td>
<td>11</td>
<td>1</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>M. Barrett</td>
<td>12</td>
<td>11</td>
<td>1</td>
<td>3</td>
<td>3</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>G. Watson</td>
<td>12</td>
<td>11</td>
<td>1</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>N. Young</td>
<td>12</td>
<td>12</td>
<td></td>
<td>3</td>
<td>3</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The Committee conducted approximately 152 working sessions during the year. At these sessions members carried out various activities as laid down in the Credit Union’s Rule Book, ensuring that members’ funds are protected and that the Credit Union is operating according to rules laid down by the League. After each monthly session a report is sent to the Board of Directors.

The members of the Committee also attended Joint Board and Committee meetings once per quarter.

Major Areas of Activity during 2007

During the year ended December 31, 2007 The Supervisory Committee undertook the following activities:

Cash Verifications

The Supervisory Committee:

(a) Conducted Surprise Cash Counts for Cash holdings at both main office and Sub-branches.

(b) Verified the Cash balance held against the System records. No discrepancies were identified as a result of these verifications.

Delinquency

The Committee continues to place this area under the spotlight and as such great attention was paid to it for the year under review. The Committee is pleased at this year’s Closing Delinquency Ratio of 0.90% when compared with last year’s figure of 1%. An analysis of the table below shows that despite an increase in the loan portfolio, there was a marked decrease of 57.89% in the number of persons in arrears at the end of the year. We the members of the Committee wish to thank the Delinquency Officer, the General Manager, Staff, Volunteers and you the members for honouring your obligations by repaying your loans, for again making this significant reduction possible and for continued vigilance over the period. The Committee wishes to maintain this downward trend and wishes to remind members to continue to honor their loan agreements in order for this to be possible.
Summary of Delinquency Loans

<table>
<thead>
<tr>
<th>Months in Arrears</th>
<th>No in Arrears</th>
<th>2007</th>
<th>No in Arrears</th>
<th>2006</th>
<th>Amounts 2007</th>
<th>Amounts 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 – 3 Months</td>
<td>10</td>
<td>8</td>
<td>1,371,456</td>
<td>2,446,532</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 – 6 Months</td>
<td>4</td>
<td>15</td>
<td>2,979,184</td>
<td>510,559</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6 – 13 Months</td>
<td>5</td>
<td>14</td>
<td>178,204</td>
<td>1,142,214</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12 Over</td>
<td>3</td>
<td>1</td>
<td>465,055</td>
<td>38,816</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Totals</td>
<td>22</td>
<td>38</td>
<td>4,993,900</td>
<td>4,138,120</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Loans Applications and Disbursements

Each month approximately 5% of loan disbursements were examined for compliance. The committee is pleased to report that no discrepancies were found and that the policies and procedures were being observed. There appear to have been no preferential treatment in the granting and approval of these loans. We congratulate the management and staff for this improvement and we are imploring them to continue along this vein.

Bank Reconciliation

This area has shown a marked improvement when compared to previous years. This is due in part to available technology, the use of the E - Link System which allows the Credit Union to access information on the Bank System readily.

Members Accounts Verification

The supervisory committee conducted a verification of members accounts based on balances as at October 31, 2007. A random sample of approximately ninety five members was selected. Letters were designed to solicit a positive verification from members that is if the balances were correct on the statements distributed. They were simply required to do the checklist as directed, and sign the forms and return them in the self addressed envelope to the Supervisory Committee.

The Committee was very disappointed at the response from members. We therefore implore and beseech you to respond positively by doing what is asked of you when called upon.

External Reports

The Credit Union continued to make monthly report to the Jamaica Co-operative Credit Union League, as well as to the Bank of Jamaica, and for statutory returns to the relevant authorities.

Other Activities

The committee was also involved in the following activities.

1. Making a work plan
2. Ensuring that Credit Union Property Insurances were renewed.
3. Examination of files of Dormant members.
4. Examination files of the deceased members.
5. Examination of closed accounts.
7. Examination of lodgments.
8. Examination of files of new members attending and participating in special presentations made by the
Credit Union.
9. Ensuring that Staff went on leave.
10. Examination of fixed assets
11. Call sample of new members to ensure eligibility.

Marketing

The marketing officer and his team played a major role in portraying the Credit Union's image as a reckoning force over the past year. This is being manifested in the increased advertisements being done in both the Electronic and Print Media. The committee wishes to congratulate the Officer and his team and urges him to continue to aggressively market our different products especially in Mid Island surrounding our Mandeville Branch as well as our Portmore Branch.

Membership

The Credit Union continues to attract new members due to the effective marketing strategies being undertaken by the Marketing Officer. This has been reflected in our membership base which grew from 10416 at December 31, 2006 to 11,123 at the end of December 2007.

Staff and Volunteers

Information from the suggestion box indicates that the members are pleased with the service they are receiving. The volunteers must also be commended for the audit functions which keep the credit Union on target and keep getting Cudos in the Credit Union world.

Sub-Branches

The committee is pleased at the new locations for both branches. Such locations can only lead to enhancing the Credit Unions products. We are hoping that in this calendar year marked improvement will be seen in their performances.

General

The year in retrospect for the economy has been once again challenging. There were disruptions caused by General Elections, the visit of a hurricane, the rising oil prices on the world market, inflation ending the year in double digits 16.8% (official figure from Planning Institute of Jamaica) and the cost of living index increasing in the latter part of the year. With all of these hindrances the Credit Union has once again stamped its dominance in a competitive environment. Most of the P.E.A.R.L.S performance indicators were met and in some cases surpassed. As we go forward into this New Year and with all these upcoming Investment Schemes Clubs, we need to encourage our members to stick to a secure financial base - our Credit Union.

Acknowledgments

Once again the committee wishes to express its gratitude to the Board, members of staff and other volunteers for the invaluable support given to us in carrying out our functions throughout the year. To all our members, sincere thanks for the confidence shown in electing us to serve in this capacity.

Denham Henry (Mr.)
Chairman, Supervisory Committee
TREASURER’S REPORT FOR THE YEAR ENDED DECEMBER 31, 2007

It is an honour to present the Treasurer’s Report to the forty-ninth annual general meeting of our co-operative. This credit union continues to perform well in most of the key areas of its operations. Its performance as it relates to the P.E.A.R.L S.-M rating standard used, continues to not only meet, but surpass key assessment ratings. Results of the past five years are presented in table 1.

Operating Performance

The total gross earnings amounted to $152 million, a 10% increase over 2006. The loan portfolio contributed 78% to earnings (2006-77%), indicating that the credit union continues to focus on its core business of granting loans to meet the needs of its members.

Expenditure totaled $59 million; an increase of 21% over that of 2006. The main contributors to this increase are expenditures related to seminars and meetings, marketing, and administrative expenses. A net income of $92 million resulted, showing a 12% increase over 2006.

The following charts show comparative results over the past five years of operations.

Portfolio Performance

Total assets again grew by 19% totaling $972 million at the end of 2007. Net loans to members grew by 23%, a possible reflection of the attractive loan packages tailored to meet the needs of our members. Liquid earning and non earning assets contributed 18% to the asset base. In the year 2008 assets will have reached the billion dollar mark.

Delinquency continues to be in control at 1% as was the case in 2006. Efforts by all involved must be congratulated and they are encouraged to remain vigilant in the monitoring and management of our loan portfolio.

Savings continues to be our greatest challenge as we seek to encourage our members to do so in an ever increasingly consumer driven society. Savings at the end of 2007 grew by 21% against our target of 24%. This increase is an improvement over 2006. We look forward to an even greater growth in 2008 as members respond to the attractive and innovative instruments created to encourage savings.
The performance of the portfolio is captured graphically below. Savings growth continues to lag behind that of loans for the past five years.

Acknowledgements:

I wish to express sincere appreciation to our auditors Bogle & Company for their comments and suggestions. Thanks to you the members, for the opportunity to serve along with my fellow volunteers.

Congratulations also to the General Manager, Mr. Radcliffe Clarke and his team for a job well done in spite of the many environmental challenges faced in the year 2007.

Once again the AAMM Co-Op Credit union is in a position to declare a dividend for the year. Members please continue to support and enjoy the services of your credit union.

Patrick Duncan
Treasurer
The Credit Committee.
From left: Merline Sewell-Sullivan, Sandra Samuels (Chairperson), Wendy-Ann Hutchinson (Credit Officer), Hector Stephenson, Roselda Hall (Secretary), Devon Gidden (Delinquency Officer) and Lorna Matthews
The following persons were elected to serve on the credit committee at the last annual general meeting. The committee members and their attendance for the year under review are as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Merline Sullivan</td>
<td>32/48</td>
</tr>
<tr>
<td>Sandra Samuels</td>
<td>51/52</td>
</tr>
<tr>
<td>Hector Stephenson</td>
<td>43/52</td>
</tr>
<tr>
<td>Roselda Hall</td>
<td>47/52</td>
</tr>
<tr>
<td>Lorna Matthews</td>
<td>33/52</td>
</tr>
</tbody>
</table>

Scheduled weekly meetings were held each Thursday with the senior loans officer Miss. Wendy Hutchinson and Mr. Devon Gidden, the Delinquency Officer in attendance. Both persons provided invaluable information and support to the committee. Meetings were well attended except for the volunteers who had occasional business commitments, studies or overseas engagements.

Committee members also attended quarterly joint meetings with the Board of Directors and Supervisory Committees.

I wish to acknowledge our newly appointed member Mrs. Merline Sewell-Sullivan, successor to Mrs. Allison Peart who resigned in the first quarter. Mrs. Sewell Sullivan brings to us a wealth of knowledge and experience, having served on several committees of this kind.

The year 2007 was an eventful and challenging one. There were various loans and investment schemes, competing in the financial sector. However, despite this competition, AAMM Co-Op has held its own in the market place.

ANNUAL CREDIT COMMITTEE STATISTICS

The trend analysis is shown on the graph below for the years 2005-2007. In August, an historical high of $50 million was disbursed for loans.

Loans totaling $397,991 million were disbursed during the year under review, representing an increase of 27.3% over the previous year. This demonstrates the consistent performance and the continued strength of the credit union to meet the increasing financial needs of its members. Loans to elected officers totaled $5.1 million and employees $8.1 million.
The table below shows the distribution purposes and figures for 2007 and 2006 to allow for comparison.

### Recap of Loan Distribution

<table>
<thead>
<tr>
<th>LOAN PURPOSES</th>
<th>Number Of Loans</th>
<th>Amount ($ Million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Productive</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>Provident (Consumption)</td>
<td>4,035</td>
<td>4,665</td>
</tr>
<tr>
<td>TOTAL</td>
<td>4,040</td>
<td>4,675</td>
</tr>
</tbody>
</table>

Overall domestic and personal needs were the main demand each month to be followed by the purchasing of motor vehicle, home improvement and home acquisition. Education loans dominated the month of August as is customary.

During the month of August a special hurricane loan was introduced to facilitate members who were affected by hurricane Dean.

Members were also encouraged to utilize several innovative and attractive loan facilitates offered such as:
- The easi loan facility
- The computer window
- The vacation window
• The education window

The committee would like to encourage members to utilize the productive loan facility through the promotional programme such as the National Development Bank (NDB) also to invest in our Executive Plus and Golden Harvest product; which yields a higher interest rate to the ordinary deposit.

The credit committee is indeed pleased to have worked with various stakeholders of AAMM Co-Op to satisfy the financial needs and provide financial advice to its members for the year 2007. I would like to express thanks to my fellow committee members for their support and confidence they have bestowed on me by electing me as chairperson.

I wish to commend the efforts of the loans and delinquency team for working so effectively and efficiently to enhance our loans processing machinery in achieving the record levels of success we have experienced. To the entire relevant participant I say thank you.

Sandra Samuels (Mrs.)
Chairperson
# AAMM CO-OPERATIVE CREDIT UNION LIMITED

**SCHEDULE OF P.E.A.R.L.S. INDICATORS**

**AT DECEMBER 31, 2007**

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Protection</strong></td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>Prov. for loan loss/ Delinq. &gt;12 mths.</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Prov. for loan loss/Delinq. 6-12mths</td>
<td>60</td>
<td>60</td>
<td>60</td>
<td>60</td>
<td>60</td>
<td>60</td>
</tr>
<tr>
<td>Prov. for loan loss/Delinq. 3-6 mths</td>
<td>30</td>
<td>30</td>
<td>30</td>
<td>30</td>
<td>30</td>
<td>30</td>
</tr>
<tr>
<td><strong>Effective Financial Structure</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Loans/Total Assets</td>
<td>73.78</td>
<td>71.93</td>
<td>75.72</td>
<td>70.61</td>
<td>78.54</td>
<td>60-80</td>
</tr>
<tr>
<td>Liquid Assets/Total Assets</td>
<td>0.72</td>
<td>1.75</td>
<td>0.34</td>
<td>0.61</td>
<td>0.75</td>
<td>Max 5</td>
</tr>
<tr>
<td>Fin. Invest./Total Asset</td>
<td>6.53</td>
<td>6.59</td>
<td>4.04</td>
<td>9.15</td>
<td>1.27</td>
<td>Max 10</td>
</tr>
<tr>
<td>Savings/Total Assets</td>
<td>67.46</td>
<td>67.20</td>
<td>67.14</td>
<td>68.18</td>
<td>71.24</td>
<td>70-80</td>
</tr>
<tr>
<td>Ext. Credit/Total Assets</td>
<td>0.22</td>
<td>0.44</td>
<td>0.78</td>
<td>1.65</td>
<td>0.64</td>
<td>0</td>
</tr>
<tr>
<td>Instit. Capital/Total Assets</td>
<td>14.62</td>
<td>15.01</td>
<td>15.14</td>
<td>15.05</td>
<td>15.00</td>
<td>Min 10</td>
</tr>
<tr>
<td><strong>Asset Quality</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Delinq. &gt;60 days/Loan Portfolio</td>
<td>1.04</td>
<td>1.00</td>
<td>1.73</td>
<td>2.14</td>
<td>&lt; 2.00</td>
<td>&lt; 5</td>
</tr>
<tr>
<td>Non-Earning Assets/Total Assets</td>
<td>6.84</td>
<td>6.47</td>
<td>5.10</td>
<td>5.19</td>
<td>5.39</td>
<td>&lt; 5</td>
</tr>
<tr>
<td>Zero-Cost Funds/Non-Earning Assets</td>
<td>462.80</td>
<td>498.12</td>
<td>514</td>
<td>476</td>
<td>514.65</td>
<td>&gt; 100</td>
</tr>
<tr>
<td><strong>Rates of Return &amp; Costs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial Costs: Deposits/Avg. Deposit</td>
<td>8.01</td>
<td>9.76</td>
<td>10.72</td>
<td>11.70</td>
<td>8.58</td>
<td>1.25-7.5%</td>
</tr>
<tr>
<td>* Operating Expenses/Avg. Assets</td>
<td>7.33</td>
<td>6.50</td>
<td>6.55</td>
<td>5.87</td>
<td>6.59</td>
<td>3-10</td>
</tr>
<tr>
<td>Gross Margin/Avg. Assets</td>
<td>15.61</td>
<td>17.71</td>
<td>18.63</td>
<td>18.69</td>
<td>12.82</td>
<td>Enough to cover*</td>
</tr>
<tr>
<td><strong>Liquidity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Liquidity/ Total Savings</td>
<td>31.36</td>
<td>33.35</td>
<td>28.51</td>
<td>35.84</td>
<td>28.87</td>
<td>20-30</td>
</tr>
<tr>
<td>Short –Term Payable/Total Deposit</td>
<td>2.61</td>
<td>1.42</td>
<td>2.02</td>
<td>2.17</td>
<td>0.72</td>
<td>of the credit union to meet withdrawals</td>
</tr>
<tr>
<td>Non-Earning Liquid Assets/Total Assets</td>
<td>0.72</td>
<td>1.75</td>
<td>0.34</td>
<td>0.61</td>
<td>0.75</td>
<td></td>
</tr>
<tr>
<td><strong>Signs of Growth</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Assets</td>
<td>19.20</td>
<td>18.95</td>
<td>15.89</td>
<td>14.60</td>
<td>14.40</td>
<td>&gt; inflation</td>
</tr>
<tr>
<td>Membership</td>
<td>11.00</td>
<td>9.50</td>
<td>8.85</td>
<td>7.81</td>
<td>12.00</td>
<td>&gt; 5</td>
</tr>
<tr>
<td><strong>Note</strong>:Inflation</td>
<td>16.80</td>
<td>5.85</td>
<td>12.90</td>
<td>13.70</td>
<td>12.00</td>
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</table>
REPORT OF THE NOMINATIONS COMMITTEE REPORT TO THE 49TH ANNUAL GENERAL MEETING OF AAMM CO-OP. CREDIT UNION LIMITED.

The Nominations Committee comprising of Mssrs Charles Reid (chairman), Astley Hibbert and Elvis King met to identify persons qualified to serve the credit union in the capacity of volunteers.

Board of Directors

The following members of the Board of Directors retire at this the 49th Annual General Meeting:

Joseph Earle
Lennox Deane
Michael Brydson
Cynthia Cooke

The committee is recommending Lennox Deane, Michael Brydson and Cynthia Cooke to serve for the next two years. With regards to the vacancy created by the retirement of Joseph Earle, the committee nominates Hector Stephenson to fill this position.

Mr Stephenson who is currently a member of the Credit Committee, has served in this capacity over the past three years with distinction. He has displayed a strong knowledge and shown a foresight on the financial and economic environment which we have no doubt, will be an asset to the credit union at the Board level. Mr Stephenson is presently the CEO at the Overseas Examination Council, and a former Principal at St. Georges College.

The committee would like to use this opportunity to thank Mr Joseph Earle for the over three decades that he has served as volunteer to the credit union. We are absolutely sure that hadn’t been for stalwarts as Mr Earle, the credit union would not have been the success it is today. Best wishes in all his future endeavours.

The committee is therefore nominating:

Lennox Deane
Cynthia Cooke
Michael Brydson
Hector Stephenson.

Credit Committee

The members retiring are:

Hector Stephenson
Roselda Hall
Merlene Sewell-Sullivan

The committee is nominating Roselda Hall and Merlene Sewell-Sullivan to serve for another two years. Mr Hector Stephenson’s retirement would be as a result of his nomination to the Board. The committee is recommending Mr Clive Grossett to serve on the Credit Committee. Mr Grossett is presently the Manager at HEART Trust, VTDI, Gordon Town. His experience includes being a former Credit Manager at a credit union. is knowledge of finance and credit in particular, will no doubt serve the credit union well.

The Nominations Committee is therefore recommending:

Roselda Hall
Merlene Sewell-Sullivan and
Clive Grossett.

Supervisory Committee

The following persons were nominated by the committee to serve for one year.

Denham Henry
Nedrick Young
Millicent Lamey-Barrett
Sonja Vassell- Hurd and
Gurleydean Watson

All have indicated their willingness to serve for another year, and were duly nominated.

Acknowledgements

The members of the Nominations Committee wish to thank all for the opportunity to serve, and wish the credit union continued success with the new persons chosen to serve.

Signed

Charles Reid (Mr)
Chairman.
We are the ones who serve you.

"Forging ahead with our Nation’s teachers and their families."
AAMM Co-operative Credit Union Ltd

CHRISTMAS Savings Club

Start with $500, $1,000, $1,500, OR $2,000

Save consistently every month

Get your $ in December

Now that is a bonus!!!

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10 Oxford Terrace
Kingston 5
Telephone: 926-6973
926-6907/929-1796

Mandeville
Shop 56f Annex Plaza
Telephone: 625-1211

Email: info@aammcu.net
Website: www.aammcreditunion.com

Portmore
Shop 4, Peart Medical Centre
4 Mega Way, Portmore
St Catherine
Tel: 988-5234

Forging Ahead With Our Nation’s Teachers And Their Families
Our Management Team

Left to Right: Radcliffe Clarke (General Manager), Merle Reid (Accountant), Elvis King (Credit Manager)

Accounts Department

Left to Right: Vivelyn Walker (Data Processing Clerk), Annette Green-Dempster (Accounting Clerk), Merle Reid (Accountant), Sean Nelson (Cashier)

“Forging ahead with our Nation’s teachers and their families.”
Loans Department

Standing left to right: Khadine Powell (MSR), Shereen Bernard (MSR), Winston McLaren (MSR), Wendy-Ann Hutchinson (Credit Officer), Nicola Daley (MSR). Seated: Elvis King (Credit Manager)

Officers

Left to Right: Richard Dunn (Marketing Officer), Devon Gidden (Delinquency Officer), Wendy-Ann Hutchinson (Credit Officer), Kirk Hickling (System Administrator)

"Forging ahead with our Nation's teachers and their families."
Faces of Portmore

Left to Right: Richard Dunn (Marketing Officer), Sherise Lewis (MSR), Devon Gidden (Delinquency Officer), Winston McLaren (MSR)

Faces of Mandeville

Left to Right: Ceraphia Scott, Taneka Whyte

"Forging ahead with our Nation’s teachers and their families."
Let’s
T. E. A. C. H.
(Teachers Educating All, Creating Hope)

- Enjoy first-class services and products tailored to meet your needs
- Start your account today with as little as $50
- Enjoy benefits from yearly bursaries
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Kingston 5
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Mandeville
Shop 56f Annex Plaza
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Email: info@aammcu.net
Website: www.aammcreditunion.com

Portmore
Shop 4, Peart Medical Centre
4 Mega Way, Portmore
St Catherine
Tel: 988-5234

Forging Ahead With Our Nation’s Teachers And Their Families
**Rewarded Moment**

Devon Gidden (left) being presented with an award for 10 years of service by Christopher Robinson (right), Country Manager - CUNA Mutual Insurance Society.

**Shared Moment**

Members get informed about some of the many products and services available.
Head Office: 10 Oxford Terrace, Kingston 5
Telephone: 926-6907 / 6973, 929-1796

Mandeville: Shop 56f, Annex Plaza
Telephone: 625-1211

Portmore: Shop 4, Peart Medical Centre,
4 Mega Way, Portmore.
Telephone: 988-5234

Email: info@aammcu.net

Website: www.aammcreditunion.com

For all 0-16 year old children of A^M members

Forging Ahead With Our Nation’s Teachers
And Their Families

A^M Co-Operative Credit Union for teachers, trainee teachers,
former teachers, school administration staff and their families.
REPORT OF THE DELEGATES TO THE JAMAICA CO-OPERATIVE CREDIT UNION LEAGUE TO THE 49TH ANNUAL GENERAL MEETING OF AAMM.

The 48th Annual General Meeting of AAMM Co-operative Credit Union Limited held on April 13, 2007 gave the Board of Directors the permission to appoint the delegates and alternate delegates to the Jamaica Co-operative Credit Union League.

The League held its sixty-fifth Annual General Meeting on board the Carnival Cruise Imagination on Sunday May 20, 2007.

The Board of Directors report for the League which was signed by the Chairman Mr. Christopher Samuda highlighted the following:

OVERVIEW
- The successful merger of St. Ann and St. Mary Co-operative Credit Unions.
- Continued discussions with the Bank of Jamaica on the Credit Union Regulations.
- Discussions about the formation of a Risk Compliance Unit at the League.
- Strategic Alliance between the League and Blue Cross of Jamaica, as well as, Life of Jamaica and Caribbean Assurance Brokers, for the provision of health insurance.

GROWTH
- For the period under review the League recorded a 13.7% growth in total assets, which stood at approximately $6.6 billion at year end. The growth rate was higher than the 10.3% recorded for 2005.
- The overall credit union membership stood at 862,567, total savings stood at $30.3 billion, loans at $25.6 billion, and total assets at $38.48 billion.
- Asset growth was 17.84%, savings growth was 19.04%, and loans growth was 21.52% for the year under review year.

ADVOCACY AND LOBBYING
The League is making representation on behalf of credit unions to the Bank of Jamaica and Minister of Finance on the following areas under the proposed Bank of Jamaica Credit Union regulations:
- Unsecured Credit
- Limit on shareholdings in company undertakings
- Cap on Fixed Assets
- Minimum start-up Capital
- Role of the League

AFFILIATION
The National Union of Societies (NUCS), the insurance arm of the movement hired a new General Manager after the retirement of Mr. Hector Dietrich. NUCS held a strategic planning session which concluded that there will be work to
- Introduce new products and or services.
- Enroll new members.
- Forge effective alliances.
- Implement a training programme.
- Source additional funding.

CREDIT UNION OF THE YEAR AWARDS FOR 2006
These awards were presented at the 2007 annual general meeting. First Regional Credit Union won first place for the new Mega Category for credit unions with assets over $1 billion. The new Large Category award for credit unions with assets less than $1 billion and more than $500 million went to AAMM Co-op. Credit Union. Postal Co-op. Credit Union won the award for credit unions with assets between $250 and $500 million and BOJ Staff Credit Union won the award for small credit unions with assets less than $250 million.
MARKETING ACTIVITIES
The League’s marketing activities for the year were as follows:
• Mobile marketing
• 5k Walk Run
• Youth Marketing
• Cartoon Competition
• Debating Competition

ELECTIONS

BOARD OF DIRECTORS
The following persons were nominated and duly elected to serve on the League Board:

Christopher Samuda    GSB Director at Large
John Spence           St. Elizabeth Parish Representative
Anthony Young        Palisadoes CU Director at Large
Barrington Whyte      C & W J CU Director at Large
Derrick Logan         Insurance Employees CU Director at Large
Glossom Howe-Jones    Kirkvine CU Manchester Parish Representative

SUPERVISORY COMMITTEE
The following were nominated and duly elected to serve on the committee:

Jacqueline Peart       St. Thomas Co-op.
Joyce West-Johnson     C & W J
Anthony Morris         COK
Nicola Reid            Palisadoes
Ruel Nelson            UWI Mona & Community

APPROPRIATION OF SURPLUS
The League’s surplus was distributed as follows:

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capitalized Dividend</td>
<td>7.50</td>
</tr>
<tr>
<td>Cash Dividend</td>
<td>9.17</td>
</tr>
<tr>
<td>Honoraria</td>
<td>1.11</td>
</tr>
<tr>
<td>Emergency Fund</td>
<td>1.00</td>
</tr>
<tr>
<td>CODEFCO</td>
<td>0.50</td>
</tr>
<tr>
<td>Gifts, Charities &amp; Milestone</td>
<td>1.00</td>
</tr>
<tr>
<td>Institutional Capital Reserve</td>
<td>27.16</td>
</tr>
<tr>
<td>Total</td>
<td>46.99</td>
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The delegates and alternate delegates sincerely appreciated the opportunity to serve in this capacity.

Lennox Deane

Clide Nesbeth