



getting you there

ANNUAL REPORT 2010



NEWFOUNDLAND AND LABRADOR



our vision

Newfoundland and Labrador Credit Union will be the superior provider of the ideal financial service experience.

our mission

Our market will be all who share the ideals of integrity and excellence regardless of demographics or geography.

Our focus will be on gaining the complete trust and confidence of our owners, including our employees, in everything we do.

We are committed to every owner achieving personal financial success as they define it by:

- Listening
- Providing complete and accurate information
- Providing sound advice and personalized solutions
- Providing access to financial and related services as owners' needs dictate, when owners' needs dictate, where owners' needs dictate



getting you there

Sometimes, it can seem that financial security and success are on the other side of a firmly locked door. At Newfoundland and Labrador Credit Union, we've got a whole ring of keys that can help you get through that first door. Let us unlock your financial future for you.

A large, stylized graphic of a globe is positioned in the upper left quadrant of the page. It features a grid of latitude and longitude lines, rendered in a light green color that matches the background. The globe is partially cut off by the left edge of the page.

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president's report

Report of the Board of Directors to the 53rd Annual General Meeting of Newfoundland and Labrador Credit Union (NLCU)

I am honoured to report to you, our Owners, on the continued growth and achievements of your Credit Union during the past fiscal year. The Board of Directors congratulates our entire team of dedicated professionals for the many successes achieved in meeting and/or exceeding most of the goals set out in our Business Plan for 2010. These successes can be measured not only by the milestones reached, but by the quantity and quality of the awards and accolades bestowed on us by the business community in which we compete.



Our assets per Owner is one of the highest in the country and is a source of great satisfaction and pride.



TOP 50 CEOs

Allison Chaytor-Loveys, Chief Executive Officer, was named one of Atlantic Business magazine's 2010 Top 50 CEOs in Atlantic Canada. This is the fifth year Allison was named one of the Top 50 CEOs, which places her in the Top 50 CEO Hall of Fame.

Recognitions

In August, an independent survey by Synovate found that Credit Unions received top honours among all financial institutions in five categories of Customer Service Excellence.

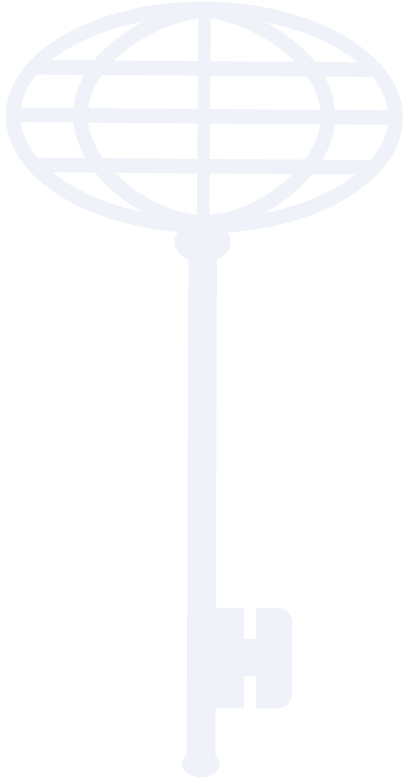
For the 13th consecutive year, our Credit Union has been named by Progress Magazine to the Top 101 Companies in Atlantic Canada, ranking number 65. The same magazine has named NLCU as one of the Best Places to Work in Atlantic Canada, ranking us fourth of 30 companies. We are thrilled to have received this designation for the fifth time in nine years.

NLCU was selected by MediaCorp as one of Atlantic Canada's Top 25 Employers.

We congratulate Mount Pearl branch on being awarded the prestigious Customer Service Award by the Mount Pearl Chamber of Commerce at the Best in Business Awards Banquet in October.



Michael W. Boland
President and Board Chairman



SUPPORT FOR HAITI RELIEF EFFORTS

The Newfoundland and Labrador Credit Union Charitable Foundation Corporation (NLCU CFC) pledged \$3,100 to help support the Haiti Relief. \$1,550 of these funds were donated by employees, Foundation Board members and Owners.

We also congratulate our CEO, Allison Chaytor-Loveys, who, for the fifth consecutive year, was recognized by Atlantic Business Magazine as one of Atlantic Canada's Top 50 CEOs. Allison is now a member of the Top 50 CEO Hall of Fame and she may be asked to serve as a judge in future competitions.

These awards and recognitions fill us with pride and confirm for us our special place as a Credit Union in the financial services sector. These, coupled with the excellent results in our Owner Satisfaction Surveys, demonstrate the importance of service excellence in attracting and retaining valuable Owner relationships.

Scholarships

NLCU also recognizes, through its scholarship program, the achievements and promise of our youth. This year, we congratulate the following students who achieved success in our program:

- Erin Langor, a student of Gonzaga High School in St. John's, won the Outstanding School and Community Involvement Scholarship. Erin's parents are Owners at our Fall River Plaza branch.
- Brandon St. Croix, a student of Mobile High School in Mobile, won the Outstanding School and Community Involvement Scholarship in Memory of Owen Grimes. Brandon's parents are Owners at our Mount Pearl branch.
- Amanda Morrissey, a student of Holy Heart of Mary High School in St. John's, won the Brian F. McDonald Scholarship. Amanda is the daughter of Mary Lynn Morrissey, an employee in our Audit and Risk Department.

I extend our sincere thanks to members of our Scholarship Committee for their diligence in making these selections.

Credit Union System

Our Board continues to support our Credit Union's involvement throughout the Credit Union system. Provincially, we participate in meetings of the Central Alliance for Credit Unions in Newfoundland and Labrador. We attend the regularly scheduled membership meetings of our Central, Central 1 in British Columbia, and participate in meetings of Credit Union Central of Canada. Members of our management team contribute their expertise when called upon by serving on various committees. These affiliations ensure that we share continuously in the resources and expertise of stakeholders in the system.

Government Relationships

NLCU has always maintained an excellent working relationship with the Department of Government Services and with the Credit Union Deposit Guarantee Corporation. We value their co-operation regarding consultations relative to legislative and regulatory matters and the insights provided through their regular examinations and in-service programs.

This year marked a change in Ministers of the Department of Government Services. We thank The Honourable Kevin O'Brien for his excellent work and co-operation and look forward to establishing a similar relationship with his successor, The Honourable Harry Harding.

“ Although we are the largest Credit Union in Atlantic Canada, we have enormous potential for new and sustained growth. ”

2010 also saw the retirement of Mr. Winston Morris as Assistant Deputy Minister and Chairman of the Credit Union Deposit Guarantee Corporation. Winston's work over the years leaves a significant legacy of service, and his contributions and vision have enhanced the successful evolution of provincial Credit Unions.

Committees

The Board's Executive, Human Resources, Governance and Audit Committees met regularly throughout 2010 and carried out their mandates in an exemplary manner.

The Governance Committee has fulfilled its role in reviewing, per its schedule, all policies and recommended new policies as required to the Board of Directors.

The Audit Committee performed its mandated functions through regular meetings with our internal and external auditors and reported regularly to the Board of Directors and Owners at the Annual General Meeting.

I commend all who served us on those Committees for their many hours of diligent service on your behalf.

SUPPORT FOR HURRICANE IGOR

The NLCU CFC pledged \$5,500 to help support the victims of Hurricane Igor. NLCU employees raised \$2,750, which was matched by the NLCU CFC for a grand total of \$5,500.



BEST PLACES TO WORK IN ATLANTIC CANADA

Newfoundland and Labrador Credit Union was named one of the 2010 Best Places to Work in Atlantic Canada by Progress Magazine. This is five times in the last nine years that NLCU has been honoured with this distinction.

Premises

Late in 2010, the Board of Directors were delighted to finally resume meeting in our boardroom. The upheaval caused by the 2009 fire in the adjacent property is finalized. We thank everyone for your patience in this regard and congratulate our COO, Glenn Bolger, for his patience and perseverance in seeing this project through to a successful completion.

October marked the official opening of our new Gander building. We were congratulated by many in attendance on the state-of-the-art building and the commitment this structure signifies to Gander and surrounding areas. We were delighted as well that The Honourable Harry Harding officiated at the opening ceremony as his first official function as Minister, Government Services.

Charitable Foundation

We are very proud of the nature and scope of the work and goodwill provided by our NLCU Charitable Foundation Corporation. This work is made possible through the support and commitment of our employees, Owners, and strategic partners. 2010 was our most successful year to date, raising a total of \$115,000, which was distributed to 103 charities province-wide.

We wish to thank the Foundation's Board of Directors and the many supporters for their excellent contribution to our Province.

Growth

2010 was another excellent year. We are delighted to report a 7.2% growth in assets with year-end totals being \$435 million. If we include off-balance sheet assets, such as mutual funds, we manage either directly or indirectly more than half a billion dollars on behalf of our Owners. This amount signifies the depth of the financial relationships we share with our 20,912 Owners. Our assets per Owner ratio is one of the highest in the country and is a source of great satisfaction and pride.

While our CEO and Treasurer will report on the details of our many financial achievements, I extend sincere thanks to all for your contributions to these accomplishments and to our Owners for your loyalty and support of your Credit Union.

Conclusion

On behalf of the Board of Directors, I offer our sincere appreciation to all who have partnered with us in meeting the service needs of our Owners: our many professional affiliations within the Credit Union network; our legal, auditing, legislative, data and communications partners; and our suppliers who have enabled us to meet the aspirations encompassed in our brand.

“2010 was the most successful year to date for our Charitable Foundation, raising a total of \$115,000 which was distributed to 103 charities province-wide.”

As Chairman and President, I express my appreciation to our Board members, our volunteers and our excellent leadership team for their consistent work ethic and diligent service. Although we are the largest Credit Union in Atlantic Canada, we have enormous potential for new and sustained growth.

2010 marked the end of a decade. 2011 will be highlighted with the completion of our current strategic planning cycle. Therefore, we will begin the inception of a new strategic planning process that will see the development of a new document. This new plan will set expectations for our future Vision and Mission – highlighting new and innovative areas of service designed to meet our Owners’ needs and improve your financial services experiences. We look forward with eager anticipation to the opportunities that lie ahead.

Respectfully submitted,



Michael W. Boland
President and Board Chairman

TOP CUSTOMER SERVICE RANKING

An independent survey done by Synovate announced its 2010 Best Banking Awards in August, 2010. It found that Credit Unions received top honours among all financial institutions in five of the same award categories as they did in 2009. In three categories, Credit Unions received top honours:

- Overall Customer Service Excellence
- Values My Business
- Branch Service Excellence

Credit Unions also tied first in the following categories:

- Financial Planning and Advice
- Telephone Banking Excellence

board of directors

Murray Loveless
Director



Allan Skanes
Director



Daniel LaVallée
Director



Allison Chaytor-Loveys
Chief Executive Officer
and Treasurer



Elizabeth Duff
Chief Financial Officer



Glenn Bolger
Chief Operating Officer
and Corporate Secretary





Raymond Piercey
1st Vice President

Maureen Singleton
2nd Vice President

Raymond Hawco
Director



Michael W. Boland
President and Board Chairman

Damian Ryan
Director

Patrick Collins
Director



management's report

To the Owners of Newfoundland and Labrador Credit Union Limited.

The financial statements and other financial information in the Annual Report were prepared by the management of Newfoundland and Labrador Credit Union Limited and were approved by the Board of Directors.

Management is responsible for the preparation of the financial statements and believes that they fairly present the Credit Union's financial condition in accordance with the requirements of the Credit Union Act and the Regulations thereunder, and conform in all material aspects with Canadian generally accepted accounting principles. To discharge its responsibilities for financial reporting and safeguarding of assets, management believes that it has established an appropriate system of internal audit and control which provides reasonable assurance at an appropriate cost; that the assets are maintained and accounted for in accordance with its policies and procedures; and that transactions are recorded on the Credit Union's books and records.

Deloitte & Touche LLP, Chartered Accountants, has been appointed by the Ownership as independent auditors to examine and report on the financial statements. They have had full and free access to the Board of Directors and provide an objective independent review of the fairness of reported operating results and financial position. Their report outlines the scope of their examination and their opinion.

February 17, 2011

Allison Chaytor-Loveys
Chief Executive Officer and Treasurer

Elizabeth Duff
Chief Financial Officer

THE MANAGEMENT

FRONT L-R: Fred Philpott, Dana Thompson, Ann Marie Drohan, Brian Beson, Nicole Parrott, Laurie Roberts, Michelle McGrath, Sheila Hynes-Brenton, Jackie Borden, Lisa Loveridge. BACK L-R: JoAnne Ballard, Shane Flight, Jerry Jackman, Mercedes Lafitte, Jim Mayo, Shawn Loder, Kent Farrell, Glenn Bolger, Allison Chaytor-Loveys, Elizabeth Duff, Pamela Jenkins, Lyndon Combdon, Janice Kennedy-Humber, Judy Abbott, William Farrell, Tony Young, Roxanne Downey, Yvonne Parsons, Maurice Kelly.

independent auditors' report

To the Owners of Newfoundland and Labrador Credit Union Limited

We have audited the accompanying financial statements of Newfoundland and Labrador Credit Union Limited, which comprise the balance sheet as at December 31, 2010, and the statements of earnings and retained earnings and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the



INDEPENDENT AUDITORS' REPORT (Continued)

auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Newfoundland and Labrador Credit Union Limited as at December 31, 2010, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Deloitte & Touche LLP

Chartered Accountants

February 17, 2011

statement of earnings and retained earnings

December 31, 2010

	2010	2009
	\$	\$
Financial revenue		
Owners' loans and mortgages	20,948,640	20,647,278
Investment	405,315	437,697
	<u>21,353,955</u>	<u>21,084,975</u>
Cost of funds		
Interest on owners' deposits	7,787,146	9,284,426
Financial margin	<u>13,566,809</u>	<u>11,800,549</u>
Other income		
Service charges	2,057,904	1,997,869
Insurance commissions	638,250	734,792
Other	145,979	120,540
Rental	121,333	112,033
Financial margin and other income	<u>16,530,275</u>	<u>14,765,783</u>
Operating expenses		
Personnel	7,949,606	7,499,168
General business	3,036,183	2,870,921
Occupancy	1,219,278	1,094,497
Amortization	1,083,282	936,869
Owners' security	1,072,210	1,201,510
Total operating expenses	<u>14,360,559</u>	<u>13,602,965</u>
Earnings before income taxes	<u>2,169,716</u>	<u>1,162,818</u>
Income taxes (recovery)		
Current	552,257	284,614
Future	31,921	(45,785)
	<u>584,178</u>	<u>238,829</u>
Net earnings	1,585,538	923,989
Retained earnings, beginning of year	13,088,696	12,259,607
Dividends	(100,700)	(94,900)
Retained earnings, end of year	<u>14,573,534</u>	<u>13,088,696</u>

balance sheet

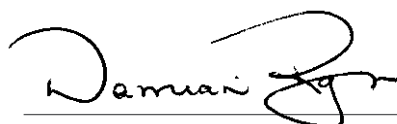
December 31, 2010

	2010	2009
	\$	\$
Assets		
Cash	8,974,221	7,882,087
Investments	43,619,256	41,163,802
Loans and mortgages receivable (Note 4)		
Personal loans	88,753,389	87,585,209
Mortgage loans	244,620,518	223,363,660
Commercial loans and mortgages	29,757,388	28,983,589
	363,131,295	339,932,458
Less allowance for impaired loans and mortgages	(901,232)	(827,975)
	362,230,063	339,104,483
Capital assets (Note 5)	13,270,379	11,856,530
Derivative financial instrument (Note 8)	3,578,760	2,330,206
Other assets	3,374,546	3,622,935
	435,047,225	405,960,043
Liabilities		
Accounts payable and accrued liabilities	2,271,708	1,999,709
Owners' deposits (Note 7)	414,623,223	388,541,432
Derivative financial instrument (Note 8)	3,578,760	2,330,206
	420,473,691	392,871,347
Owners' equity		
Retained earnings	14,573,534	13,088,696
	435,047,225	405,960,043

Approved on behalf of the Board:



Director



Director

statement of cash flows

December 31, 2010

	2010	2009
	\$	\$
Operating activities		
Net earnings	1,585,538	923,989
Adjustments for:		
Provision for impaired loans and mortgages	245,800	424,858
Amortization	1,083,282	936,869
Future income taxes (recovery)	31,921	(45,785)
Changes in undernoted items		
Accounts payable and accrued liabilities	271,999	149,530
Other assets	11,827	(835,821)
	3,230,367	1,553,640
Financing activity		
Increase in owners' deposits	25,981,091	35,131,110
Investing activities		
Decrease in bank indebtedness	—	(1,100,000)
Increase in investments	(2,455,454)	(16,661,484)
Increase in loans and mortgages receivable	(23,371,380)	(15,699,603)
Purchase of capital assets	(2,292,490)	(1,944,159)
	(28,119,324)	(35,405,246)
Net increase in cash	1,092,134	1,279,504
Cash, beginning of year	7,882,087	6,602,583
Cash, end of year	8,974,221	7,882,087
Supplemental disclosure of cash flow information:		
Interest paid	8,546,495	9,601,724
Income taxes paid	311,556	252,288

notes to the financial statements

December 31, 2010

1. DESCRIPTION OF BUSINESS

Newfoundland and Labrador Credit Union Limited (the "Credit Union") commenced operations in 1957. It currently operates twelve branches that offer a full range of financial services to the people of Newfoundland and Labrador.

2. FUTURE ACCOUNTING POLICIES

International Financial Reporting Standards

International Financial Reporting Standards ("IFRS") will replace Canadian Generally Accepted Accounting Principles ("GAAP") for fiscal periods beginning on January 1, 2011. The Credit Union will prepare its first financial statements under IFRS for the year ending December 31, 2011 with comparative information for the year ended December 31, 2010.

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and reflect the following significant accounting policies:

Impairment of loans and mortgages receivable

A loan or mortgage is generally classified as impaired when there is reasonable doubt as to the ultimate collectability of principal or interest or when interest or principal is contractually 90 days past due, unless the loan is fully secured and in the process of collection.

The allowance for impaired loans and mortgages represents specific provisions established as a result of reviews of individual loans and mortgages. A provision for loss is established when there is reasonable doubt that the full amount of principal and interest will be collected. This provision reduces the carrying value of the loans and mortgages identified as impaired to their estimated realizable amounts. Estimated realizable amounts are determined by estimating the fair value of any underlying security and deducting the costs of realization.



notes to the financial statements

December 31, 2010

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital assets

Capital assets are recorded at cost. Amortization is calculated as set out below, based on the estimated useful lives of the assets. No amortization is taken on assets purchased that have not been put into use during the year.

Buildings	– straight line over 50 years
Paved areas	– diminishing balance at 8% per annum
Leasehold improvements	– straight line over 5 years
Furniture and equipment	– diminishing balance at 20% per annum
Computer terminals	– straight line over 5 years
Automated banking machines	– straight line over 5 years
Automobile	– straight line over 5 years
Personal computers and software	– straight line over 3 years

Revenue recognition

Interest income on loans and mortgages and investments is recorded on an effective interest basis. Other income is recognized when goods or services are provided and collection is reasonably assured.

Financial instruments

Financial assets and financial liabilities are initially recognized at fair value and their subsequent measurement is dependent on their classification as described below. Their classification depends on the purpose, for which the financial instruments were acquired or issued, their characteristics and the Credit Union's designation of such instruments. Settlement date accounting is used.

Classification

Cash	Held for trading
Investments:	
Equity investments	Available for sale
Liquidity reserve	Held to maturity
Loans and mortgages	Loans and receivables
Other Assets:	
Accounts receivable	Loans and receivables
Owners' deposits	Other liabilities
Other liabilities	Other liabilities
Derivative financial instrument	Held for trading

notes to the financial statements

December 31, 2010

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments (Continued)

Held for trading

Held for trading financial assets are assets that are typically acquired for resale prior to maturity or that are designated as held for trading. They are measured at fair value at the balance sheet date. Fair value fluctuations including interest earned, interest accrued, gains and losses realized on disposal and unrealized gains and losses are included in investment income.

Held to maturity

Held to maturity financial assets are non-derivative financial assets with fixed or determinable payments and a fixed maturity, other than loans and receivables that an entity has the positive intention and ability to hold to maturity. These financial assets are measured at amortized cost using the effective interest method.

Available for sale

Available for sale financial assets are those non-derivative financial assets that are designated as available for sale, or that are not classified as loans and receivables, held to maturity or held for trading investments. Except as mentioned below, available for sale financial assets are carried at fair value with unrealized gains and losses included in accumulated other comprehensive income until realized when the cumulative gain or loss is transferred to other income.

Available for sale financial assets that do not have quoted market prices in an active market are recorded at cost.

Loans and receivables

Loans and receivables are accounted for at amortized cost using the effective interest method.

Other liabilities

Other liabilities are recorded at amortized cost using the effective interest method and include all financial liabilities, other than derivative instruments.

Transaction costs

Transaction costs related to financial assets and liabilities are expensed as incurred.

notes to the financial statements

December 31, 2010

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Derivative financial instruments

The Credit Union enters into contracts for index-linked deposits, which include embedded derivatives.

The premium related to the hedged embedded derivative transaction, which is included in other assets, is recognized over the term of the embedded derivative contract as an adjustment to interest expense.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires the Credit Union's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from the estimates.

4. LOANS AND MORTGAGES RECEIVABLE

Owner's loans and mortgages are classified below:

	2010			2009	
	Personal	Mortgage	Commercial	Total	Total
	\$	\$	\$	\$	\$
Neither past due ⁽¹⁾ nor impaired	87,712,678	243,735,587	29,679,716	361,127,981	337,842,000
Past due but not impaired	217,151	884,931	–	1,102,082	1,262,483
Impaired	823,560	–	77,672	901,232	827,975
	88,753,389	244,620,518	29,757,388	363,131,295	339,932,458
Less: Specific allowances	(823,560)	–	(77,672)	(901,232)	(827,975)
	87,929,829	244,620,518	29,679,716	362,230,063	339,104,483

⁽¹⁾ A loan is considered to be past due when the Owner has not made a payment within 31 days of the contractual payment date.

notes to the financial statements

December 31, 2010

4. LOANS AND MORTGAGES RECEIVABLE (Continued)

Loans past due but not impaired:

	2010			Total	2009
	Personal	Mortgage	Commercial		Total
	\$	\$	\$	\$	\$
Past due but not impaired					
31 to 90 days	165,961	759,746	–	925,707	918,881
91 and greater	51,190	125,185	–	176,375	343,602
Total	217,151	884,931	–	1,102,082	1,262,483

Allowance for impaired loans and mortgages

The activity in the allowance for impaired loans and mortgages is summarized as follows:

	2010			Total	2009
	Personal	Mortgage	Commercial		Total
	\$	\$	\$	\$	\$
Balance, beginning of year	750,817	–	77,158	827,975	722,335
Loans written off as uncollectable	(172,543)	–	–	(172,543)	(301,510)
Provision for impaired loans and mortgages	245,286	–	514	245,800	407,150
Balance, end of year	823,560	–	77,672	901,232	827,975

notes to the financial statements

December 31, 2010

5. CAPITAL ASSETS

Assets	2010		2009	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
	\$	\$	\$	\$
Land	2,316,324	–	2,316,324	1,842,395
Buildings	11,906,994	2,796,947	9,110,047	8,252,123
Paved areas	378,524	153,594	224,930	129,490
Leasehold improvements	1,326,277	1,262,190	64,087	102,401
Furniture and equipment	4,880,948	3,934,267	946,681	1,081,610
Computer terminals	518,366	414,542	103,824	60,089
Automated banking machines	1,722,439	1,374,900	347,539	320,557
Automobile	53,708	10,742	42,966	–
Personal computers and software	1,462,702	1,348,721	113,981	67,865
	24,566,282	11,295,903	13,270,379	11,856,530

6. OPERATING LINE OF CREDIT

The Credit Union has available short-term borrowings of \$7,500,000, bearing interest at prime, and supported by a general security agreement over all of its assets. As of December 31, 2010, there were no drawings (2009 – no drawings) on this facility.

7. OWNERS' DEPOSITS

	2010	2009
	\$	\$
Savings accounts	89,986,501	79,463,230
Chequing accounts	63,686,940	57,927,747
Debentures	24,012,473	18,647,654
Term deposits receipts	95,410,016	99,675,045
R.R.S.P. funds	111,694,164	110,084,635
R.R.I.F. funds	14,801,014	12,292,661
Tax free savings accounts funds	8,107,467	3,530,919
Share accounts	6,924,648	6,919,541
	414,623,223	388,541,432

notes to the financial statements

December 31, 2010

7. OWNERS' DEPOSITS (Continued)

Owner equity shares shall consist of 20 shares at a par value of five dollars (\$5.00) per share. The holders of owner equity shares have all of the rights and privileges and are subject to the restrictions of an owner as provided for in the Credit Union Act and Regulations and in the By-laws of the Credit Union. Currently, there are 15,969 (2009 – 15,690) fully paid equity share accounts with a dollar value of \$2,114,223 (2009 – \$1,992,321).

Surplus shares may be issued in an unlimited number at a par value of five dollars (\$5.00) per share. Surplus shares have all of the rights and privileges and are subject to the restrictions applicable to owners as outlined in the Credit Union Act and Regulations and in the By-laws of the Credit Union. Currently, there are 2,549 (2009 – 2,494) fully paid surplus share accounts with a dollar value of \$12,175 (2009 – \$12,470).

Incentive shares may be issued by the Credit Union to a maximum number of ten thousand shares as approved by the Regulator in accordance with the Credit Union Act and Regulations and in the By-laws of the Credit Union. Currently there are 980 (2009 – 1,004) shares outstanding with a dollar value of \$4,798,250 (2009 – \$4,914,750).

Share accounts are not insured by the Credit Union Deposit Guarantee Corporation, however, they qualify as capital for regulatory purposes, notwithstanding their financial statement classification as liabilities.

Capital management

The Board of Directors (the "Board") approves annually the Capital Management Policy and the annual business plan. This policy outlines the Credit Union's overall objectives and guidelines to ensure that the Credit Union has the required quantity, quality and appropriate composition of capital needed to address the inherent risks of the Credit Union and to support its current and future operating plans.

8. FINANCIAL INSTRUMENTS

The Credit Union is exposed to the following risks as a result of holding financial instruments: credit risk, liquidity risk and market risk. The following is a description of these risks and how the Credit Union manages its exposure to these risks.

Credit risk

The business of the Credit Union necessitates the management of credit risk. Credit risk is the potential for loss due to the failure of a borrower or counterparty to meet its financial obligations.

notes to the financial statements

December 31, 2010

8. FINANCIAL INSTRUMENTS (Continued)

Credit risk (Continued)

The Board sets policy and oversees the risk management process. Senior management ensures adherence to policy on risk management issues, assesses the risk exposure of the Credit Union, and reviews the effectiveness of internal control processes.

The Credit Union has established credit policies and uses a disciplined lending approach with standard underwriting parameters for each, loan category. These parameters are used to assist the Credit Union in implementing a prudent and effective loan granting process.

Where necessary the Credit Union mitigates credit risk by obtaining quality collateral. The Credit Union considers collateral to be of good quality if it can determine the legal validity and market value on an on-going basis. Types of collateral generally obtained by the Credit Union are, but are not limited to, owners' personal property such as vehicles; cash and marketable securities; mortgage charges; fixed, floating or specific general security agreements and personal guarantees.

In addition, the Credit Union monitors its loan concentration to ensure that it is in compliance with its policies.

Liquidity risk

The business of the Credit Union necessitates the management of liquidity risk. Liquidity risk is the risk that the Credit Union may be unable to meet financial commitments, under all circumstances, without having to raise funds at unreasonable prices or sell assets on a forced basis.

The Credit Union's objective is to implement a policy that addresses limits on the sources, quality and amount of the assets to meet normal operational, contingency funding for significant deposit withdrawals and regulatory requirements.

The Board is ultimately responsible for the Liquidity Risk Management Policy. Management reports regularly, to the Board, the Credit Union's compliance with its policy and regulatory requirements; concentration of large deposits of single/connected depositors; and reports borrowings for liquidity purposes, the level of borrowings and the liquidity less borrowings in relation to the statutory minimum.

notes to the financial statements

December 31, 2010

8. FINANCIAL INSTRUMENTS (Continued)

Liquidity risk (Continued)

The maturities of Owners' deposits are:

	Balance at Dec. 31, 2010	2011	2012	2013 and after
	\$	\$	\$	\$
Savings accounts	89,986,501	89,986,501	–	–
Chequing accounts	63,686,940	63,686,940	–	–
Debentures	24,012,473	1,836,297	10,833,842	11,342,334
Term deposits receipts	95,410,016	43,049,181	21,074,865	31,285,970
R.R.S.P. funds	111,694,164	54,574,075	23,492,359	33,627,730
R.R.I.F. funds	14,801,014	8,021,697	3,363,375	3,415,942
Tax free savings accounts funds	8,107,467	5,603,017	389,655	2,114,795
Share accounts	6,924,648	6,924,648	–	–
	414,623,223	273,682,356	59,154,096	81,786,771

Market risk

Market risk is the risk of loss that may arise from change in market factors such as interest rates and foreign exchange rates. The Credit Union is exposed to this market risk in its investing and asset/liability management activities.

Senior management is responsible for managing market risk in accordance with the Credit Union's Asset and Liability Management and Investment policy set by the Board. Senior management reports its compliance with the policy and regulatory requirements; dollar volume and yields of all investments, and the particulars of all investment transactions entered into by the Credit Union regularly to the Board. All exceptions noted are to be reported to the Board.

The Board is responsible for monitoring significant variances and that corrective measures are implemented.

(i) Interest rate risk

Interest rate risk refers to the potential impact of changes in interest rates on the Credit Union's earnings when maturities of its financial liabilities are not matched with the maturities of its financial assets. It is the policy of the Credit Union to keep exposure to interest rate fluctuations within limits set by the Board and Regulations.

notes to the financial statements

December 31, 2010

8. FINANCIAL INSTRUMENTS (Continued)

Market risk (Continued)

Interest rate risk sensitivity

At December 31, 2010, if interest rates at that date had been 100 (2009 – 25) basis points lower with all other variables held constant, after-tax net income for the year would have been approximately \$326,400 (2009 - \$93,600) lower, arising mainly as a result of lower interest revenue on variable loans and mortgages, lower interest revenue on liquidity investments. If interest rates had been 100 (2009 – 50) basis points higher, with all other variables held constant, after-tax net income would have been \$199,100 (2009 - \$187,200) higher, arising mainly as a result of higher interest revenue on variable loans and mortgages, higher interest on liquidity investments.

(ii) Foreign currency exchange risk

Foreign currency exchange risk refers to the potential impact of changes in foreign exchange rates on the Credit Union's earnings when balances of its foreign currency liabilities are not matched with the balances of its foreign currency assets. It is the policy of the Credit Union to mitigate exposure to foreign exchange rate fluctuations by matching its foreign currency liabilities to its foreign currency assets. The Credit Union does not hold foreign investments beyond cash required to meet daily operational requirements.

Index-linked deposits

At December 31, 2010, the Credit Union has issued \$32,038,315 (2009 - \$24,843,444) of index-linked term deposits (registered and non-registered deposits) to its Owners. These term deposits have maturities of 3 and 5 years and pay interest to the depositors at the end of the term, based on the performance of various Toronto Stock Exchange ("TSX") indices. The Credit Union has entered into hedge agreements with Central 1 to offset the exposure to these indices associated with these products. The Credit Union pays Central 1 a fixed amount on the face value of these term deposit products. At the end of the respective terms, the Credit Union receives payments from the counterparty, Central 1, equal to the amount that will be paid to the depositors based on the performance of various TSX indices.

The purpose of these agreements is to provide a hedge against market fluctuations. These agreements have a fair value that varies based on the particular contract and changes in interest rates. The fair value of these agreements is \$3,578,760 (2009 - \$2,330,206) at year end and has been accounted for as an embedded derivative in accordance with the Credit Union's accounting policy.

notes to the financial statements

December 31, 2010

8. FINANCIAL INSTRUMENTS (Continued)

Fair value

The fair value of cash resources, certain other assets and other liabilities are equivalent to the respective book values, given the short-term nature of the amounts. The fair value of other financial assets and liabilities has not been determined since it was not practical within the constraints of timeliness and cost to determine the fair value with sufficient reliability. A portion of the other financial assets and financial liabilities have either variable rates or are due within one year and their fair values approximate their book values. For items that mature beyond one year, increases in market interest rates will result in the fair values of assets and liabilities decreasing; similarly, decreases in market interest rates will result in the fair values of assets and liabilities increasing.

The Credit Union holds certain financial instruments related to index linked deposits at fair value. Reporting standards require the disclosure of where the fair value sources used rank on the fair value hierarchy (levels 1, 2 or 3) based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

All financial instruments fair value sources were level 2 fair value measurements for 2010 and 2009.

9. COMMITMENTS

Under present lease agreements for rental space, the Credit Union is committed to the following expenditures:

	\$
2011	172,600
2012	159,400
2013	111,300
2014	72,500
2015	44,700
	<hr/> 560,500 <hr/>

As at December 31, 2010, the Credit Union has provided guarantees to third parties in favour of owners totaling approximately \$1,227,600.

notes to the financial statements

December 31, 2010

10. INCOME TAXES

The Credit Union's effective income tax rate differs from the combined basic Canadian rate (federal and provincial). This difference results from the following:

	2010	2009
	%	%
Statutory rate	25.00	25.00
Effect of temporary timing differences	1.92	(4.46)
Effective tax rate	26.92	20.54

11. RELATED PARTY TRANSACTIONS

At December 31, 2010, the aggregate value of personal and mortgage loans outstanding to Directors and Officers totaled \$1,390,294 (2009 - \$1,335,490). The aggregate value of deposits outstanding to Directors and Officers totaled \$2,065,297 (2009 - \$1,882,710). These loans and deposits are on the same terms and conditions as have been accorded to all owners of the Credit Union.



A woman with short brown hair, wearing a green textured jacket and a patterned scarf, is seated in a black office chair. She is smiling and looking towards the right. In the background, other people are blurred. In the bottom right foreground, a gold key with a textured head lies on a blue surface.

ceo/treasurer's report

Our Vision at Newfoundland and Labrador Credit Union (NLCU) is to be the superior provider of the ideal financial service experience. We live up to our Vision by assisting you, NLCU's Owners, in achieving your goals for personal financial success; this is our daily Mission and promise to you. In 2010, NLCU experienced another year of solid growth, innovation, and profitability. As Owners of this Credit Union, you should be very proud of our continuing, collaborative success!

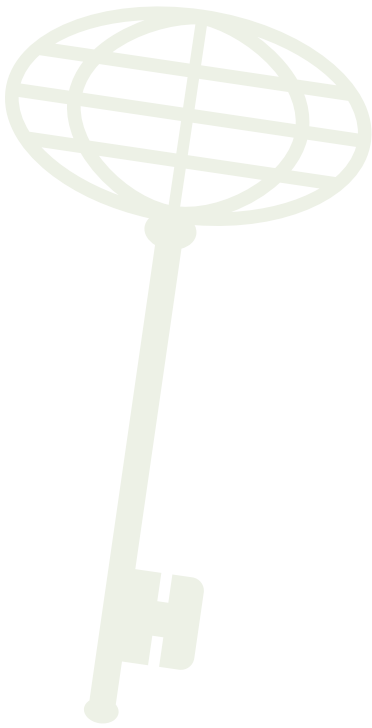
“ Our Vision at Newfoundland and Labrador Credit Union is to be the superior provider of the ideal financial service experience. ”

Innovations and Enhancements for Better, Smarter Service

Providing innovative products and enhanced services was the top priority for 2010. In addition, your Board of Directors worked diligently on your behalf on strategic and governance issues for the betterment of your Credit Union.

As a result of legislative changes to the Credit Union Act and Regulations in July 2009, we worked toward the incorporation of providing wealth management services, including the sale of living and death benefits, directly from our branches. Working through the execution of this framework and ensuring compliance to legislation required a tremendous amount of resources in 2010. It is anticipated that by second quarter 2011, this new framework will become a reality and your Credit Union will be the first financial institution in the country to offer the sale of life and death benefits at branch locations.

In keeping with our 'green' initiatives, we reduced the printing of paper statements from semi-annually to annually. As well, Owners using MemberDirect® online banking were migrated to e-statements so that you can conveniently access your account activity 24/7. In December, we were the first Atlantic Canadian Credit Union to offer our MemberDirect® Owners the ability to view online copies of cheques written on your accounts.



9TH ANNUAL ROD BENSON MEMORIAL GOLF TOURNAMENT

Another great success! The 9th Annual Rod Benson Memorial Golf Tournament was held August 25, 2010, raising over \$45,000 for provincial charities. NLCU continued to participate as a Platinum sponsor. RONA and CUETS[®] Financial participated as Gold sponsors for the ninth year running and for the 2nd year in a row the Co-operator's Group has participated as a Silver sponsor. The charity of choice was Camp Douwanna, a program offered through the Newfoundland and Labrador Region of the Canadian Diabetes Association.

Owner security and privacy is a priority for us; therefore, in 2010 we began replacing our Owners' GLOBAL PAYMENT[™] MasterCard cards and MemberCard[®] debit cards with a chip-enabled product. Chip cards provide the benefit of extra security and protection from counterfeit, identity theft, and fraudulent activity. In December, we launched an innovative new mobile banking product, MemberDirect[®] Mobile Services. This product gives NLCU Owners the convenience of banking from anywhere using your mobile phone and provides the same level of security as online banking.

In August, we partnered with The Co-operators Group to offer our Owners group home and auto insurance products at very competitive rates.

For your convenience, in September, we began Saturday branch openings at our Conception Bay South location. Saturday openings will also begin in our Mount Pearl offices in January 2011. In an effort to provide you with exceptional services at your convenience, we continue to offer home visits with financial advisors, access to our 1-800 teleservice number toll free from anywhere in North America, MemberDirect[®] online banking, and retirement and financial planning seminars to assist you in achieving personal financial success.

In November, we participated in the Mayor's Advisory Committee on Affordable Housing (St. John's). We also continued to participate in the national Commercial Business Owners' Strategy (CBOS) program, which enhances our product offerings to small to medium business Owners.

Likewise, our continued participation in the Atlantic Marketing Group allows us to leverage advertising and research opportunities. Communicating the value of being an Owner of a Credit Union is considered top priority; hence, the launch of ownershipsbetter.com. This savvy online campaign aims to educate the general public on the benefits of being a Credit Union Owner. Recognizing the importance of having products, services, and communication channels that add value to all demographics, we began a focus on strategic social networking and internet marketing.

Investments made in our premises during the year included ongoing clean-up of our Water Street location, resulting from a 2009 fire in an adjacent property. We also purchased the adjacent land where this fire occurred. An automated banking machine was installed in the lobby of our Carbonear branch, and we celebrated the opening of our new branch building in Gander.

A Team of Professionals Working for You

Our commitment to lifelong learning for employees helps us maintain the high levels of skill, education, and competencies that are crucial to providing our Owners with wise counsel and knowledgeable assistance. In 2010, we embraced a new product and service training program to support our team's delivery of exceptional service. This program also provides for ongoing mentoring and coaching sessions with individual supervisors, encouraging dialogue, assessing skill development, and providing feedback on performance. In addition to this program, employees completed orientation training, as well as courses designed to increase computer literacy, product knowledge, and understanding of compliancy requirements.

“ In 2010, we embraced a new product and service training program to support our team's delivery of exceptional service. ”

Some noteworthy educational achievements of employees who received designations or degrees in 2010 are: Natasha Canning and Debbie Joyce finalized course requirements for the completion of their Fellowship in the Credit Union Institute of Canada; Susan Manuel received her Certified Citrix Administrator designation; Gregory Murray, his Certified Financial Planning designation; Robert Cashin, his BBA; and Shannon Goodyear, his MBA.

In addition to lifelong learning, some employees participated in NLCU's mentoring program or served on our Innovation Action Team. Others were recognized under the NLCU Achievers' Award, which allows employees to recognize colleagues who provide exceptional service to Owners or who consistently demonstrate creativity, innovation, or teamwork in the performance of their duties. Yvonne Parsons and her team in Labrador City, and Lisa Loveridge and her team in Grand Falls-Windsor, were joint winners of the Katherine Seymour Award for service excellence. Water Street Branch (under the leadership of Cathy Mattsson) won the much-coveted Innovation Award for their suggestion of a "Graduate Vehicle Loan Rebate" product.

Congratulations to our team members on these accomplishments.

7TH ANNUAL WALK-A-THON

The NLCU CFC's 7th Annual Walk-a-Thon took place Sunday, June 6th. Each of our twelve branches and our Corporate Office held a walk in their respective areas throughout the province, raising \$30,000. The proceeds raised from this event went to Ronald McDonald House Newfoundland and Labrador.



NLCU CHARITABLE FOUNDATION

The NLCU Charitable Foundation Corporation distributed over \$115,000 to 103 charities throughout the province. This is approximately a 35% increase over 2009 funds. Since its inception in 2002 the NLCU CFC has donated over \$500,000 to charities.

I am also pleased to acknowledge those who have joined our management team this past year: Pam Jenkins, Manager, Member Services, Carbonear branch; Shawn Loder, Manager, Member Services, Clarenville branch; Laurie Roberts, Director, Human Resources; Jackie Borden, Manager, Risk and Internal Audit; and Shannon Goodyear, Manager, Strategic Marketing.

I am confident in stating that our team of professionals is second to none in this industry, and that we are able to attract such hardworking, dedicated employees because we acknowledge and reward, in various ways, their valuable contributions to NLCU. To maintain our position as an employer of choice in a competitive marketplace vying for talent, we conducted independent salary and benefit surveys on comparable employee positions. Required changes resulting from these surveys will be implemented in 2011.

Tell Us—We Are Listening

Hearing from Owners and employees is paramount for meaningful growth and success. That is why we annually conduct both an Owner Satisfaction Survey, broadened in 2010 to include commercial Owners, and an Employee Opinion Survey. Owner surveys are extremely important as they provide direct feedback from you, which can be used to modify or enhance services. We also actively seek the opinion of the employees who serve you daily because we understand the value of our employees' perspectives, which not only tell us how we are doing as an employer but also help us enhance the quality of service we give to you.

Surveys were sent out to 2,623 Owners and to all 127 employees. Results of this year's Owner Satisfaction Survey were on par with those of previous years, with an overall satisfaction rating of 93%. Results of our Employee Opinion Survey were equally positive, with improvements noted in several areas related to compensation and benefits, work/life balance, and employee recognition.

In February, Glenn Bolger, Chief Operating Officer, and I once again had the privilege of visiting all branches and spending time with our team reviewing our accomplishments of the previous year and our goals for the coming year. These "Fireside Chats" are significant opportunities to directly communicate with each and every member of our team, to get a first-hand look at what's happening in our branches, and to meet, and talk to, some of our Owners.

Our Growth and Financial Results

NLCU continues to be the largest Credit Union in Atlantic Canada and, as of the 2nd quarter, 2010, the 51st largest amongst the 396 Credit Unions in the country, placing us in the top 13% nationwide.



At year-end, there were 20,912 Newfoundlanders and Labradorians choosing NLCU for their financial services.



In 2010, we continued to expand our ownership base. At year-end, there were 20,912 Newfoundlanders and Labradorians choosing NLCU for their financial services. Not only has the number of Owners increased, but the dollar value of these relationships has increased: in 2010, assets per Owner were \$20,085 — a 6.6% increase over 2009.

Detailed audited financial statements reflecting our positive 2010 performance are enclosed in this Annual Report and are available online at www.nlcu.com. The highlights of these statements report year-end assets at \$435,047,225, an increase of \$29,087,182 or 7.2% over 2009 figures. Loans increased by 6.8% with year-end portfolios totalling \$363,131,295. Owners' deposit balances equalled \$414,623,223, an increase of 6.7%. In 2010, our net earnings (after tax) transferred to retained earnings were \$1,585,538. An Owner dividend of 5% was paid on equity shares.

I am pleased to report that the four internal audits performed on branch operations during the year produced favourable results.

TOP 101

For the 13th consecutive year, Newfoundland and Labrador Credit Union was named one of the Top 101 Companies in Atlantic Canada by Progress Magazine.



Our Community Commitment

The Newfoundland and Labrador Credit Union Charitable Foundation Corporation (NLCU CFC) was registered in 2002. Since its inception, more than half a million dollars has been raised and distributed to charities.

In June, the announcement of Ronald McDonald House as the charity of choice garnered much support for our 7th Annual Walk-a-Thon. \$30,000 was raised for this worthy cause, which will directly benefit families in our province.

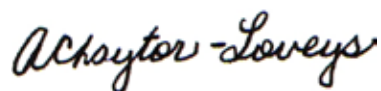
The success of this Walk-a-Thon was followed by the 9th Annual Rod Benson Memorial Golf Tournament, which raised over \$45,000. The charity of choice for the tournament was the Diabetes Foundation of Newfoundland and Labrador's Camp Douwanna. We attribute much of the success of this fundraiser to the ongoing support of the event's three originating sponsors: NLCU, RONA, and CUETS® Financial, and to a proud new sponsor for the past two years — The Co-operators Group.

Continuing support from all employees and your Board of Directors guarantees the success of our Foundation's work. We are committed to supporting the volunteer efforts of our employees as we appreciate the value it brings to our communities. Employee volunteerism was alive and well during 2010 and our work benefited people here and abroad, from those who were devastated by the wrath of Hurricane Igor to those whose lives were forever changed by the earthquake in Haiti.

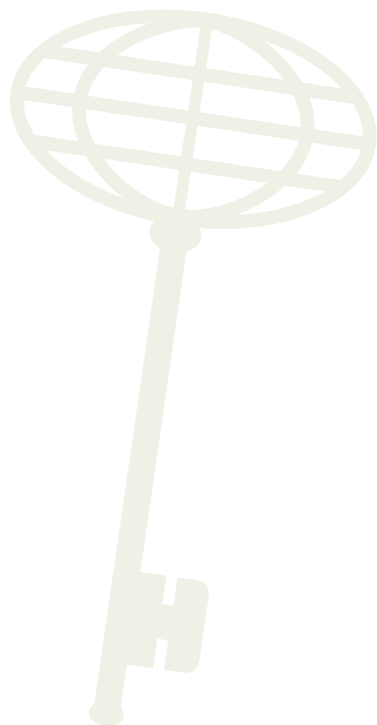
Overall, the Foundation raised \$115,000 in 2010, which was donated to 103 charities. This level of giving marks a 35% increase over 2009 totals.

In addition to our Foundation's contributions, your Credit Union contributed \$132,000 in sponsorships and in-kind donations to various organizations and programs, such as Junior Achievement and Memorial University's Students in Free Enterprise (SIFE), whose focus is promoting leadership and entrepreneurship among our students. Annual scholarships totaling \$9,000 were also awarded to three deserving Newfoundland and Labrador students.

We are proud of our 2010 results. As an Owner of your Credit Union, be confident in the knowledge that your team of professionals – Board of Directors and employees – has your financial well-being at heart. A sincere thank you for the honour and privilege of working with you.



Allison Chaytor-Loveys
Chief Executive Officer and Treasurer



ATLANTIC CANADA'S TOP EMPLOYER

Newfoundland and Labrador Credit Union was selected as one of Atlantic Canada's Top 25 Employers by Mediacorp.



NLCU service awards

At Newfoundland and Labrador Credit Union, our people make the difference. We are proud to acknowledge the dedicated service of our most important asset – our team.

These individuals have accomplished many personal achievements throughout their careers at NLCU, and working together, they take great pride in helping each and every Owner reach their financial goals.



five years

Back L-R: Ann Marie Drohan, Assistant Manager, Member Services; William Farrell, Manager, Member Services; Nancy Cluett, Member Service Consultant; Darren Chislett, Wealth Management Advisor; Kent Farrell, Director, Credit; Lisa Sweet, Commercial Business Advisor. **Front:** Mary Rose Blackmore, Wealth Management Advisor; Sherry Thorne, Organizational Effectiveness Consultant; Fred Philpott, Manager, Member Services; Angela Murphy, Member Service Consultant; Linda Green, Member Service Consultant; Jackie Borden, Manager, Risk and Internal Audit.



ten years

L-R: Sherri Fogwill, Director, Marketing and Communications; Debbie Hindy, Member Service Consultant; Donna Compton, Member Service Consultant; Heather Russell, Member Service Consultant; Yvonne Parsons, Manager, Member Services; Janice Finlay, Member Service Consultant.



fifteen years

L-R: Michelle McGrath, Regional Manager (Eastern Region); Shane Flight, Director, Information Systems.



twenty years

Back L-R: Dana Thompson, Assistant Manager, Member Services; Glenda Lannon, Member Service Consultant; Mary Lynn Morrissey, Internal Audit Analyst; Deann Dillon, Manager, Call Centre and Marketing Support; Daphne Boland, Marketing Coordinator; Beverly Gosse, Accounting Consultant; Judy Abbott, Regional Manager (Western Region); Sheila Hynes-Brenton, Manager, Member Services. **Front:** Gale Joy, Supervisor, Call Center and Marketing Support; Barbara Freake, Executive Assistant; Roxanne Downey, Assistant Manager, Member Services; Debbie Joyce, Member Service Consultant.

award winners



Katherine Seymour Award

Michael W. Boland, President (Far Left) and Glenn Bolger, Chief Operating Officer (Far Right), present Lisa Loveridge (Left) Manager, Member Services, Grand Falls Windsor and Yvonne Parsons, (Right) Manager, Member Services, Labrador City with the Katherine Seymour Award in recognition of service excellence.



Outstanding School And Community Involvement Scholarship Winner

Winner of the Outstanding School and Community Involvement Scholarship in memory of past Director, Mr. Owen Grimes, Brandon St. Croix of Mobile Central High School, Mobile. Presenting the cheque is Allison Chaytor-Loveys, Chief Executive Officer.



Outstanding School And Community Involvement Scholarship Winner

Winner of the Outstanding School and Community Involvement Scholarship, Erin Langor of Gonzaga High School, St. John's. Presenting the cheque is Allison Chaytor-Loveys, Chief Executive Officer.



Brian F. McDonald Scholarship Winner

Winner of the Brian F. McDonald Scholarship, Amanda Morrissey of Holy Heart of Mary High School, St. John's, the daughter of Mary Lynn Morrissey, Internal Audit Analyst, St. John's. Presenting the cheque is Margaret Ann McDonald, wife of the late Brian McDonald.



Innovation Award

Michael W. Boland, President (Left) and Allison Chaytor-Loveys, Chief Executive Officer (Right), present Cathy Mattsson (Centre) Account Analyst (Former Manager, Member Services, Water Street) with the Innovation Award, which recognizes individuals that have generated and implemented innovative ideas and strategies.



NLCU charitable foundation corporation

On December 10, 2010, the NLCU Charitable Foundation Corporation distributed over \$115,000 to 103 charities throughout the province at their annual NLCU CFC luncheon. This is approximately a 35% increase over 2009 funds. Since its inception in 2002 the NLCU CFC has donated over \$500,000.



9th Annual Rod Benson Memorial Golf Tournament



7th Annual Walk-a-Thon

NLCU charitable foundation corporation

2010 donees

AIDS Committee of Newfoundland & Labrador	Foundation for the Rotary Club of St. John's	RNC Historical Society Inc.
ALS Society of Newfoundland & Labrador	Gander and Area SPCA	Ronald McDonald House NL
Alzheimer Society of Newfoundland & Labrador, Inc.	Health Care Foundation	Rotary Club of St. John's
Association for New Canadians	Heart and Stroke Foundation of Newfoundland & Labrador	School Lunch Association
Autism Society of Newfoundland & Labrador	Helen Tulk Elementary School	Scouts Canada
Bay St. George Sick Children's Foundation Inc.	Holy Trinity Family Aid Group	Seniors' Resource Centre
Bay St. George Status of Women Council	Horse and Pony Protection Association of Newfoundland & Labrador	Shalloway
Buckmasters Circle Community Centre	Iris Kirby House Foundation, Inc.	Single Parents Association of Newfoundland
Cabot Habitat for Humanity	Janeway Children's Hospital Foundation	Special Olympics Newfoundland & Labrador Inc.
Canadian Breast Cancer Foundation	Juvenile Diabetes Research Foundation Canada - St. John's	Special Olympics Newfoundland & Labrador Inc. - Exploits Club
Canadian Cancer Society - NL Division	Kids Eat Smart Foundation	St. John's Military Family Resource Centre
Canadian Diabetes Association - NL Division	Kids Help Phone	St. John's SPCA
Canadian Hard of Hearing Association Newfoundland & Labrador	KidSport	St. Kevin's Food Bank
Canadian Liver Foundation - Newfoundland Chapter	Kiwanis Music Festival Association of St. John's	St. Vincent de Paul Society
Canadian Mental Health Association - NL Division	Labrador West Association for Community Living	Stella Burry Community Services and Foundation
Canadian Red Cross - NL Region	Lady Cove Women's Choir	Teachers on Wheels
Cara Transition House	Lion Max Simms Memorial Camp Foundation	The Arthritis Society - NL Division
Caribou Group of Rotary	Literary Arts Foundation of Newfoundland & Labrador, Inc.	The Brother T.I. Murphy Learning Resource Centre
Children's Wish Foundation of Canada - NL Chapter	MacMorran Community Centre	The Burry Heights Camp & Retreat Center
Choices for Youth	MADD Canada - Avalon Chapter	The Church Lads' Brigade (C.L.B.)
Clarenville Area SPCA	MADD Canada - Bay of Islands Chapter	The Duke of Edinburgh's Award Programme - NL Division
CNIB Newfoundland & Labrador	Mazol Shriners	The Gathering Place Inc.
Community Food Sharing Association	Michael J. Tarr Memorial Scholarship	The Kidney Foundation of Canada - NL Branch Office
Community Youth Network	MS Society of Canada	The Lung Association Newfoundland & Labrador
Co-operative Development Foundation of Canada	MS Society of Canada - St. John's Chapter	The Salvation Army (Grand Falls-Windsor)
Corduroy Brook Enhancement Association	Muscular Dystrophy Canada - NL Chapter	The Salvation Army - Newfoundland East Division
Crohn's and Colitis Foundation of Canada - Trinity Conception Chapter	Newfoundland & Labrador Association for Community Living	Tourette Syndrome Foundation of Canada NL
Daybreak Parent Child Centre	Newfoundland & Labrador Brain Injury Association	Toys for Joy
Discovery Health Care Foundation	Newfoundland & Labrador Down Syndrome Society	Trinity-Conception-Placentia Health Care Foundation
Dr. H. Bliss Murphy Cancer Care Foundation	Opera on the Avalon	Tuckamore Festival
Easter Seals	Parkinson Society Canada, Newfoundland & Labrador	Vera Perlin Society
Eating Disorders Foundation of Newfoundland & Labrador	Peter Barry Duff Memorial Park Commission	Victorian Order of Nurses - Meals on Wheels (St. John's)
Epilepsy Newfoundland & Labrador	Rainbow Riders - St. John's Therapeutic Riding Association	VOCM Cares Foundation
Faith Haven Animal Shelter		YM/YWCA of Northeast Avalon
		Young Adult Cancer Canada

our contacts

Board of Directors

Michael W. Boland, President and Board Chairman*
Raymond Piercey, 1st Vice President*
Maureen Singleton, 2nd Vice President*
Daniel LaVallée*
Patrick Collins
Allan Skanes
Raymond Hawco
Damian Ryan
Murray Loveless
Allison Chaytor-Loveys, CEO and Treasurer+
Glenn Bolger, Corporate COO and Secretary+
Elizabeth Duff, CFO+
Barbara Freake, Recording Secretary

**Executive Committee
+Appointed*

NLCU CFC Board of Directors

Allison Chaytor-Loveys, Chairman
Glenn Bolger, Vice Chairman
Elizabeth Duff, Treasurer
Shane Flight, Secretary
Raymond Piercey, Director - NLCU Representative
Raymond Hopkins, Director
Sherri Fogwill, Director

Management, Corporate Office

Allison Chaytor-Loveys, Chief Executive Officer
Glenn Bolger, Chief Operating Officer
Elizabeth Duff, Chief Financial Officer
Barbara Freake, Executive Assistant
Shane Flight, Director, Information Systems
Kent Farrell, Director, Credit
Sherri Fogwill, Director, Marketing and Communications
Tony Young, Director, Wealth Management Services
Jim Mayo, Director, Accounting and Corporate Governance
Laurie Roberts, Director, Human Resources
Michelle McGrath, Regional Manager (Eastern Region)
Judy Abbott, Regional Manager (Western Region)
Shannon Goodyear, Manager, Strategic Marketing
Jackie Borden, Manager, Risk and Internal Audit

Managers, Member Services

Jerry Jackman, Freshwater Road, St. John's
Lyndon Combdon, Corner Brook
Lisa Loveridge, Grand Falls-Windsor
Yvonne Parsons, Labrador City
Pamela Jenkins, Carbonear
Sheila Hynes-Brenton, Mount Pearl
Brian Beson, Gander
Fred Philpott, Fall River Plaza, Torbay Road, St. John's
William Farrell, Conception Bay South
Shawn Loder, Clarenville
Mercedes Lafitte, Stephenville
Novalee Weir, Water Street, St. John's

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Darren Chislett, CFP
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722-5824 (Water Street Branch)

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754-2312

38 Main Street
Corner Brook, NL A2H 6Z7
634-5341

1 Pinsent Drive
Grand Falls-Windsor, NL A2A 2S8
489-9051

Labrador Mall, 500 Vanier Avenue
Labrador City, NL A2V 2W7
944-7701

119 Columbus Drive
Carbonear, NL A1Y 1A6
596-5044

51 Commonwealth Avenue
Mount Pearl, NL A1N 1W7
747-9415

6 Roe Avenue
Gander, NL A1V 1W5
256-3537

Fall River Plaza, 272 Torbay Road
St. John's, NL A1A 5B5
726-4013

69 Main Street
Stephenville, NL A2N 1H9
643-2111

120 Conception Bay Highway,
Suite 107, Villa Nova Plaza
Conception Bay South, NL A1W
3A6
834-9520

263 Memorial Drive, Suite 102
Clareville, NL A5A 1R5
466-4590

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NLCU Student Loans &
Education Lines of Credit
Graduate Vehicle Loan Rebate
Home Equity Loans
Personal Lines of Credit
Chequing Overdraft Protection
RRSP Loans and RRSP Lines
of Credit

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Savings Plans
Self Directed Registered
Retirement Savings Plans
Registered Retirement
Income Funds

Registered Education Savings Plans
Mutual Funds*, (available
through Credential Asset
Management Inc.)
S&P/TSX 60 Index Linked
Term Deposits
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Registered Disability Savings Plans

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