



Drawing Together

ANNUAL REPORT

2020





*“Invisible threads are
the strongest ties”*



Despite being apart, it's hard not to feel like our communities have grown closer than ever.

Even though we may not be able to gather in person we can still maintain strong connections. Over the course of the year, Fusion has stayed engaged with our community and has been working towards providing our members with more ways to bank online.

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OUR VISION

We have changed lives and built stronger communities.

OUR MISSION

To support members with financial guidance, community investment and member-focused innovation.

OUR PURPOSE

At Fusion, we help our members live their best lives.

OUR PROMISE

We commit to ensuring our members and communities remain at the centre of every policy, decision and action we undertake.

OUR VALUES

Integrity

When no one is looking, we do the right thing.

Empathy

When people look to us, we look to understand.

Commitment

When we know it's correct, we see through it.

Collaboration

When we work together, we're a positive catalyst for change.

Accountability

When we count on one another, members can count on us.



We are Fusion

Shared experiences, common values, a love of music, sport, family, food, community or land. These are the ties that draw us together.

These are the connections that we keep — even when we're apart.

Invisible ties create communities that support one another in old and new ways.

At Fusion, we have drawn closer together through this, our third year since amalgamation. And in many ways we have been brought closer to our members, as we've all navigated change.

In drawing together, we've circulated our strengths and worked to shift uncertainty into possibilities.

Every year draws us closer together and every year we emerge stronger and better able to serve, as a result.

● **Here for good**



MESSAGE FROM THE CEO

Darwin Johns

A first year full of firsts, made possible by a team that came together and came through.

This 'year of firsts' that we have all experienced in 2020 has also been my first year as CEO of Fusion Credit Union. Throughout the year, I have clearly seen evidence of the invisible threads that draw us all together, every day.

I'm humbled and thrilled to report on how the entire team at Fusion has drawn together and drawn strength from one another. The Executive Team came together and came through to meet the tremendous challenges that we faced. Expecting the unexpected became the new normal, and it was met with outstanding creativity and a sense that, together, we would see this through. I can't thank them enough for becoming our organizational safety net.

It is also important for me to comment on the hard work and dedication of all of our employees at Fusion and Northstar. I see that our team repeatedly demonstrates tremendous commitment and energy towards our shared success, and I am confident that we will continue to reach our goals together. Thank you for being such strong threads throughout Fusion, and the communities we serve.

Our connections strengthened across all of our branches and agencies, as everyone stepped up to find new ways to serve our members, our communities, and each other. In many instances, this meant adapting business continuity plans quickly and effectively, and being open to change on constant basis. I am impressed with the speed of adaptability and flexibility that our team demonstrates; we have stayed together despite working further apart through our work from home strategies.

We've had a number of firsts at Fusion this year! We successfully hosted the first virtual AGM in Manitoba and our first-ever virtual Board and Management Planning Sessions. I have to say, our teamwork and camaraderie is evident even when we're online!

For Manitoba 150, we served up over 150 ways to be 'here for good' in our local communities. I heard so many inspiring stories about our Fusion team, and I'm very proud of what we accomplished together.

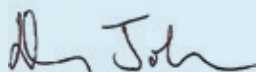
We implemented an online loan application system, and we are continually refining this offering to provide an exceptional member experience. Our insurance and real estate subsidiaries amalgamated under the Northstar brand, and we generated over \$20,000 in gift card sales for local businesses through our Invest for Good campaign.

In the midst of Covid, we achieved 85% of our 2020 Balanced Scorecard goals - serving our members and growing our business in spite of these uncertain times. And in many ways, we have been brought closer to our members as we've all navigated change.

All of this connectivity and creativity didn't come out of the blue at Fusion though - it springs from the foundation that Ron Hedley set as CEO, when he would say 'this is an idea place'. Ron's people first approach is well known across Fusion, and it continues to weave into our organizational culture through our employees, members, and communities. It has been my privilege to lead us into the next phase at Fusion, and move forward with such an incredible team - one that's been recognized as a **Top Employer in Manitoba** for two years in a row. To round out our leadership team, we have a visionary Board of Directors, who continue to challenge and support us to exhaust and explore every potential to strengthen our communities and improve the lives of our members.

This year, our members, communities, and our Fusion team have faced and overcome many challenges together through resiliency, adaptability, teamwork, and empathy. At Fusion, we are ending the year in a strong financial position, with even stronger ties.

Thank-you for a remarkable year and I look forward to what we can achieve together in 2021.



Darwin Johns
Chief Executive Officer



MESSAGE FROM THE BOARD CHAIR

Guy Huberdeau

Changing lives for the better and creating stronger communities.

A few years ago, the Board set a vision for the newly amalgamated Fusion Credit Union, to change the lives of our members and to create stronger communities. When we decided as a Board that this would be Fusion's vision statement, I don't think any of us anticipated the extent to which this would come true in a few short years.

2020 marked the second full year since our amalgamation and today, driving through our communities, the presence of Fusion seem to be everywhere.

Our branches, our billboards, and the various community projects and events we have sponsored are the ways that we see Fusion in our communities. What we don't see are the many more ways that Fusion is drawing people together, improving people's lives and making our communities stronger.

As members of the Board it is our role to protect and manage the viability and profitability of the Credit Union so that we can continue to support our members and our communities in new ways.

This year, despite international, national and local financial challenges, we have managed to stay strong and be here for our members and our staff in every way we could.

We continued to support our communities with a total of \$251,808.09 in sponsorships, donations and scholarships. We put particular emphasis on supporting local small business, and we circulated \$2.2 million dollars back to our members through patronage, cash payouts and other dividends last year. We are proud supporters of the CEBA program, and we disbursed over \$32 million in funding to our members through this important initiative.

As we have seen this year, the people in our communities have drawn closer together, despite staying further apart.

On behalf of the Board I want to thank our new CEO, Darwin Johns, for all that he and his team have accomplished this year. It's been nothing short of remarkable and it has made me more proud than ever to be a part of the Fusion story.

Thank you,

Guy Huberdeau
Board Chair

FAREWELL, RON HEDLEY & ENJOY YOUR RETIREMENT

"It's been a tremendous privilege, and a lot of fun, to be part of the credit union movement. Today we're much bigger and, I think, more important than ever to our communities and the provincial economy."

After a memorable 40-year career, Fusion Credit Union said goodbye to CEO Ron Hedley when he retired on June 1, 2020.

Ron's first job was at Rosscorn Credit Union in 1976. He became General Manager of Strathclair Credit Union in 1990, moved to Dauphin Plains in 2000, was named CEO of Catalyst Credit Union in 2013, and stepped into the role as CEO of Fusion Credit Union in 2018.

Ron's tenure at Fusion resulted in impressive accolades for the credit union, including national marketing awards from the Canadian Credit Union Association and recognition as one of Manitoba's best places to work from the editors of Canada's Top 100 Employers.

Fusion Board President Guy Huberdeau credits Ron's accomplishments to his "energy, innovative spark and cooperative spirit" professionally and in the community.

Ron's career highlights included establishing the student-run Clipper Credit Union at Dauphin Regional Comprehensive Secondary School (in 2005); crafting a long-term naming rights agreement for Credit Union Place in Dauphin

(2006); spearheading a conference titled A New Journey: Connecting Aboriginal and Credit Union Communities (2007); and, more recently, introducing the Full Circle Fund to support community groups and projects (2019).

A major piece of Ron's legacy was promoting environmental sustainability initiatives. These included special loans for solar panel projects, providing critical support for the construction and promotion of Dauphin's first 'net zero' home, incorporating sustainability into the credit union's corporate strategic plan, the purchase of a hybrid car for use in the community, and supporting and encouraging thousands of 'acts of green' performed by employees every year.

"Ron left us with some pretty big shoes to fill," said Huberdeau, "But he's also left us with a successful, future-focused organization with an organizational culture that puts our members first. That's a pretty solid foundation to build on as Fusion Credit Union moves on to its next chapter."

Thank you, Ron, for four decades of work with Manitoba's credit unions. We wish you all the best in your retirement.



Board of Directors



GUY HUBERDEAU CHAIR

Guy Huberdeau was born and raised in St. Lazare. He has been on the Credit Union board since 1999 and has been Chair for a number of those years. He is dedicated to making sure members are heard and understood.

His involvement in his community has been very important to him, as a member of the Municipal Council for 26 years, St. Lazare CDC and the Conservation District Board. He is also active on the Rec District Board, Vet Board and the School and Hospital Board.

Guy and his wife, Kathy, have two daughters and four grandchildren who are their whole world. They moved to Brandon in the fall of 2015 to be closer to them. In their spare time, Guy and his wife love camping, fishing, traveling and spending time with their grandchildren.



MIKE CSVERSKO VICE CHAIR (OUTGOING DIRECTOR)

Through his 16 years as a Credit Union Director, Mike has witnessed and played a role in the evolution of Dauphin Plains Credit union into what it is today; Fusion Credit Union.

Throughout this ongoing advancement Mike has strived to stay ahead of the shifting financial and governance landscape. In 2018 he obtained the Institute of Corporate Directors Designation (IDC.D) as well as the Not-for-Profit ICD designation. He is a Canadian Credit Union Accredited Director and has completed numerous industry and governance courses such as Audit Committee effectiveness, financial red flags, CEO / Board evaluation, and strategic oversight to name a few. He holds a bachelor of Commerce degree from the University of Manitoba.

Mike also serves as a director on the board of Credit Union Central of Manitoba, is vice chair of Westman Communication Group, a board member of the Dauphin Regional Airport and will be joining the Co-operators Group Ltd (CCS-PC.TO) based out of Guelph Ontario in April 2021 as a director.

For sixteen years Mike was a Tim Hortons restaurant owner; for seven of those years, he was the Manitoba director on the Tim Hortons National Advisory Board, representing 96 restaurants and 32 franchisees in the province.

Mike is passionate about Fusion Credit Union and will continue to drive a first principles design mentality to ensure continued evolution and success in an increasingly dynamic sector. He is a strong advocate of supporting the communities in which we live, work, and play.



MARGARET HODGSON

SECRETARY

Margaret is a retired accountant and financial advisor who, since joining the Board in 2012 has augmented her education to better fulfill her role and now carries the CCD and ACCUD Director credentials. She is a proponent of prudent and sound business principals and serves as the Secretary to the Board of Directors and the Chair of the Audit & Risk committee.

Prior to serving members of Fusion Credit Union, she established a public practice in 1980, and provided financial services to clients in the local areas, retiring in 2016. During these years she served on the municipal council between 1983 and 1995 spending the last six years of these as the Mayor of Birtle. She served on numerous other Boards and committees and in 2011 received a lifetime membership award from the Association of MB Municipalities, in recognition of her commitment to the community, the Westman region and the Province of MB.

She is devoted to financial literacy and in her retirement has served as an educational consultant and tutor to students at a national post-secondary educational institute focused on excellence in financial education.

Margaret loves spending time with people, especially her grown children and their families. She is married to Glenn and they reside in Birtle, Manitoba.



PAUL ORSAK

Paul Orsak, BSA University of Manitoba 1977, has served on several farm and agricultural industry boards, government task forces and committees. He was a member of the Board of Governors of the former Winnipeg Commodity Exchange for nearly 10 years.

Paul served as an elected Director of Agricore United, and is currently a Director of the Canadian division of a private US based corporation. He earned his Chartered Director (C.Dir.) designation through the Directors College of McMaster University and the Conference Board of Canada.

As a Credit Union board member for many years, Paul is committed to ensuring its members and communities are at the heart of every decision.

Paul and his family operate a farm business near Binscarth, with strong commitments to the land, their crops, and the environment around them.

Board of Directors



ALBERT PAZIUK

After graduating Ethelbert Collegiate, Albert attended Brandon University and Brandon Assiniboine Community College, before returning to Ethelbert and taking over the family farm. Albert and his wife Doreen, successfully run a mixed farming operation.

Albert has served on Credit Union boards for over 35 years.

Throughout his years with the credit union system, Albert has been part of many committees and has upgraded and completed numerous courses. He has obtained his Accredited Canadian Credit Union Director designation, which requires yearly upgrading and training to maintain his status as an Accredited Director. He takes pride in his work and is committed to ensuring that Fusion Credit Union is there for service and support for their members, communities and organizations.

Albert and his wife have two sons and four grandchildren. Albert enjoys snowmobiling, curling, quadding, golfing, hunting and fishing.



RICHARD DERENIWSKI

Richard Dereniwski originates from Strathclair, MB, where he was raised on his parents' mixed farming operation. He graduated from Minnesota Collegiate in 1977. Richard's career path in the grain/ag industry began in 1978 and continued till his retirement in January 2020. Richard received six awards for Managerial Efficiency plus many sales achievement awards throughout his career.

Previous to being a Director with Fusion, Richard served terms as Chair and Vice Chair on Credit Union boards as well. He is presently a Chair of the Directors Forum Planning Committee, sits on the Democratic Control Review Committee and also sits on the Order of Merit Selection Committee all of which are associated with Credit Union Central of Manitoba. Richard holds a Certified Director accreditation from the Rotman School of Management. In addition to serving on the Fusion Board he is also a Director on the Parkway Coop Board. Richard looks forward to helping guide Fusion through any and all upcoming challenges and celebrating the accomplishments in the future.

Richard and his wife were married in 1979 and together they raised two children, Justin and Charmaine. They have two precious grandsons Zander and Hudson.



GARRY SMART

Garry Smart grew up on a farm Southeast of Brandon. Garry has transferred his successful business skills to his work on the Fusion Board. As the General Manager for Modern Industrial Structures Brandon, Garry developed the business plans from 2007 until he retired in 2018. Garry knows how important a strong credit union partner is to the success of small business owners.

As a Board Member, Garry loves being engaged with the Fusion team and is incredibly proud of all the work they do for the community. He is always trying to improve and move forward. In his free time, Garry loves to watch and play sports, travel with his wife, work on various projects and spend time with his two children and three grandchildren.



GERALD STUART (OUTGOING DIRECTOR)

Gerald Stuart grew up just outside of Wetaskiwin, Alberta on a farm that focused on producing hay for local barns. He headed off to Red Deer College in 1990 to pursue his education in business.

Gerald and his wife, Jody, have been married for 19 years and have a son, Spencer. His family currently owns two Home Hardware stores, one in Esterhazy and the other in Roblin.

Gerald served on the Board of Directors for the Credit Union for 14 years. He is incredibly proud of his work and he loves giving back to his community whenever possible. In his free time, Gerald loves to golf, camp, spend time with his family and play hockey with his son.

Proud to be one of Manitoba's Top Employers



It's no secret that great people work at Fusion. Every member of our diverse and unique team demonstrates our organizational values of integrity, collaboration, commitment, empathy, and accountability in their work each and every day.

Manitoba's Top Employers is an annual competition organized by the editors of Canada's Top 100 Employers. This special designation recognizes Manitoba employers that lead their industries in offering exceptional places to work.

Employers are evaluated by the editors of Canada's Top 100 Employers using the same eight criteria as the national competition:

- Physical Workplace
- Work Atmosphere and Social Atmosphere
- Health, Financial and Family Benefits
- Vacation and Time Off
- Employee Communications
- Performance Management
- Training and Skills Development
- Community Involvement

The year 2020 was a challenging one, but despite the ups and downs of a pandemic, our organization navigated through with growth and stability, adding 20 positions to the organizational chart as well as several employee appreciation initiatives. We remain focused on enhancing the employee experience and in doing so, the member experience as well.



Halloween 2020 — Dauphin 80's theme



Bell Let's Talk Day

"I have only fantastic things to say about Fusion, it's a great place to work with strong leadership. I feel Fusion has a solid foundation, with a bright future."

— Fusion Employee



Birtle Golf Tournament



December Jeans Day — Winnipegosis

“Fusion really cares about its staff. You feel like your ideas and opinions are heard. Lots of opportunity to grow in the organization or in your existing role. Really stands behind the tag line ‘Here for good.’”

— Fusion Employee



October Food Banks Jean Day



Jeans Day at Hamiota Branch



Staff supporting World Alzheimer's Day in Russell Branch



Hamiota staff enjoying the massage chair



Employee wellness

“Employee and community wellness are at the forefront of what we do,” says CEO Darwin Johns. “This year, we made a conscious effort at the Board and leadership level to practice that.”

With this concept in mind, the following initiatives were implemented in 2020:

Employee Wellness Spaces

The idea of an employee wellness space in each of our 18 branches arose from a Fusion Innovation Den initiative held in 2018, where teams of employees were challenged to think creatively and present their innovative ideas to the Executive Management Team in a Dragon's Den format.

The winning team proposed a Nap Pod or Massage Chair in each branch, within a designated space, for employees to rest and recharge throughout the work day. To date, 9 of our 18 branches have their employees wellness spaces set up and staff have great feedback on the benefits.

This employee wellness initiative is an example of how creative and innovative our employees are, and proof that the sky is the limit when it comes to putting our employee ideas into reality!

Employee Recognition Events

To thank staff for their teamwork, effort and positivity through Covid, we created a series of recognition events, focused on employee wellness and appreciation. The four events included the following:

Designated funds paid out to employees to spend on wellness items or services, several lunches brought into branches, funds distributed to branches to spend on enhancing employee break/wellness spaces, and Fusion gifts for each staff member in 2021!

A focus on employee wellness is embedded within our culture here at Fusion and we are thrilled it has been recognized with two Top Employer awards in a row!



Member Appreciation

The year 2020 brought with it some unique challenges, but also unique opportunities for us to connect with our members. Though we were unable to physically come together for so much of the year, we found ways to connect with our members and communities in new and innovative ways.

First and foremost, we did not want to skip a beat when it came to member service. We developed a thorough step-by-step guide on how to complete all of your banking needs in a contact free manner, through our Contact Free Service campaign.

Many of our in-person financial wellness presentations, agriculture education seminars, events such as our Annual General Meeting and Fusion golf tournament had to be adapted to suit the ever-changing regulations brought on by the pandemic.

Our organization came together to ensure the health and wellbeing of our employees and their families, our members, and our communities.

- We donated 120 computers to non-profit organizations in our communities
- We held a contact-free golf tournament in place of our usual, which supported 13 golf courses in our communities
- We held the first-ever virtual AGM in Manitoba
- We celebrated Credit Union Day by holding our traditional Harvest Auction of locally sourced goodies in a virtual manner
- We supported our high school grads by awarding \$18,000 in bursaries
- We held more than 6 member appreciation giveaways on our social media last year
- We assisted our members with more than \$32 million in CEBA funding
- We allocated over \$2.2 million dollars back to our members through patronage, cash payouts and other dividends last year.

These are just a few of the ways we have drawn together, circulated our strengths, and worked to shift uncertainty into possibilities.



Fusion staff at Ag Days 2020



Dauphin staff participate in Coldest Night of the Year



Computer Donation Brandon



Dauphin Safe Grad BBQ



Fat Cat Bike Draw



Inglis School Breakfast



Member Survey Winner



Computer Donation to Mood Disorders Association



Oak Lake Parade



Roblin Breakfast Club



Roblin Career Day



RRSP Campaign Grand Prize Winner



RRSP Campaign iPad Winner



Pumpkin Carving Contest Winner



Harvest Basket Winner in Hamiota



Russell Cancer Care Pies



St. Lazare Louis Riel Days



Stronger Together Dauphin



Thank You from Pre Novice Birtle Bruins



Waywayseecappo Wolverines Sponsor Night



Russell Cancer Care Fundraiser



Invest for Good gift cards from The Green Spot in Brandon

Invest For Good

In the Spring of 2020, we held our Invest for Good campaign, which garnered an overwhelmingly positive response, and was only the start of the ways in which we supported local businesses in our communities through the pandemic.

In the height of the pandemic, with many local businesses struggling, we wanted to support small, privately owned businesses in our communities. We offered members a \$100 gift card to a local business with each investment made throughout the campaign.

We ended up purchasing over \$18,000 in gift cards from 79 local businesses in 18 communities!

The success of the campaign inspired us to do more with gift cards and in total, we purchased over \$20,000 in gift cards to local businesses in our communities throughout 2020.

\$20,000+
in gift cards

79
local businesses

18
communities



\$600 in gift cards purchased from Hamiota Co-op



Fusion member receives gift card



Purchasing gift cards from Corina's Restaurant in Dauphin



\$1,100 in gift cards purchased from Home Hardware in Hamiota



Gift cards from Secord-Crowe Greenhouse in Dauphin



Fusion staff purchasing gift card for member

Full Circle Fund

In 2019, we established the Full Circle Fund to help our members and our communities do great things. We keep the success and wellness of our members and our communities in the forefront of all our decisions, at all levels. We see this as the basis of our success as well.

The Full Circle Fund is our way to fairly and transparently support worthy projects across our communities, where people are looking for larger donations.

With two intakes in 2020, we reviewed a total of 58 applications. Even with the additional challenges of the past year, with restrictions on public gatherings and temporary closures, we saw an increase in applications in the fall over the spring intake from organizations who recognize the importance of community spaces. In our first full year of the Full Circle Fund, we supported 37 organizations in 16 communities.

Here are some community projects Fusion was proud to have supported in 2020:

- Dauphin Deraileurs Cycle Club - \$150,000
- Rossburn Subdivision Trail Association - \$10,000
- St. Lazare Athletics - \$10,000
- Roblin Agricultural Society - \$6,500
- Prairie View Municipality - \$5,000
- Rossburn Rec Commission - \$5,000
- City of Dauphin EV Charger Project - \$4,000
- Ethelbert Curling Club - \$3,000
- Miniota Golf Course & Campground - \$3,000
- Assiniboine Early Learning Centre - \$2,500

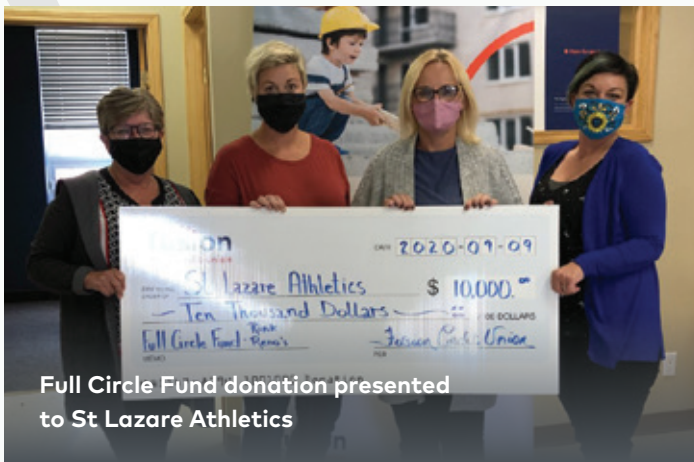
TOTAL DONATIONS FOR 2020
\$195,382.38

TOTAL RECIPIENTS:

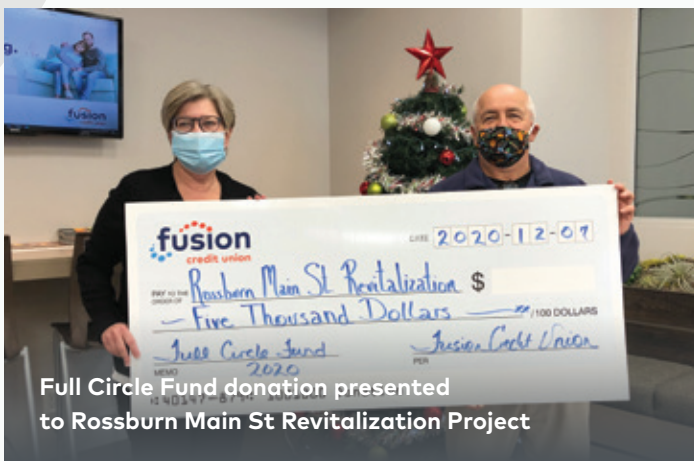
37 ORGANIZATIONS

16 COMMUNITIES





Full Circle Fund donation presented to St Lazare Athletics



Full Circle Fund donation presented to Rossburn Main St Revitalization Project



Donation to Miniota Parent Advisory Council



Fusion donates \$150,000 to Dauphin Derailleurs Bike Trail

"The Dauphin Derailleurs are so excited about our partnership with Fusion Credit Union. This trail system is the product of countless hours of intense effort from the cycling community... it's gratifying that the credit union recognizes its value to the community and shares our enthusiasm."

— **Brenda Gregory**, Dauphin Derailleurs president



Gilbert Plains staff help out at green space

Manitoba 150

To celebrate Manitoba's 150th Birthday, Fusion set the goal of completing 150 Acts of Good in the year 2020, an idea that was brought forward from one creative employee at an all-staff meeting. And we are happy to report that we surpassed our goal by completing 158 Acts of Good!

And what a year we had! We planted trees, we cleaned, we baked, we walked for a cause. We bought cookies, we delivered cookies and we even ate the cookies to support a cause. We donated our time, and even parts of ourselves to the Canadian Blood Services. Throughout the year you could find Fusion staff, all decked out in their MB 150 shirts, brooms in hand, cleaning the streets of their local community. There was no act too big and no act too small for our team!

Here is a closer look at the numbers:

80 organizations supported;

29 acts that revolved around youth, such as donating school supplies, coaching teams and reading in classrooms;

25 'random acts of kindness' that were performed, such as picking up groceries for a neighbor, weeding a neighbor's gardens, or taking the elderly on drives;

25 'green acts' performed;

12 clothing donations made to local thrift shops.

While communities were not able to have the big celebrations for Manitoba's Birthday as planned, we showed that with a little team effort and creativity, we can still spread so much kindness and cheer in our communities!



Birtle Food Bank



Dauphin Soup Kitchen Meal



Giving Blood in Brandon



Gilbert Plains Splash Park BBQ



Volunteering at Brandon United Way



Dropping Off Coffee to Parkway Co-op



Cleaning Brandon Riverbank

Tent Rentals

10

17

NorthStar
Employees

189

Fusion
Employees

Donations through
the Full Circle Fund

\$195,382.38

OVER
\$20,000

Purchased in
Gift Cards to
Local Businesses

Bursaries Awarded
to Grade 12 Students
in our Communities

\$12,000

\$44,425.71

In Donations and Sponsorships
to our Communities

Professional
Development Hours

12,988

812

Volunteer Hours

150

150 Trees Planted by
Fusion Employees

OVER
\$32
MILLION

In CEBA Loans
Processed

158

Acts of Good Completed
by Fusion Employees



Four Insurance Brokers join Forces with Fusion Credit Union

Erickson, Rossburn, Birtle and Roblin agencies come together under one familiar name.

On June 1st this year, four of the region's most respected and longest serving insurance brokers came together as one. Parkway Insurance (Erickson), Vanguard Financial (Rossburn), Asselstine Agencies (Birtle) and NorthStar Insurance (Roblin) are now together known as NorthStar Insurance and Real Estate Inc.

"All four brokers are wholly-owned subsidiaries of Fusion Credit Union, and have been for a number of years now," explained Darwin Johns, Fusion's Chief Executive Officer. "Bringing them all together under a single umbrella will make their affiliation with each other much clearer in our market and, in the longer term, will provide some opportunities for growth as well."

"Operating under the same name, NorthStar will be able to consolidate and enhance their online presence and raise their profile in the real estate market over a much broader area. The plan is to open an office in Brandon as soon as possible."

NorthStar provides a complete range of insurance options for home, farm and business, from offices in Roblin, Erickson, Rossburn and Birtle. Residential, farm, commercial and cottage real estate services are offered primarily from NorthStar's Roblin location but are available through any of the other three offices.

"We have a terrific staff, who really know the business and are laser-focused on making sure every client is taken care of," said Brian Currie, manager of NorthStar's Rossburn and Erickson locations. "Being part of a larger network gives us even more capacity, and a real opportunity to build on our reputation as the first choice for professional expertise and personal service in the communities we serve."



New signage at Rossburn NorthStar Branch



Signage changeovers in Rossburn



New signage at Birtle Branch



Computer donation to Score Store & Little Hands Early Learning Center in Erickson



Fusion Credit Union Limited Summary Consolidated Financial Statements

December 31, 2020



Report of the Independent Auditor on the Summary Consolidated Financial Statements

To the Members of Fusion Credit Union Limited:

Opinion

The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at December 31, 2020, and the summary consolidated income statement, summary consolidated statements of changes in members' equity and cash flows for the year then ended, are derived from the audited consolidated financial statements of Fusion Credit Union Limited (the "Credit Union") for the year ended December 31, 2020.

In our opinion, the accompanying summary consolidated financial statements are a fair summary of the audited consolidated financial statements of Fusion Credit Union Limited for the year ended December 31, 2020.

Report on Other Legal and Regulatory Requirements

As at December 31, 2020 the Credit Union met the capital and liquidity reserve requirements established by Sections 15, 21 and 21(1) of the Regulations to the Credit Unions and Caisses Populaires Act of Manitoba.

Readers of the summary consolidated financial statements are advised that in order to appropriately interpret the Credit Union's capital and liquidity reserve requirements, the reader must refer to the audited consolidated financial statements and notes for the year ended December 31, 2020.

Summary Consolidated Financial Statements

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon.

The Audited Consolidated Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated March 25, 2021.

Management's Responsibility for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the summary consolidated financial statements in accordance with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial statements are a fair summary of the audited consolidated financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standards (CAS) 810, Engagements to Report on Summary Financial Statements.

Brandon, Manitoba

March 25, 2021



Chartered Professional Accountants



KINCENTRIC
Best Employer
CANADA 2019

ACCOUNTING > CONSULTING > TAX
1401 PRINCESS AVENUE, BRANDON MB, R7A 7L7
1.800.446.0890 T: 204.727.0661 F: 204.726.1543 MNP.ca

Fusion Credit Union Limited
Summary Consolidated Statement of Financial Position
As at December 31, 2020

	2020	2019
Assets		
Cash and cash equivalents	251,037,461	122,138,763
Accounts receivable	1,716,047	2,314,814
Investments and accrued interest	14,150,352	14,049,206
Members' loans receivable and accrued interest	966,246,984	966,438,509
Income taxes recoverable	276,505	41,187
Prepaid expenses and deposits	3,364,594	2,386,543
Property and equipment	10,911,290	11,004,372
Intangible assets	2,401,848	2,447,326
Other assets	1,842,725	2,032,509
	1,251,947,806	1,122,853,229
Liabilities		
Member deposits and accrued interest	1,134,247,682	1,002,007,273
Income taxes payable	-	415,439
Accounts payable	7,704,680	8,010,880
Securitization debt	22,067,728	28,115,766
Deferred tax liabilities	335,000	221,000
	1,164,355,090	1,038,770,358
Members' equity		
Member shares	12,787,972	14,224,877
Retained earnings	74,804,744	69,857,994
	87,592,716	84,082,871
	1,251,947,806	1,122,853,229

Approved on behalf of the Board

Signed "Guy Huberdeau"
Director

Signed "Margaret Hodgson"
Director

A full set of audited financial statements is available from the Credit Union

Fusion Credit Union Limited
Summary Consolidated Income Statement
For the year ended December 31, 2020

	2020	2019
Interest Income		
Member loans	38,876,914	39,776,190
Interest revenue	3,160,364	2,940,667
	42,037,278	42,716,857
Interest expense		
Deposits	17,630,537	19,093,820
	Gross financial margin	23,623,037
	24,406,741	
Operating Expenses		
Administration	6,559,676	6,524,484
Amortization	1,121,918	1,193,014
Member security	1,090,349	1,107,665
Occupancy	1,020,153	853,084
Organizational	688,333	785,884
Personnel	12,406,155	11,791,440
	22,886,584	22,255,571
Net operating income	1,520,157	1,367,466
Other income	6,490,419	6,383,068
	Income before provision for impaired loans, property held for resale, patronage refund and income taxes	7,750,534
	8,010,576	
Provision for impaired loans and property held for resale	694,258	721,763
	Income before provision for patronage refund and income taxes	7,028,771
	7,316,318	
Provision for patronage refund	550,000	600,000
	Income before income taxes	6,428,771
	6,766,318	
Provision for (recovery of) income taxes		
Current	1,756,728	1,553,924
Deferred	(66,000)	(5,000)
	1,690,728	1,548,924
Net income	5,075,590	4,879,847

A full set of audited financial statements is available from the Credit Union

Fusion Credit Union Limited
Summary Consolidated Statement of Changes in Members' Equity
For the year ended December 31, 2020

	<i>Member shares</i>	<i>Retained earnings</i>	<i>Total equity</i>
Balance December 31, 2018	14,671,626	65,126,362	79,797,988
Net income	-	4,879,847	4,879,847
Issuance of member shares	20,825	-	20,825
Patronage refund	600,000	-	600,000
Issuance of member shares	(1,215,789)	-	(1,215,789)
Redemption of member shares	148,215	(148,215)	-
Balance December 31, 2019	14,224,877	69,857,994	84,082,871
Net income	-	5,075,590	5,075,590
Issuance of member shares	19,280	-	19,280
Patronage refund	550,000	-	550,000
Redemption of member shares	(2,135,025)	-	(2,135,025)
Dividend on preference shares	128,840	(128,840)	-
Balance December 31, 2020	12,787,972	74,804,744	87,592,716

A full set of audited financial statements is available from the Credit Union

Fusion Credit Union Limited
Summary Consolidated Statement of Cash Flows
For the year ended December 31, 2020

	2020	2019
Cash provided by (used for) the following activities		
Operating activities		
Interest received from members' loans	38,424,915	39,716,517
Interest and dividends received from investments	3,221,764	2,821,069
Other income received	6,490,419	6,383,068
Cash paid to suppliers and employees	(22,809,438)	(22,653,763)
Interest paid on deposits	(17,931,267)	(18,715,680)
Income taxes paid	(1,936,849)	(1,264,685)
	5,459,544	6,286,526
Financing activities		
Net change in member deposits	132,616,743	72,938,483
Net proceeds from securitization of mortgages	(6,048,038)	(1,115,473)
Proceeds from issuance of member shares	19,280	-
Redemption of member shares	(2,006,185)	(1,046,749)
	124,581,800	70,776,261
Investing activities		
Net change in members' loans receivable	(29,226)	(19,847,439)
Purchases of investments and accrued interest	(162,545)	(6,983,965)
Purchases of property and equipment	(950,875)	(479,381)
	(1,142,646)	(27,310,785)
Increase in cash resources	128,898,698	49,752,002
Cash resources, beginning of year	122,138,763	72,386,761
Cash resources, end of year	251,037,461	122,138,763

A full set of audited financial statements is available from the Credit Union

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Credential Asset Management Inc.

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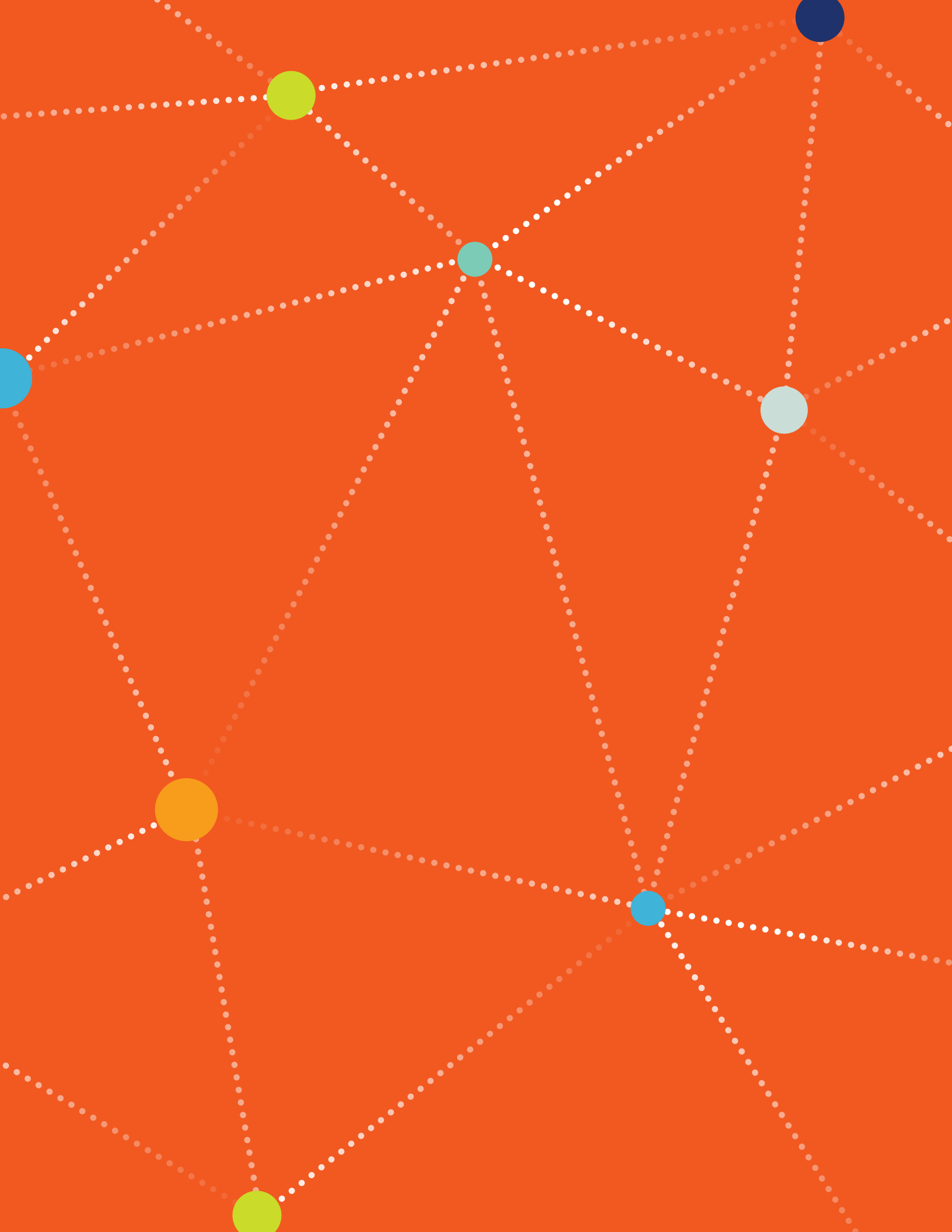



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