

LA SOCIÉTÉ D'ASSURANCE-DÉPÔTS DES CAISSES POPULAIRES DU MANITOBA

Protection of Members' Deposits in the Manitoba Caisses



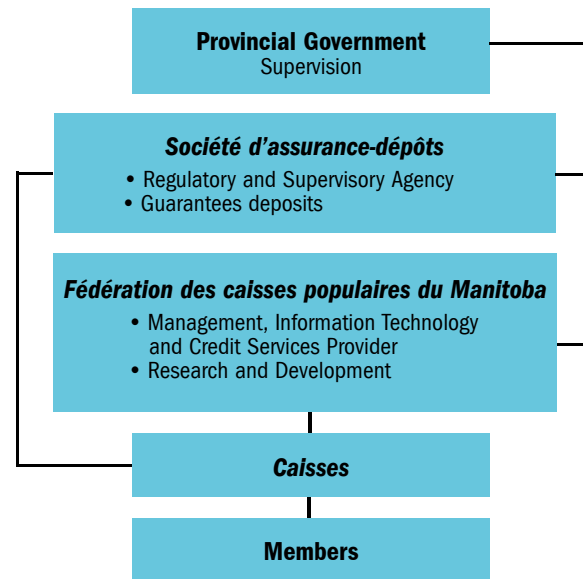
Mission

- Guarantee without limit members' deposits in the *Caisses*,*
- promote the *Caisses'* development of sound business practices to protect them from financial losses, and
- ensure that the *Caisses* operate under sound business practices.

* La Société does not guarantee any monies placed or held in shares of the Caisse nor any mutual funds or any other investment placed outside the *Caisse*.

Relationship Chart

The chart below demonstrates the links between organizations relating to the network of Manitoba *Caisses*.



La Société d'assurance-dépôts des caisses populaires

Established in 1968, the *Société* has been governed since 1970, by the Credit Unions and *Caisses Populaires* Act. Its Board of Directors is appointed by the Manitoba Lieutenant-Governor in Council.

The *Société's* functions are defined as follows:

- monitor the *Caisses'* practices and procedures relating to lending, daily operations and financial performance; identify any issues and bring them to the attention of the *Caisse's* board and management; promptly resolve any issues under the authority of the Act; and
- set the levies to be paid by the *Caisses* and draw upon the network's financial strength comprised of the *Caisses'* equities, which amount to more than 36 million dollars.

Levels of Protection

Members' deposits benefit from the following three levels of protection:

Financial Reserves of the *Caisses*

The first level is the performance of the *Caisses*, and the financial reserves they have accumulated. Each year, the *Caisses* retain a portion of their earnings in equity (net assets). They also retain another portion in the form of reserves to offset possible losses relating to delinquent loans.

Investment Management and Lines of Credit

The second level is linked to the *Fédération des caisses populaires* which is owned by the *Caisses*. At least 8% of the *Caisses'* deposits are not loaned out to members but are invested through the *Fédération* in financial instruments that are highly researched and monitored. These investments include debentures such as those of the Government of Canada and other reputable Canadian financial institutions and large stable companies that meet stringent credit tests. The *Fédération* does not invest in the stock market or outside Canada. Each *Caisse* has a line of credit agreement with the *Fédération*, allowing the *Caisses* to borrow necessary amounts, if required, to fund member withdrawals.

Deposit Guarantee

The third level is the *Société's* reserves which are funded by the *Caisses* themselves. Each year, the *Caisses* contribute an amount calculated according to the total amount of member deposits. This ensures that the *Société* always has sufficient cash resources to meet any losses that may conceivably arise.

Information

If you wish to obtain additional information about this organization, please contact your *Caisse* or the *Société*.

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Financial service centers of Manitoba *Caisses*

CAISSE ELIE *

- Marquette
- Saint-François-Xavier
- Saint-Laurent

CAISSE LA PRAIRIE

- La Broquerie
- Letellier
- Lorette
- Richer
- Saint-Adolphe
- Saint-Georges
- Saint-Jean-Baptiste
- Saint-Joseph
- Saint-Malo
- Saint-Pierre-Jolys
- Sainte-Agathe
- Sainte-Anne *
- South Junction

CAISSE PEMBINA

- Haywood
- Notre-Dame-de-Lourdes
- Rathwell
- Saint-Claude
- Saint-Léon

CAISSE SAINT-BONIFACE

- Île-des-Chênes
- Lakewood
- Provencher *
- Saint-Vital

* Administrative office