



**Peoples
Group**

**Peoples
Group**

2015



plan
determined
solution
passion
connected
valued
fun
pioneer
goals
communication
people
leadership
achievement
inspiration
motivation
research
best concept
practice
performance
strategy
pride
success
vision
achievement
growth
support
planning
focus
brainstorm
goals
incentive
community
solution
learn
training
dynamic
team

adapt
learn
valued
lead
specialist
experience
community
goals
solution
plan
achievement
inspiration
motivation
research
best concept
practice
performance
strategy
innovation
motivation
training
efficient
dynamic
passion
courage
success
people
focus
adapt
vision
leadership





Celebrating 30 Years 1985-2015

1985

Peoples Trust opens its doors offering lending and deposit services.

1987

We become one of the first Mortgage-Backed Securities issuers in Canada.

1990

Peoples Trust Company expands its operations in Western Canada with the opening of our Calgary Branch office.

1993

Head Office operations relocate to larger premises at 1400-888 Dunsmuir Street.

1996

Our full-service branch opens in Toronto.
Total Assets under Administration exceed \$1 billion dollars.

1997

We are once again the number one issuer of multi-family Mortgage-Backed Securities in Canada.

2000

The Mortgage Banking Division was created to provide clients with commercial mortgage products not previously available through Peoples Trust.

2002

The Peoples Trust Platinum MasterCard® is introduced.

2003

The people of Peoples Trust Company get together to form the PTC Cruisers, a team of 25 who participate in the Vancouver Sun Run.

2004

The Peoples Trust Secured MasterCard® Program is launched.

2005

New Look - same great service: Peoples Trust adopts a new logo to celebrate our 20th anniversary.

2005

Peoples Card Services launches its first consumer reloadable prepaid MasterCard program, available at thousands of merchant locations across Canada.

2008

Peoples Trust becomes a Visa® issuer, one of the first institutions in Canada to have both Visa® and MasterCard® products.

2009

The High-Interest Peoples Choice™ Savings Account is launched.

2010

Peoples Trust celebrates 25 years providing mortgage financing and deposit services across Canada.

2012

Investing money with Peoples Trust becomes easier with the launch of its Online Banking Platform.

2014

As an innovator in the prepaid field Peoples, in conjunction with a major Canadian mobile operator, launches an innovative mobile prepaid program.

2014

Peoples Card Services celebrates its 10 year anniversary.

2015

Peoples Group, comprised of Peoples Trust, Peoples Card Services, and Peoples Trust Financial, looks forward to another 30 years.



DEREK PEDDLESDEN
Chief Executive Officer



BILL MOFFATT
President and Chief Operations Officer



SAMSON LIM
Senior Vice President, Administration
and Chief Financial Officer



DARREN KOZOL
General Counsel
and Corporate Secretary



JO-ANNE MOREFIELD
Director, Human Resources



NEIL ALLEN
Chief Information Officer

Peoples Trust Company

As the foundation for Peoples Group, Peoples Trust Company has been providing financial services to the Canadian marketplace for 30 years. Our focus is on exceptional customer service backed by extensive product knowledge and experience.

We understand that we cannot be all things to all people. Our results show that a niche company can be very successful if it is well managed and exceeds the expectations of its customers.

One of the important factors in becoming and remaining successful as a smaller organization, is to be able to consistently identify and aggressively develop new opportunities. Over the years, Peoples has been able to find these opportunities, and has been nimble enough to rapidly deploy resources to capitalize on and grow these business lines. We continue to do this today.

We are proud of our track record over the past 30 years and look forward to continuing to grow and develop into the future.



2014: Steady As She Goes!

Operations and financial results have remained strong throughout 2014. Although we were not quite able to replicate the exceptional results of 2013, 2014 has proven to be another successful year.

The Mortgage Underwriting Teams were very active, especially in the insured area, where we were able to channel over \$1.7 billion into various securitization programs.

The Deposit Services Department has maintained our policy of offering very attractive rates to the consumer, with the result that our direct customer base has grown significantly year over year. The web banking platform introduced last year has continued to receive excellent reviews from clients.

During the year, we were able to build relationships with new strategic partners in both the banking and card product lines, which will pay dividends in the future as more programs are launched, enabling us to further diversify operations. We have also established community relationships with our sponsorship of the Volunteer Program at Bard on the Beach and our participation in the Big Bike for Heart & Stroke. Staff turnover has remained very low, which is attributable to the Company's proactive policy to promote work/life balance. No major systems initiatives were carried out this year, other than updating and improving the disaster recovery procedures. The Company continues to proactively seek new ways to improve productivity through automation.

In summary, 2014 was a very solid year; however, with the anticipated slowdown in the Canadian economy, 2015 is set to be more challenging.



DEREK PEDDLESDEN, CA
Chief Executive Officer



BILL MOFFATT
President and Chief Operations Officer

Review of Operations

The momentum gained in 2013 continued, with another impressive year in 2014. Our commercial mortgage origination saw volumes exceeding any year in our history, with a sizeable increase over 2013. We augmented our traditional lending programs with the addition of social housing financing. This is a product line we were pleased to add, and one which we hope to continue to expand.

Marketing efforts focused primarily on growing our direct deposit client base and our credit card businesses. Both areas responded well to our campaign strategies. As a result, our workforce grew modestly in order to maintain optimum service levels; to continue to adapt to the constant change in regulatory requirements; and take advantage of new business opportunities.

Major milestones were:

- Before tax return on equity of 17.7% (excluding non-controlling interest)
- Website enhancements created an improved customer experience
- Improved our Peoples Trust Secured MasterCard® by offering the lowest interest rate on purchases for secured credit cards in Canada
- Prepaid Card Programs won several awards for innovation
- Total administered assets grew to \$6.4 billion
- Peoples Card Services introduced the first reloadable prepaid card for the leading mobile operator wallet



Credit and Business Development

At Peoples Trust, we understand the importance of a strong relationship based on trust and responsiveness. Our knowledge of local market conditions, combined with significant experience in structuring real estate financing transactions, allows us to provide customized financing solutions to our clients. We have a strong local presence through offices located in Vancouver (servicing British Columbia), Calgary (servicing Alberta, Saskatchewan and Manitoba) and Toronto (servicing Southern Ontario, Quebec and Eastern Canada).

Economic uncertainty, along with vast changes to the regulatory and competitive landscape, presents broad-reaching implications for our clients and their operations. We are helping them navigate through this period of volatility with innovative borrowing options that are competitively priced.

When you need financing for your purchase, your new construction project, or refinancing for your existing real estate holdings, look to us at Peoples Trust for comprehensive lending products tailored to your needs and objectives. We can provide effective, flexible financing solutions that are right for you, in a timely fashion.



DENNIS DINEEN
Senior Vice President and
Regional Manager, British Columbia



MICHAEL LOMBARD
Senior Vice President and
Regional Manager, Eastern Canada



DENNIS AITKEN
Vice President and
Regional Manager, Prairies



Conventional Lending

Peoples Trust has a long history of providing conventional mortgage financing for a variety of asset classes across Canada. We finance the construction of multi-family projects, real estate subdivisions, and other commercial real estate projects. We can also provide term financing for apartment buildings, shopping centres and industrial properties, with terms structured to meet the needs of our clients.

Peoples also works with established developers by making financing available for property acquisition, inventory loans on completed condominium, townhome, or single-family home projects, and building renovation/repositioning projects.

With a streamlined credit approval process, our clients can expect flexible and responsive solutions for their mortgage financing requirements. Our mortgage specialists have the experience and the market knowledge to ensure our clients receive the best solution available for their needs.



CMHC Lending

Peoples Trust has become one of the leading participants in CMHC's CMB program by providing extremely competitive term financing rates for CMHC insured product.

Over the past 30 years, Peoples has developed an excellent relationship with Canada Mortgage and Housing Corporation and is adept at using mortgage insurance as a mechanism to reduce borrowing costs for our clients.

We work on behalf of our clients to obtain financing approvals on rental apartment buildings, care facilities and retirement homes, and we work continuously on making the approval process as expedient as possible.

CMHC lending is a core business line for Peoples Trust with all internal processes driven to support this avenue. Our process and our significant in-house expertise have made us a leader in providing CMHC financing.

Call us to discuss your financing needs.



JONATHAN WONG

Assistant Vice President,
Commercial Mortgages
British Columbia



ADY STEEN

Manager, Commercial Mortgages
Eastern Canada



JOSH BARKER

Manager, Commercial Mortgages
Prairies



TOM WOLLNER, RI, AMP

Manager, Residential Mortgages
British Columbia

Single-Family Lending

Financing your home and don't meet the banks' requirements? At Peoples Trust we understand the issues you're facing, and we've developed specialty programs to help. When you need sound advice from a reliable national financial institution, we are here.

Peoples is also here to provide leading edge construction financing and a full range of development financing packages for builders and homeowners. We can provide construction loans for builders for pre-sold or inventory homes. We can also provide site acquisition financing, inventory loans, renovation loans and long term financing for your project.

Our competitive rates and excellent service – the common-sense approach – have proven successful with a loyal customer base and many repeat clients.

Contact us to find out how we can help.



Treasury and Mortgage-Backed Securities

Peoples Trust Company (PTC) is a leader in the origination, structuring and placement of commercial real estate mortgages across Canada. We specialize in, but are not restricted to, multi-family residential.

Our investment relationships with numerous bank, credit union, pension fund and insurance company partners, position PTC to arrange and syndicate (if desired) commercial mortgage loans that optimize solutions for borrowing clients. With investment, funding and structural flexibility, the custom application of loan size, pricing, term and other parameters across various product categories results in mutually beneficial loan structures.

Peoples has been a key active player in the Mortgage-Backed Securities (MBS) market since the inception of the program in 1987, issuing close to \$10 billion in mortgage product. This includes the Canada Mortgage Bond (CMB) program as well as issuing one-off "Market MBS" securities of a more custom structure. Both these facilities allow us to consistently provide competitive mortgage rates to our varied clientele.



GREGORY SMITH, MBA, CFA
Treasurer and Director of Investments



Social Housing

Vancouver-based Peoples Trust Company actively participates in social housing auctions for the mortgage financing of facilities, which include rental properties, community services, health care and rehabilitation centres.

By facilitating the transfer of mortgage debt from provincial governments to private investors, Peoples assists in the efficient allocation of capital away from public financing schemes. The affordable accommodation, emergency shelters and assisted living for seniors, women and children at risk of violence that result from these financing initiatives, demonstrates a heightened co-operation between government and private enterprise. These mortgage loans serve many communities in B.C. and Ontario.

Peoples Trust funded over \$312 million social housing loans during 2014, through working with such entities as the Ontario Housing Authority and the B.C. Housing Commission.



Mortgage Banking

Peoples Trust has become well known and highly regarded for its involvement in the origination of CMHC mortgages for placement in the MBS and CMB Programs. Our involvement in these programs allows us to continue offering highly competitive mortgage rates to our borrowers.

In the coming years, Peoples Trust will explore other innovative programs to further enhance the product line for our borrowers.

However, structuring and funding mortgages is just the beginning of Peoples Trust's commitment to our mortgage clients. We service 100% of the mortgages we write for the duration of the term. This means that we provide such banking services as payment processing, investor remittances, and support for loans or borrowers who may require a little extra attention. This commitment to banking services rounds out the total dedication Peoples Trust holds with its client base, from origination to renewal.



JULIE BERKS

Assistant Vice President,
MBS and Mortgage Banking
Administration



JOHN NATION

Assistant Vice President,
Mortgage Administration



MARTIN MALLICH

Manager, Default Management

Mortgage Servicing

Peoples Trust has an established track record in underwriting, managing and servicing a wide range of mortgages and loans secured by real estate. As a leading provider of commercial mortgage servicing in Canada, we are backed by years of experience as a direct lender. We know what you need to operate effectively.

We work with our Investor Clients, which include: banks, life insurance and trust companies, pension funds and fund managers. We provide them with underwriting and servicing of all mortgage products, whether they are CMHC insured, conventional, construction and long term, or MBS and CMB. Peoples is experienced with underwriting and administration of mortgage loans over multi-family, retail and office space, hotels, retirement and nursing homes, as well as industrial properties and social housing.

From mortgage initiation and funding to monthly reporting, Peoples has the system to help.



Mortgage Administration

At Peoples Trust, customer service and satisfaction are our priority. Our approach is to always place the best interests of our customers first, treating our borrowers the way we would expect to be treated.

With combined experience of over 60 years and an average employment length of over 10 years, our Administration Management Team and their staff use their knowledge and expertise to deliver exceptional and consistent service to our clients.

With decentralized administration, staff have immediate access to borrowers' files, which allows us to provide the answers they need locally and without delay. Peoples Trust is one of the very few financial institutions where our borrowers can speak directly with one of our administrators, which reaffirms our dedication to the personal approach.

Our personal approach and a willingness to work in partnership with our borrowers ensures that we have a very low default rate. We work to achieve a solution while leaving realization proceedings as a last resort.

Our Administration Team services and administers a mortgage portfolio of \$5.4 billion on residential and commercial properties located throughout the country. We pride ourselves on having the people, the experience and the "can do" attitude that makes our clients value our commitment and ability to deliver time and time again.

We will make it work!



JULIA HALLETT
Manager, Mortgage Administration
British Columbia



SHARON SMALL
Manager, Mortgage Administration
Eastern Canada



AZMINA JESSANI
Manager, Mortgage Administration
Prairies



JEANETTE CURTIS
Senior Manager, Deposit Services

Deposit Services

Peoples Trust offers a variety of interest-bearing deposit investment products that are eligible for CDIC insurance. Our accounts and guaranteed investment certificates are designed to meet your everyday, tax-free, or retirement savings needs. Our products are appropriate for those seeking a high yield through our very competitive interest rates with easy access through online banking.

With online banking access, you are in command of your money, with the ability to view your balance and account activity, check interest rates, transfer money between accounts, and sign up for other Deposit Services – at your convenience.

Peoples prides itself on providing great customer service, ease of access, safety and security.

Opt for savings with Peoples Trust and enjoy interest rates among the best in Canada.



Guaranteed Investment Certificates

GIC's - Non-Registered & Registered Accounts

Why a Peoples Trust GIC? Simply put high rates guaranteed for a fixed term in a safe, secure and no fee investment with the convenience of online banking. With Non-Registered and Registered options, you can save for your future while earning one of the best rates in Canada; and your deposit is eligible for CDIC insurance.

Non-Registered Guaranteed Investment Certificates

Whether it's a short-term investment of 30 to 364 days or a longer-term of one to five years, interest rates are guaranteed for the full term of your investment.

Registered Retirement Savings Plans

Available in terms of one to five years, the Peoples Trust RRSP provides a fixed and guaranteed rate for the full term of your investment. Interest is compounded annually and paid at maturity. With no set-up or service fees, saving for your retirement is easy.

Tax-Free Guaranteed Investment Certificates

If you need a place to invest funds and would like to do so tax-free, our Tax-Free GIC is a great choice. The Tax-Free GIC offers terms from one to five years with rates that are fixed and guaranteed for the full term. Interest is compounded annually and paid at maturity, and with no set-up, service or transfer fees, you can only win with this investment option.



JANET CABBAGE
Manager, Deposit Services



Savings

Savings: Non-Registered & Registered Accounts

In keeping with our simple approach, Peoples Trust is pleased to offer you two excellent options for high interest savings that are both eligible for CDIC insurance: the Peoples Choice™ e-Savings Account and Peoples Trust Tax-Free Savings Account.

Peoples Choice e-Savings Account:

The e-Savings Account is all about giving you more of what you want: more savings with a high interest rate and more convenience with the benefits of online banking.

With the Peoples Choice e-Savings Account, there is no minimum balance required and no monthly fees, and you can boost your savings with an automatic savings plan. Through online banking, you can also use your e-Savings to easily purchase our other term products.

Whether you're a current customer with Peoples or a new one, we invite you to power up your savings with a safe, liquid and flexible e-Savings Account.

Tax-Free Savings Account:

As a registered product, the TFSA Savings Account allows you to earn interest tax-free within the contribution limits set by Canada Revenue Agency. The Peoples Trust TFSA makes it easy to view your savings through the use of online banking. Once your account is set up, you can easily watch your savings grow as interest is calculated daily and paid monthly. With one of the best rates in Canada, the Peoples Trust Tax-Free Savings Account is a good tool to save for the things that are important.

For more information visit us online at www.peoplestrust.com.



Secured MasterCard® Credit Card

The Peoples Trust Secured MasterCard allows most Canadian residents to get the credit they deserve, and approval is virtually guaranteed! The program is offered across Canada with services provided in English and French.

Geared toward those who do not qualify for regular credit cards due to past financial difficulties or a lack of credit history, the Credit Builder Card allows cardholders to build or rebuild their credit rating while enjoying the benefits of having a low-interest credit card. The Peoples Trust Secured Card program now offers its cardholders an annual interest rate of 12.99% on purchases, making it one of the lowest-interest Secured Card programs in Canada.

Cardholders set their own credit limit (from \$500 - \$25,000) by providing a security deposit that earns interest in a deposit account. Peoples Trust reports monthly to the major credit bureaus and, by using the card responsibly and making regular payments, cardholders build a positive credit profile.

If you need to build or rebuild your credit, visit: www.bettermycredit.ca to apply or find out more.



CHLOE GAGNON
Manager, Administration
Secured Card Programs



The Credit Builder Card



Happiness
is getting the
credit
you deserve

For students, new immigrants,
or people with past credit
problems, the Peoples Trust®
Secured Credit Card can help
establish the credit you need.

Secured Card Referral Program

As well as offering professionals a credit repair solution for their clients, Peoples Trust offers a commission for every approved application referred to the Peoples Trust Secured Card program!

The Peoples Trust Referral Program is designed for business professionals working in the financial industry or an affiliated industry and who deal with clients who:

- Have had credit problems in the past and need to rebuild their credit rating
- Have no credit history and wish to establish good credit (students and new immigrants)
- Are discharged bankrupts trying to rebuild their credit rating
- Were turned down on a credit application due to no credit or poor credit
- Have difficulty obtaining unsecured credit cards

If you have clients who fall into any of the above categories, or if you believe you can reach these clients by utilizing online and off-line advertising methods, you can benefit greatly from our Referral Program.

Contact our Secured Card Office at 877-694-6200 or visit us online at www.bettermycredit.ca to find out more.



The Peoples Trust Secured MasterCard® is issued by Peoples Trust Company pursuant to license by MasterCard International Incorporated.

MasterCard and the MasterCard Brand Mark are registered trademarks of MasterCard International Incorporated.





PETER READ
President



JOHN PALS
Chief Operating Officer, Issuing



SHIRLEY MATTHEW
Vice President,
Merchant Acquiring Services



GERRY SERRATORE
Vice President,
Sales and Business Development,
Acquiring

Peoples Card Services

Prepaid and Credit. Visa®, MasterCard® and Interac®

Peoples Card Services (PCS) is a subsidiary of Peoples Trust, a leading issuer of Visa and MasterCard prepaid payment cards and recognized as a pioneer and innovator of prepaid cards in Canada. PCS is a responsive organization with an impressive track record.

We offer BIN sponsorships to Program Managers to rapidly develop and deploy specialized card programs, tailored to specific needs in target markets. Credit card sponsorships for companies wishing to grow and control their own business and brand have become a growing PCS business segment.

We also offer merchant processing services through sponsored Independent Sales Organizations (ISOs) processing connectivity to Visa, MasterCard, Interac and American Express®. Peoples Card Services provides a 'one stop solution' for merchants in Canada. In addition to being able to support full EMV chip card processing, PCS has a unique competitive advantage through a processing partner that enables merchants to process transactions on foreign cards in their own currency.

Whether it is sponsoring prepaid and credit card issuing or merchant acquiring solutions for businesses, Peoples Card Services can facilitate your payment network needs.



MasterCard and the MasterCard Brand Mark are registered trademarks of MasterCard International Incorporated. Visa Int. / Peoples Trust Company, Licensed User.



Leading Prepaid

Since 2002, Peoples Trust Company has been a leading issuer of Visa® and MasterCard® payment cards in valuable Canadian niche markets. Through its subsidiary Peoples Card Services (PCS) we are recognized as a pioneer in network branded prepaid cards in Canada. Working with clients and partners, PCS has built an extensive range of award winning prepaid card programs used from coast to coast.

Innovation, driven by today's digitization of payments, has fast become a key to our card product success. We were first to offer a real-time instant issuance of a prepaid MasterCard and the first contactless PayPass Prepaid Card Program in Canada, as well as the first chip and PIN prepaid travel card in foreign currencies. With Visa, we offered the first virtual payment card program for use on the internet.

From contactless to the first virtual products, to multiple currencies and to leading edge mobile wallet products, Peoples strives to remain at the forefront of sponsoring digital payment solutions for Canadians.

2014 PX Prepaid & Payments Awards:

- Leading Prepaid or Payments Organization
- Best Prepaid & Payments Innovation
- Best Corporate or Government-Funded Prepaid or Payments Program

2014 Paybefore Awards:

- Prepaid with Soul Award



MIKE CHITTENDEN, CPA, CMA
Assistant Vice President,
Administration, Issuing



MIHNEA CIRICA
Senior Manager, Implementation



RICHARD ROBINS
Assistant Vice President,
Sales and Business Development,
Issuing



STEPHANIE VILLARD
Client Program Manager



ROSS CREASY
Client Program Manager

Prepaid Card Issuing

Peoples Trust Company issues prepaid cards tailored to niche markets in the financial, corporate, government, travel and retail sectors. Prepaid payment cards empower organizations to make digitized financial disbursements without the inconvenience of producing cheques or using cash. They are an ideal medium for payroll, commission payments, warranty and health plan distributions, and other tender replacement applications.

Many programs allow the cards to be re-loaded multiple times through a wide variety of convenient services including bank transfers, vouchers, and direct loads from an employer. Peoples Trust offers the universal acceptance of Visa® and MasterCard® customized to the needs of their clients, whether those needs are a country-wide card program or a niche-market private label product.



Payment Cards

As an issuer of MasterCard® and Visa® Payment Cards in Canada, Peoples Trust Company is responsible for some of the most popular retail products in the country. These cards are sold through major national chains and allow the purchaser to use their card at merchants worldwide, wherever Visa and MasterCard are accepted. They are often used in place of traditional gift cards as they do not limit the recipient to a particular vendor or brand name.

Peoples Trust through its partners also provides what are known as Restricted Authorization Network (RAN) prepaid card programs. Shopping mall payment cards are a prime example. These innovative cards, also often used as gifts, are used across selected retailers, points of sale or geographic regions – a genuine example of overcoming technological, geographic and ownership limitations.

Mobile and on-line channels are the evolutions at hand and, Peoples Card Services remains at the forefront of the marketplace in terms of expertise, innovation and support.



SAMSON LIM, BCOM (HONS), CA
Chief Financial Officer



GIOVANNA PAYNE, CPA, CGA
Senior Manager, Accounting



PAULA GOMEZ
Manager, Administration
Merchant Acquiring



MARK THOMPSON
Senior Merchant Credit Risk Analyst



EDWARD MARTELINO
Compliance Manager

Merchant Acquiring Services

Merchant Acquiring and Processing

Peoples Trust Company through its subsidiary Peoples Card Services (PCS) continues its tremendous growth in merchant transaction processing. As a principal member of both MasterCard® and Visa® with connectivity to the Interac® network, Peoples Trust is able to provide full acquiring and settlement solutions for merchants in Canada. Our business model is to sponsor and work with reputable, well-established Independent Sales Organizations (ISOs) to support payment card processing including e-commerce and point of sale devices, allowing merchants to accept payments from credit and debit cards. In addition to being able to support full EMV chip card processing, Peoples has a unique competitive advantage that enables merchants to process transactions on foreign cards in their own currency.

We partner with the best in class, leading edge ISOs and processing platforms with processing connectivity to Visa, MasterCard and Interac and American Express®. Enabling innovative merchant payment services while helping to ensure fair and accountable business practices, is key to Peoples Card Services success.





TERRI JELIC
Manager, Marketing



RICK HISLOP, CCSA, GSEC
Manager, Network and Security



KIM WILLEMS
Manager, Corporate Services



SAMSON LIM, BCOM (HONS), CA
Senior Vice President Administration
and Chief Financial Officer



DARLENE SUM, CA
Controller

Financial Results

2014 was a very active and successful year for the Peoples Group. We achieved record levels of funding, lending and card volumes as we catered to the growing needs of our clients across the various business segments we service. As the environment we operate in continues to experience market uncertainty and regulatory change, we have proactively taken a conservative approach to insulate ourselves from undue risks. To strengthen the robustness of our Company throughout the year, we took prudent steps such as augmenting our liquidity cushions, focusing more of our growth in the lower risk business lines and increasing our monitoring of the dynamic risk environment. The incorporation of the Peoples Card Services entity into Peoples Trust in the prior year has also been beneficial for our strategy, as it has diversified our earnings stream into different industry segments as well as strengthened our capital base.

Reported Net Income for the year was \$19.9 million, declining from the record \$23.9 million earned in the prior year. The decrease in earnings for 2014 was anticipated due to the cautious operating approach we chose to adopt, as well as the highly competitive nature of our business environment. The more challenging operating environment was particularly evident in the card services market, where we faced intense competition as well as notable but non-recurring costs relating to market changes and new regulations. Overall, the robust nature of the Peoples Group operating model has allowed us to soundly navigate through the volatile and competitive environment and grow our Assets under Administration to the highest levels in our history, which positions us well for the long term.



2014 Financial Statements

Condensed Balance Sheet¹

(Expressed in thousands of dollars)

	2014	2013
Assets		
Cash and securities	804,116	894,614
Mortgage receivables	772,277	956,748
Securitized mortgage receivables	1,252,969	2,403,756
Other assets	145,235	100,903
Total Assets	2,974,597	4,356,021
Liabilities		
Customer deposits	1,245,516	1,340,713
Securitization liabilities	1,354,345	2,692,118
Other liabilities	210,727	177,626
Total Liabilities	2,810,588	4,210,457
Shareholders' Equity		
Share capital	26,884	26,884
Retained earnings	136,107	117,198
Non-controlling interest	1,018	1,482
Total Equity	164,009	145,564
Total Liabilities and Equity	2,974,597	4,356,021
Total Assets Under Administration	6,395,508	6,199,752

¹Prepared from audited consolidated financial statements of Peoples Trust Company. The auditor has not been engaged to report on the condensed financial statements.

Auditor:
PricewaterhouseCoopers LLP
Chartered Accountants



MAI LAW, CA
Manager, Reporting and Analysis



WILLIAM TANG, CA
Director, Internal Audit

2014 Financial Statements

Condensed Statement of Income¹

(Expressed in thousands of dollars)

	2014	2013
Net Interest Income		
Interest revenue	122,605	175,176
Cost of funds	99,126	136,029
	23,479	39,147
Recovery of Loan Losses	500	131
Income Before Other Income,		
Operating Expenses and Income Taxes	23,979	39,278
Securitization and Card Services Income	29,075	29,420
Other Income	10,197	7,891
Income Before Operating Expenses		
and Income Taxes	63,251	76,589
Operating Expenses		
Administrative	19,655	25,390
Salaries and benefits	16,560	18,759
Depreciation	543	537
	36,758	44,686
Income Before Income Taxes	26,493	31,903
Provision for Income Taxes	6,566	8,052
Net Income for the Year²	19,927	23,851

¹Prepared from audited consolidated financial statements of Peoples Trust Company. The auditor has not been engaged to report on the condensed financial statements.

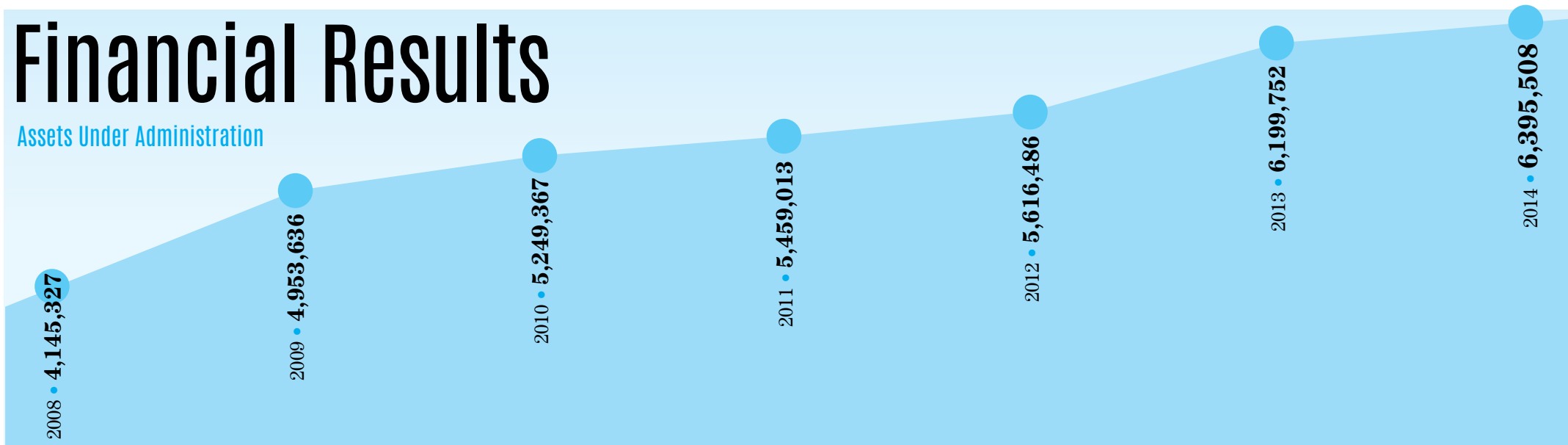
²Includes non-controlling interest of \$1,018 (2013 \$1,482).

Auditor:
PricewaterhouseCoopers LLP
Chartered Accountants



Financial Results

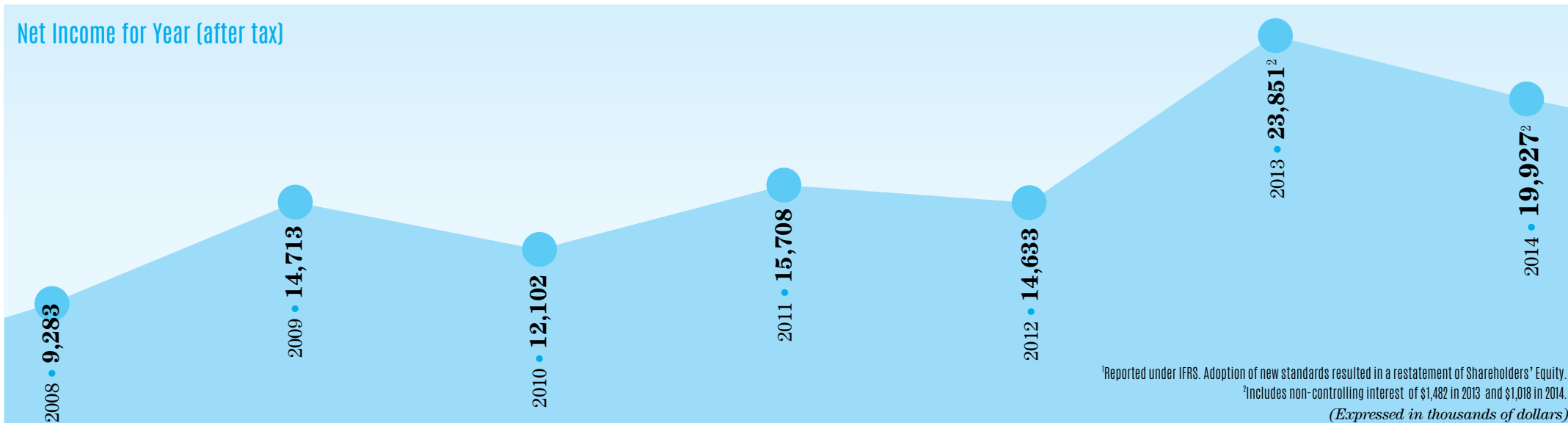
Assets Under Administration



Shareholders' Equity



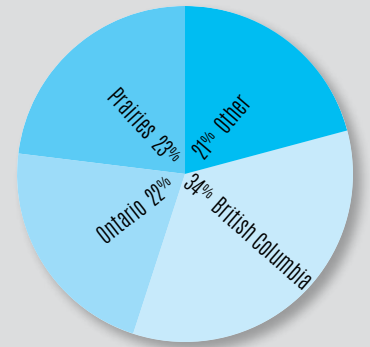
Net Income for Year (after tax)



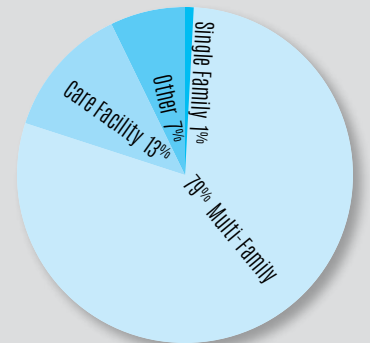
¹Reported under IFRS. Adoption of new standards resulted in a restatement of Shareholders' Equity.

²Includes non-controlling interest of \$1,482 in 2013 and \$1,018 in 2014.

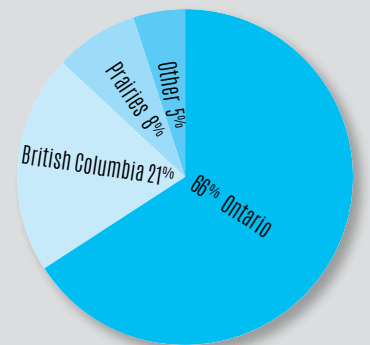
(Expressed in thousands of dollars)



Administered Mortgages by Location



Administered Mortgages by Security



Administered Deposits by Location



Peoples' Spirit

Peoples Group, a Success Story! For thirty years, we have understood that it's our people that help us to succeed. We are an organization of like-minded individuals who demonstrate the same drive and commitment to the Organization as we do to our families and the communities we live in. Peoples believes in the spirit of being involved in and giving back to our community, and we support our employees' efforts to do so. The Organization encourages all staff to have a healthy balance between work and home life, recognizing that satisfied employees contribute significantly to our ongoing growth and success. This philosophy has helped to make us a leader in the industry and a sought-after employer. At Peoples Group we strive to provide a dynamic and rewarding work environment; we believe in team work and team play, and that everyone should have a little fun in their day.



JO-ANNE MOREFIELD, CHRP
Director, Human Resources

Peoples' Community



Meet the People

of Peoples Group...



Memberships & Affiliations

CMHC Approved Lender

Mortgage-Backed Securities Issuer

Approved Seller to the Canada Housing Trust

Member of Canada Deposit Insurance Corporation

Member of Canadian Payments Association

Member of Interac®

Principal Issuing and Merchant Acquiring Member of MasterCard®

Principal Issuing Member of Cirrus®

Principal Issuing and Merchant Acquiring Member of Visa®

Member of Canadian Prepaid Providers Organization

Member of Global Prepaid Exchange

Member of Registered Deposit Brokers Association

Member of the Better Business Bureau

Member of many Provincial Industry Associations



Board of Directors

BACK ROW: Michael T. Andrews, Peter R. Hindmarch-Watson, Martin Walrath, Howard S. Anson, Jonathan A. Levin

FRONT ROW: Keith Thompson, Nelson Merizzi, David Ghermezian, Frank Renou, Andrew Bury

ABSENT: Eskandar Ghermezian



Senior Management

Peoples Trust Company

Derek Peddlesden, CA
Chief Executive Officer

Bill Moffatt
President and Chief Operations Officer

Samson Lim, BCOM (HONS), CA
Senior Vice President, Administration
and Chief Financial Officer

Darren Kozol
General Counsel and Corporate Secretary

Neil Allen, BSC
Chief Information Officer

Jo-Anne Morefield, CHRP
Director, Human Resources

Dennis Dineen
Senior Vice President and Regional Manager, British Columbia

Michael Lombard
Senior Vice President and Regional Manager, Eastern Canada

Dennis Aitken
Vice President and Regional Manager, Prairies

Peoples Card Services

Peter Read
President

John Pals
Chief Operating Officer, Issuing

Samson Lim, BCOM (HONS), CA
Chief Financial Officer

Gerry Serratore
Vice President, Sales and
Business Development, Acquiring

Shirley Matthew
Vice President, Merchant Acquiring Services



Corporate Offices:

Vancouver

Suite 1400, 888 Dunsmuir Street
Vancouver, BC V6C 3K4
Telephone 604-683-2881
Facsimile 604-331-3469

Deposit Services

Suite 750, 888 Dunsmuir Street
Vancouver, BC V6C 3K4
Telephone 604-331-3465
Facsimile 604-683-5110
Toll Free 800-663-0324

Mortgage Servicing

Suite 550, 888 Dunsmuir Street
Vancouver, BC V6C 3K4
Telephone 604-683-2881
Facsimile 604-683-8798

Secured Mastercard

P.O. Box 48235, 595 Burrard Street
Vancouver, BC V7X 1A1
Telephone 604-694-6200
Facsimile 604-694-6209
Toll Free 877-694-6200

Peoples Card Services:

Issuing Card Services

Suite 1400, 888 Dunsmuir Street
Vancouver, BC V6C 3K4
Telephone 604-694-6214
Toll Free 855-694-6214
Facsimile 604-694-6209

Merchant Acquiring Services

Citigroup Place
Suite 901, 123 Front Street W.
Toronto, ON M5J 2M2
Telephone 416-368-3266
Facsimile 416-368-3328

Regional Offices:

Vancouver

Suite 450, 888 Dunsmuir Street
Vancouver, BC V6C 3K4
Telephone 604-685-1068
Facsimile 604-683-2787

Calgary

Suite 955, 808 - 4th Avenue S.W.
Calgary, AB T2P 3E8
Telephone 403-237-8975
Facsimile 403-266-5002

Toronto

Citigroup Place
Suite 901, 123 Front Street W.
Toronto, ON M5J 2M2
Telephone 416-368-3266
Facsimile 416-368-3328



www.peoplestrust.com
www.peoplescardservices.com
www.bettermycredit.ca



www.peoplestrust.com

www.peoplescardservices.com

www.bettermycredit.ca

