

CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

MEETING GUIDELINES

- The meeting will start promptly at 12:00 NOON
- You will not be visible to other attendants and your microphone will be muted automatically when admitted to the meeting. You will be able to hear and see only the meeting presenters for the duration of the meeting
- **Questions:** Questions from the floor will only be received within designated question/answer period (one to two minutes).
 - To submit a question in the designated period, use “Q&A or Chat” function in the bottom black bar of your screen to type and submit your question.
 - Multiple same questions will be answered once.
 - At the conclusion of the question / answer period, the Move to vote on the Motion will be announced
- **Voting:** To submit your virtual Vote, please vote during the “**Poll**” this will pop-up on your screen when voting is necessary.
 - Voting results will be visible on screen soon after the motion was made. In addition, the Board Chair will announce if the Motion was approved and carried

CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

12th Annual General Meeting

Via Zoom webinar

October 14th, 2020

CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

AGENDA

1. Approval of Agenda
2. Approval of Minutes from 2019 AGM
3. Approval of Annual Financial Statements
4. Appointment of Public Accountant
5. By-Law amendments for consideration and approval
6. Membership Update
7. Election of Directors
8. Pension Status Update
9. Chair's Report
10. Other business
11. Adjournment

CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

A MOMENT OF SILENCE FOR OUR 2019/2020 DECEASED MEMBERS

Steeves Audrey
MacLean Don
Ascott Jim
Hillman Wayne
Mackey Orville
Baldwin George
Bull Gordon
Lambert Serge
VanKregten James
Prymack Donna
Sharron Ted

Wegner Arthur
Cooper Grace
Harper Colin
Knowler Brian
McLister John
Smith Ronald
Messier Jacqueline
Hassard Robert C
Pye Jane
Soroka Ivan
Webster Ronald
Minello Renaldo

Tong Robert William
Banks Chuck
Henly Roy
Corcoran Ken
Sporidis Constantinos
Mallory Doug
Chittaro Al
Gay Albert
Bull Barbara
St. Pierre Jim
Gould Nancy

CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

Current Directors

- Cody Cooper – Board Chair & President
- Jim Dunn – Vice Chair & Vice President
- Lou Ienna – Membership, Communications & Social
- Tim Hebert – Finance/Pension status
- Anna Petrozzi – Secretary & Treasurer
- Andy Moro – Director/Social
- Gary Roe - Assistant Treasurer
- Ivo Spadotto – Director/Social

CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

CCRetirees Committees - 2020

Membership, Recruitment & Communications

- Lou Ienna-Chair
- Andy Moro
- Ivo Spadotto

Nominations Committee

- Cody Cooper

Finance Committee

- Anna Petrozzi-Chair
- Gary Roe - Assistant

Regulatory & Strategy

- Cody Cooper-Chair
- Jim Dunn
- Tim Hebert

Social Events

- Andy Moro
- Lou Ienna
- Ivo Spadotto
- Ken Killen
- Bob Larocque

CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

Field Representatives

Atlantic	Dan Pambrun
Quebec	Richard Leblanc
GTA	Dan Minello

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Approval and Adoption of the Agenda

Motion:

that the Agenda for the 2020 Annual General Meeting of members be approved and adopted by the members, as presented.

Approval and Adoption of the Minutes of the 2019 AGM

Motion:

that the minutes of the previous Annual General Meeting of members held on October 16, 2019 be approved and adopted as presented.

Approval of Annual Financial Statements

Anna Petrozzi

CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

Highlights

Balance Sheet:

Cash in bank

2020

2019

\$ 37,685

\$ 37,425

Net Assets

39,332

40,026

Statement of Operations

Revenue

\$ 12,399

\$ 13,139

Total expenses

13,093

10,144

Net Surplus (Deficit)

\$ (694)

\$ 2,995

CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

Balance Sheet, as at April 30

2020

2019

ASSETS:

Current Assets

Cash in bank

\$ 37,685

\$ 37,425

Accounts receivable

1,525

1,650

Prepaid expenses

1,747

2,901

TOTAL ASSETS

\$ 40,957

\$ 41,976

LIABILITIES

Current Liabilities

Accounts Payable & Accrued Liabilities

\$ 1,300

\$ 1,300

Deferred Revenue

325

650

TOTAL LIABILITIES

1,625

1,950

NET ASSETS: Unrestricted from Operations

39,332

40,026

TOTAL LIABILITIES AND NET ASSETS

\$ 40,957

\$ 41,976

CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

Income Statement, year ended April 30

REVENUE:

Membership dues

2020

\$ 12,399

2019

\$ 13,139

EXPENSES

AGM expenses

2,555

2,493

Insurance

1,808

1,781

Memberships

540

320

Office

487

629

Amortization

-

1,539

Professional Fees

6,361

2,214

Shipping

209

344

Travel

680

370

Website

454

454

TOTAL EXPENSES

\$ 13,093

\$ 10,144

NET SURPLUS (DEFICIT)

\$ (694)

\$ 2,995

Motion to Approve the Annual Financial Statements

Motion:

that the unaudited financial statements as at and for the year ending April 30, 2020 be received, as presented, and approved by the members.

CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

Appointment of Public Accountant

Anna Petrozzi

Appointment of Public Accountant

Motion:

- That “MCO Partners Chartered Professional Accountants” be appointed as the Organization’s **Public Accountant** for the fiscal year ending April 30, 2021 and engaged to perform a **compilation engagement**, as permitted under the Canada Not-for-Profit Corporations Act.

Approval of By-Law Amendments

Anna Petrozzi

CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

SPECIAL RESOLUTION TO AMEND CLASSES OF MEMBERS and ELECTRONIC MEETING PARTICIPATION

WHEREAS, the Articles of Continuance of the CC Retirees Organization (the “Corporation”) defines the classes of members that the Corporation is authorized to establish; the Articles of Continuance further references the Chrysler Canada Salaried Employees’ Retirement Plan.

AND WHEREAS, the Board of Directors desires to add a new class of members (“Legacy Member”) thereby increasing the number of classes of members from three to four and to update the definition of the classes of members to replace references to “Chrysler Canada Salaried Employees’ Retirement Plan” with “FCA Canada Inc Salaried Employees’ Retirement Plan, including its successor plans”.

AND WHEREAS, the By-laws of the Corporation specifically preclude electronic participation in members’ meetings.

AND WHEREAS, the Board of Directors desires to expand and clarify the potential methods of participation in meetings of members and of the Board of Directors of the Corporation to include electronic means, such as telephonic, electronic, video or other communication facility.

CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

BE IT RESOLVED THAT:

THE ARTICLES OF CONTINUANCE OF THE CORPORATION BE AMENDED AS FOLLOWS:

The classes of members that the Corporation is authorized to establish, be REPLACED with the following:

Subject to the articles, there shall be **four** classes of members in the Corporation, namely, Full Members, **Legacy Members**, Associate Members and Affiliate Members.

Full Members shall consist of individuals who are or were collecting a pension in Canada resulting from the **FCA Canada Inc. Salaried Employees' Retirement Plan, including its successor plans**. Each full member is entitled to receive notice of, **participate in** and vote at all meetings of members **of the Corporation**, and shall be entitled to one (1) vote at such meetings.

Legacy Members shall consist of Full members who have met certain eligibility criteria as defined from time to time by the Board of Directors. Each Legacy Member has the same rights, obligations and benefits as Full Members, but are exempt from the requirement to pay future annual dues.

Associate Members shall consist of individuals who are or were eligible to collect a future pension in Canada resulting from the **FCA Canada Inc. Salaried Employees' Retirement Plan, including its successor plans**. An associate non-voting member shall not be entitled to receive notice of, **participate in** or vote at meetings of the meetings of the Corporation.

Affiliate Members shall consist of individuals or organizations who are not otherwise eligible for membership as full members or as Associate Members, but who have an interest in furthering the objects of the Corporation. An Affiliate Member shall not be entitled to receive notice of, **participate in** or vote at meetings of the meetings of the Corporation.

CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

BE IT FURTHER RESOLVED THAT:

The By-Law related to Participation by Electronic Means at Members' meetings be REPLACED with the following:

Participation at meetings of members **and meetings of the Board of Directors may also** be by telephonic, electronic, **video conference** or other communication facility, **at the full and absolute discretion of the Board of Directors.** A person participating electronically in such meeting, shall be deemed present.

Approval of By-Law Amendments

Motion:

- That the SPECIAL RESOLUTION to amend the Articles of Continuance and By-laws to expand the classes of members to add Legacy members and to permit electronic meeting participation be approved, as presented.

CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

SPECIAL RESOLUTION TO ESTABLISH ELIGIBILITY CRITERIA FOR LEGACY MEMBERS

WHEREAS, the Articles of Continuance, having been amended, defines Legacy Member and authorizes the Board of Directors to establish eligibility criteria.

AND WHEREAS, the Board of Directors desires to establish the eligibility criteria for Legacy Members,

BE IT RESOLVED THAT:

A Full Member shall be eligible to become a Legacy Member as of January 1st of the calendar year in which the Full Member will reach the age of 85 years, subject to the process as established, from time to time, by the Board of Directors.

Approval of By-Law Amendments

Motion:

- That the SPECIAL RESOLUTION to amend the By-laws and establish eligibility criteria for Legacy Members be approved, as presented.

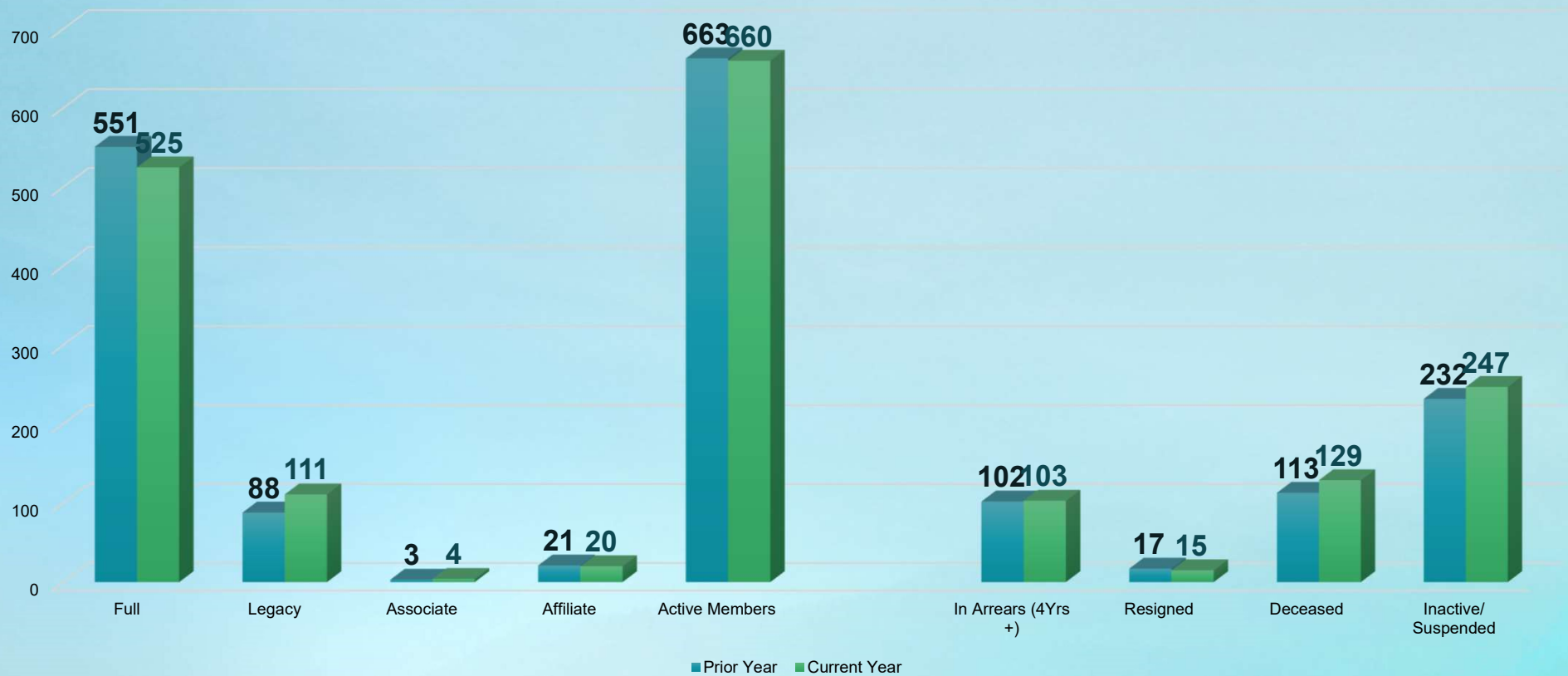
CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

Membership Update

Lou Ienna

CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

MEMBERSHIP UPDATE



CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

Election of Directors

Cody Cooper

Candidates for Directors (Three Year Terms)

- Cody Cooper
- Gary Roe
- Ivo Spadotto

Election of Directors

Motion:

That Cody Cooper, Gary Roe and Ivo Spadotto,
be re-elected to the Board of Directors for another
three year term.

CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

PENSION PLAN UPDATE

FCA Canada Inc.

**Salaried Employees' Retirement Plan
(SERP)**

Tim Hebert

Requirements for a SERP Actuarial Valuation

Prior valuation was prepared as at Jan 1, 2019

Pension Benefits Act of Ontario – Section 14(1),14(3)

- If Solvency Ratio is greater than 85 percent, the actuarial valuation may be prepared every 3 years
- If Solvency Ratio is less than 85 percent, actuarial valuation must be prepared annually

FCA Canada elected to prepare a valuation as at Jan 1, 2020

CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

Events since the prior (Jan 1, 2019) Valuation

Effective November 20, 2019, FCA Canada Inc. purchased annuity contracts from RBC Life Insurance Company (“RBC”) and Desjardins Financial Security Life Insurance Company (“Desjardins”) with respect to certain retired members and beneficiaries. The Plan remained responsible for payment of pensions up to and including June 1, 2020. The impact of this transaction is included in the most recent actuarial valuation report as of Jan 1, 2020. There have been no special events since the last valuation date.

CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

Funded status of the SERP as of Jan, 1, 2020

Going Concern (normal business and markets)	115% (112% prior yr)
Solvency (conservative funding rules)	100% (93% prior yr)
Hypothetical Wind-Up (pay-out via liquidation)	93% (90% prior yr)

Least Conservative
Assumptions



Most Conservative
Assumptions

CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

What are the current SERP demographics?

<u>Group</u>	<u>Number of members</u>	<u>Prior Period</u>	<u>Average Age</u>
Retired	197	1,483	77
Surviving spouses	36	391	83
Active	722	774	50
Other (Disabled & Deferred)	<u>422</u>	<u>441</u>	57
Total(Jan 1, 2020)	1,377	3,089	

1,624 retiree & surviving spouse members were annuitized with RBC/Desjardins

CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

What happened to the SERP assets last year?

Hypothetical Wind-up Basis (\$ millions)	<u>2020</u>	<u>2019</u>
Assets – Beginning of Period(Jan 1)	\$805	\$867
Employer contributions	-	2
Employee contributions	-	-
Market gains/(losses)	118	(15)
Transfers out to Annuities(RBC & Desjardins)	(483)	-
Administration & investment fees	(3)	(3)
Pension payments & lump sums	<u>(47)</u>	<u>(46)</u>
Assets – End of Period(Jan 1)	<u>\$390</u>	<u>\$805</u>

The plan had a net return of **15.2%** for the period ending Jan 1, 2020.
(-1.6% for the period ending Jan 1, 2019)

CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

What is the target asset mix of the SERP?

	<u>2020 Target(min-max)</u>	<u>2019 Target(min-max)</u>
Public Equity	11% (10-50)	14% (10-50)
Fixed income*	77% (45-90)	74% (45-90)
Other**	12% (0-20)	12% (0-20)
Cash	<u>0%</u> (0-10)	<u>0%</u> (0-10)
Total	100%	100%

* *Primarily Long-Duration Fixed Income*

** *Includes Currency Forward Contracts, Private Equity Limited Partnerships & Hedge Funds*

The remaining plan maintains a conservative asset mix.

CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

Going Concern

\$ millions

	<u>Jan 1, 2020</u> (post annuitization)	<u>Jan 1, 2019</u>
Assets (smoothed)	\$390	\$831
Future pensions	<u>338</u>	<u>745</u>
Surplus / (deficit) <i>Funded Position</i>	\$52 115%	\$86 112%

On a going concern basis the SERP has a surplus of **15%** (previously 12%).

CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

Solvency

\$ millions

	<u>Jan 1, 2020</u> (post annuitization)	<u>Jan 1, 2019</u>
Assets	\$387	\$802
Future pensions & costs	<u>387</u>	<u>860</u>
Surplus / (deficit) <i>Funded Position</i>	\$(-) 100%	\$(58) 93%

On a solvency basis the SERP is **100%** funded (previously 93%).

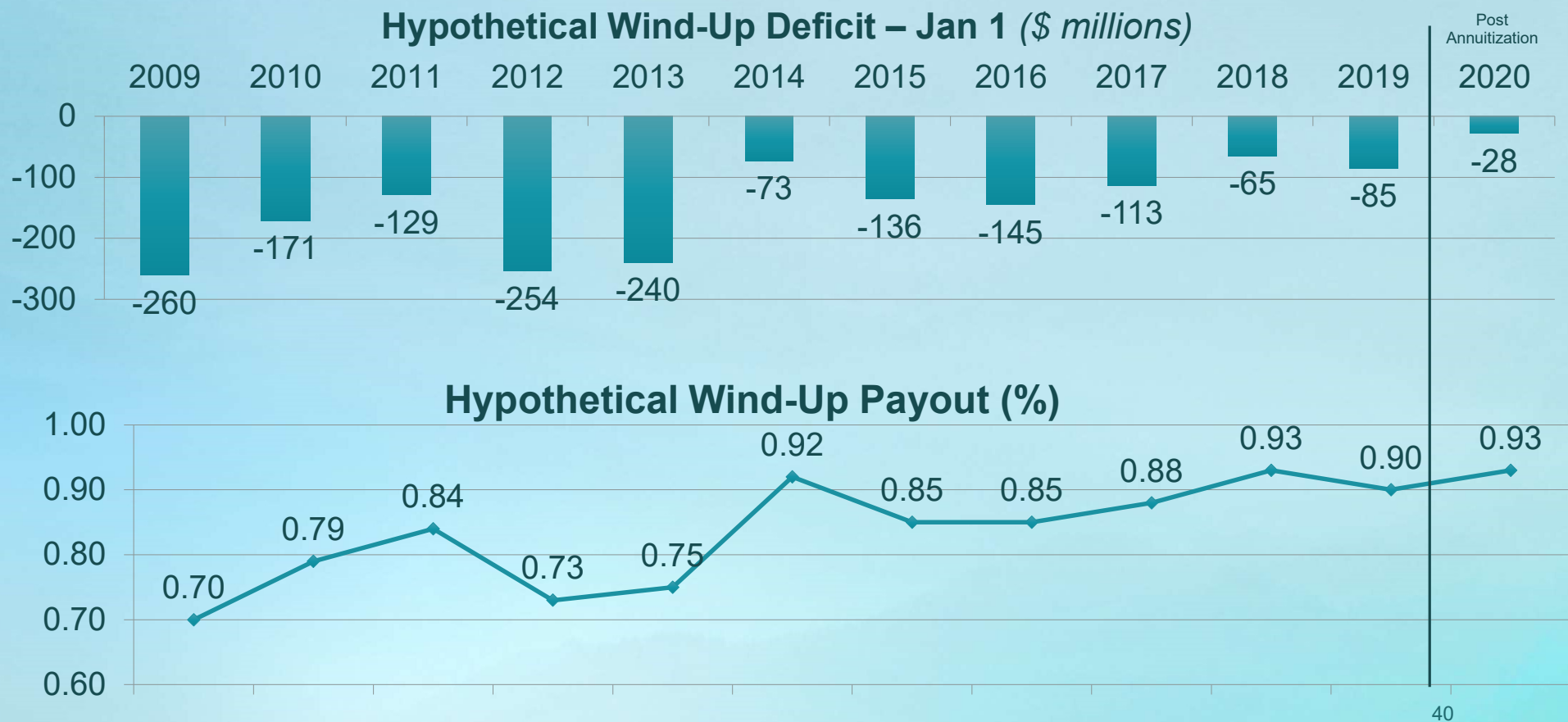
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Hypothetical Wind-up

<i>\$ millions</i>	<u>Jan 1, 2020</u> (post annuitization)	<u>Jan 1, 2019</u>
Assets	\$390	\$805
Future pensions & costs	<u>418</u>	<u>890</u>
Surplus / (deficit) <i>Funded Position</i>	\$(28) 93%	\$(85) 90%

Hypothetically, if the plan was wound-up as of Jan 1, 2020, members would get approximately **93%** of their current pension (previously 90%).

CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA



CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

In Summary:

- Asset returns were 15.2% for the current period vs. -1.6% for the prior
- The assets in the plan remain conservatively invested
- As of Jan 1, 2020, the plan was better funded than the prior valuation under all three scenarios
- Next required valuation date is Jan 1, 2023

CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

CHAIR REPORT

Cody Cooper

CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

Annuitization covered approximately 80% of our membership.

The focus of the Board going forward was reviewed and prior Board members were consulted.

Protection for those not annuitized as well as future members outside the annuitization date remains a priority.

Advice and assistance for members with pension and benefit coordination issues given service in the US, Canada and internationally constitute a growing contingent within our ranks .

Maintaining membership for legal standing continues to be an imperative.

CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

SUMMARY

Annuity for a significant portion of our members became a reality on July 01, 2020.

Politicians are not acting on the lack of security facing pensioners . The pandemic has given them cover in the short term; however it has also highlighted the uncertainty inherent in the current legislative environment and there is a growing willingness to listen to the arguments for change.

We remain an active participant on the advocacy opportunities presented by our membership in The Canadian Federation of Pensioners and its alliances with other groups such as CARP, CanAge, and The National Federation of Pensioners .

We are agnostic on the solution but remain committed to the struggle to secure protection for pensioners.

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Other Business

CCRETIREES CANADIAN SALARIED RETIREES OF FCA CANADA

Adjournment

Motion for Adjournment

Motion:

for the adjournment of this annual general meeting of the members of CCRetirees Organization.