



2016 ANNUAL REPORT

# Welcome to Peoples Group



## Our Mission

*“Exceeding Customers’ expectations by providing access to financial products within select markets.”*

## Our Values

**VALUING PEOPLE** – Knowing that it is our people that make us succeed, we foster a culture that promotes a rewarding, dynamic and fun environment, ensuring a healthy work-life balance for all.

**TEAMWORK** – We promote and support a diverse yet unified team, fostering a work environment that encourages participation, collaboration and innovation to meet our common goals. We believe in team work, team play and celebrating our successes together.

**INTEGRITY** - We employ the highest ethical standards, demonstrating our strong moral values, honesty and fairness in every action we take.

**PASSION** - For fulfilling the needs of our customers with outstanding service, following through on our commitments, building quality long term relationships, while going the extra mile without being asked.



## Message from the CEO



### Preparing for Growth in Changing Times

2016 was a challenging yet exciting year of change, marked by some significant events: continued softening of oil prices, wildfires, and a regulatory environment focused on the price of home ownership and consumer debt. Additionally, there was the uncertainty of the U.S. election and its effects on yields. Even with this volatility, solid planning and management initiatives pushed Peoples Group forward. Our Assets Under Administration grew significantly through expansion of our conventional loan portfolio, and we were excited to open our first retail deposit location on the main floor of our Vancouver head office. We are eager to expand our corporate profile to provide the customer experience we are known for.

In 2017, we expect a slight improvement in economic growth as the resource sector stabilizes and exports grow moderately. While this growth may be tempered by uncertainties for Canadian exporters, unfavourable employment levels, and slow housing starts, we are very well positioned for continued organic growth. To keep the momentum going, we will seek strategic opportunities, including acquisitions and Fintech players focused on retail banking, merchant acquiring and card products, which will allow us to expand and build on the great business that is our strong foundation.

It is an honour to lead Peoples Group into the future.



**Grant MacKenzie**  
PRESIDENT AND  
CHIEF EXECUTIVE OFFICER

## Operations Review



**Waheed Hirji**  
CHIEF OPERATIONS OFFICER

### Stable Growth for Peoples Group of Companies

Operationally, Peoples Trust saw another strong year of loan production growth in both conventional and Canada Mortgage and Housing Corporation loans along with our unique single-family offering. Social housing funding and a new consumer lending business line augmented our traditional origination sources. This loan growth was supported by our success in raising deposits and working with our strategic partners, which enabled the securitization of significant loan volumes.

Peoples Card Services held first place in market share for Canadian prepaid payment cards and were awarded Leading Prepaid Organization and Best Consumer Funded Prepaid Program through Payments Exchange. Peoples Payment Solutions strengthened our customer offering by becoming members of Discover® and UnionPay.

We continued our commitment to our communities through participation in events like the Big Bike for the Heart and Stroke Foundation, the Juvenile Diabetes Revolution Ride and the Vancouver Sun Run. Our support of the volunteer program at Bard on the Beach continued also.

The year culminated with the opening of our first retail space in downtown Vancouver, providing customers an opportunity to learn more about our investment, lending, card products and services. We also launched a new responsive website to ensure our customers can view our site on any device.

2017 will bring continued improvements to our systems and processes, in order to enhance our customer experience.

# Peoples Group



## A Stable Portfolio

*Peoples Group has been providing boutique financial services to the Canadian marketplace for over 30 years. Since 1985, our focus has been on exceptional customer service backed by extensive product knowledge and experience.*

All of our products and services are quality assured and efficient, utilizing a knowledge base that has been refined and tested over time. Our expertise ensures your stability. Over the past 30 years, we've worked on perfecting our service and expanding our reach to incorporate the following Product Categories:



Multi-family, commercial, construction and residential mortgage products.



Mortgage servicing for those investors who source their own product but do not wish to service it themselves.



RRSPs, TFSAs, and a high-rate e-Savings account. We still offer our standard short and long-term GICs too, with our rates remaining among Canada's best.



Card programs, including the Peoples Trust Mastercard® Credit Rebuilder Card, and prepaid Mastercard and Visa\* cards.



Payment processing made easy with industry-leading solutions for merchants.



Contact Us

PEOPLES GROUP

Phone: 604-683-2881

Toll-Free: 1-855-683-2881

Fax: 604-331-3469

Suite 1400

888 Dunsmuir Street

Vancouver, BC V6C 3K4

[www.peoplesgroup.com](http://www.peoplesgroup.com)

# Peoples Trust Company



## Be in Command of Your Money

*As the foundation for Peoples Group, Peoples Trust Company has been providing exceptional customer service backed by extensive product knowledge and experience since 1985.*

Our deposit 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.

Our knowledge of local market conditions, combined with significant experience in structuring real estate financing transactions, allows us to provide customized borrowing solutions to our clients.



### About Us

Over the past 30 years,  
we've worked on  
perfecting our service.



# Mortgage Lending



## Mortgage Lending Overview

*At Peoples Trust, our service is what sets us apart as we take the frustration out of financing. We strive to provide fast and efficient service, and we take seriously our responsibility for delivering the best financing structure possible on each and every deal.*

Our expertise in mortgage lending, cultivated since we opened in 1985, has led us to issue over \$12 billion in Canada Mortgage and Housing Corporation insured loans for Mortgage Backed Securities and institutional investors.

Our “build from strength” philosophy is our promise – to be the foundation you need to secure the best available mortgage.



Contact Us

BC Regional Office  
Phone: 604-685-1068

Prairie Regional Office  
Phone: 403-237-8975

Eastern Canada Regional Office  
Phone: 416-368-3266

[www.peoplestrust.com](http://www.peoplestrust.com)

## Credit and Business Development



**Dennis Dineen**

SENIOR VICE PRESIDENT AND  
REGIONAL MANAGER, BRITISH COLUMBIA



**Dennis Aitken**

SENIOR VICE PRESIDENT AND  
REGIONAL MANAGER, PRAIRIES



**Michael Lombard**

SENIOR VICE PRESIDENT AND  
REGIONAL MANAGER, EASTERN CANADA

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 borrowing 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 or your new construction project or refinancing for your existing real estate holdings, look to 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.



## Commercial Mortgage 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.

We have strong relationships with other institutions, including a healthy rapport with Canada Mortgage and Housing Corporation (CMHC).

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.

We've extended our lending success to development and construction loans. These loans are useful for projects in retail, multi-family, industrial, land development, and renovation. By combining the construction and long-term financing into one loan package, we enhance the overall debt package on a development. We provide flexibility throughout a long term, resulting in saved time and money, and happy, successful clients.

We've also been active in the CMHC financing of care facilities for many years, and have an acute and fluid knowledge of the Seniors' Housing Market. We've developed certain methods of financing, so we can provide owners such as you with lower cost borrowing.

# CMHC Mortgage Lending



**Jonathan Wong**  
ASSISTANT VICE PRESIDENT,  
COMMERCIAL MORTGAGES  
BRITISH COLUMBIA



**Josh Barker**  
ASSISTANT VICE PRESIDENT,  
COMMERCIAL MORTGAGES  
PRAIRIES



**Ady Steen**  
ASSISTANT VICE PRESIDENT,  
COMMERCIAL MORTGAGES  
EASTERN CANADA

Peoples Trust has become one of the leading participants in Canada Mortgage and Housing Corporation's (CMHC) 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 CMHC 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 secure 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.



# Residential Mortgage Lending



For borrowers in the Greater Vancouver or Greater Victoria area who don't meet the specific lending criteria required by major financial institutions, we are the honest and reliable alternative for you. Our flexible terms extend to those who have imperfect credit, or who are discharged bankrupts, spec builders or otherwise self-employed. At Peoples Trust, we understand the issues you're facing, and we've developed specialty programs to help.

We offer mortgage financing – for purchases and refinances, as well as equity deals and bridge financing. We also offer mortgage financing for rental properties, one to four unit dwellings, single family residential dwellings, luxury homes, and condominiums. Whether you're a builder or a homeowner, we have what you need.

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



**Tom Wollner, RI, AMP**  
MANAGER, RESIDENTIAL MORTGAGES  
BRITISH COLUMBIA



**Jonathan Siva**  
RESIDENTIAL BUSINESS DEVELOPMENT  
MANAGER



Contact Us

Phone: 604-685-1068

Fax: 604-683-2787

Suite 1400

888 Dunsmuir Street  
Vancouver, BC V6C 3K4

[www.peoplestrust.com](http://www.peoplestrust.com)

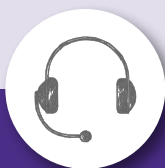
# Mortgage Investing



## Mortgage Investing Overview

*As a long-time participant in the Institutional Investors segment of the financial industry, we are well known for our involvement with Canada Mortgage and Housing Corporation (CMHC) Mortgage Backed Securities, particularly in the Canada Mortgage Bond program.*

We originate mortgage product and provide full administrative support for investors who source their own product but do not wish to service it themselves. This includes both conventional and CMHC insured mortgages.



Contact Us

Phone: 604-683-2881

Fax: 604-683-8798

Suite 1400

888 Dunsmuir Street

Vancouver, BC V6C 3K4

[www.peoplestrust.com](http://www.peoplestrust.com)



# Mortgage Banking



Peoples Trust Company 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 relationship with numerous bank, credit union, pension fund and insurance company partners, allows us to arrange and syndicate commercial mortgage loans that optimize solutions for borrowing clients. Our investment, funding and structural flexibility results in mutually beneficial loan structures. However, structuring and funding mortgages is just the beginning of Peoples Trust's commitment to our mortgage clients. We provide banking services such 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



# Securitization



Peoples Trust has become well known and highly regarded for its involvement in the origination of Canada Mortgage and Housing Corporation mortgages for placement in the Mortgage Backed Securities (MBS) and Canada Mortgage Bond (CMB) programs. Our involvement in these programs allows us to continue offering highly competitive mortgage rates to our borrowers. Peoples has been a key participant in the MBS market since the inception of the program in 1987, issuing over \$12 billion in mortgage product. This includes the CMB program as well as issuing one-off “Market MBS” securities of a more custom structure. Both of these facilities allow us to consistently provide competitive mortgage rates to our varied clientele.



## About Us

Aside from our general mortgage banking operation, we are well known and highly regarded for our involvement in the origination, placement, and administration of mortgage securitization products.

For the past 5 years, Peoples Trust has been a premier issuer of multi-family MBS and CMB Securities.



# Social Housing



Peoples Trust Company actively participates in social housing auctions for the mortgage financing of facilities, which include rental properties, community services, and 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 results from these financing initiatives, demonstrates a heightened co-operation between government and private enterprise. These mortgage loans serve many communities in BC and Ontario. Peoples Trust funded over \$250 million in social housing loans during 2016, through working with such entities as Ontario Housing Authority and the BC Housing Commission. We have funded \$900 million since 2013.



# Mortgage Servicing



## About Us

Look to Peoples Trust for comprehensive lending products tailored to your needs and objectives.

Peoples Trust is a leading provider of commercial mortgage servicing in Canada.

We provide our investor clients with a full range of services for sourcing new business, underwriting, mortgage administration and investor reporting.

### MORTGAGE INITIATION AND FUNDING, INCLUDING:

- Canada Mortgage and Housing Corporation (CMHC) application processing
- CMHC commitment to insure
- Credit approvals and commitment letters
- Legal instruction and compliance functions
- Funding and conditions precedent to the funding

### ADMINISTRATION OF THE MORTGAGE, INCLUDING:

- Payment processing
- Property tax collection and management
- Assumption, discharge and renewal processing

### SECURITY PROTECTION, INCLUDING:

- Annual statement monitoring
- Property inspections
- CMHC reporting
- Arrears and default management
- Investor remittances and reporting

Our investor clients include large pension funds, financial institutions, conduit and private lenders.

At Peoples Trust, we are committed to providing high quality mortgage management services to our investor clients.



# 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 answers 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 accessibility 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 over \$7.6 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!



**Jacqueline Ogilvie**  
ASSISTANT VICE PRESIDENT,  
MORTGAGE ADMINISTRATION

## Deposit Services



### Take Charge of your Money

*When you open an account at Peoples Trust, you know that we're bringing our best to the table. Not only do we offer competitive interest rates with superior earning power, but we make it simple for you to make money.*



Contact Us

#### Telephone Hours of Operation:

Monday - Friday

8am - 4:30pm PT

Phone: 604-331-3465

Toll-Free: 1-800-663-0324

Fax: 604-683-5110

#### Hours of Operation:

Monday - Friday

9am - 4pm PT

#### Address:

Suite 100

888 Dunsmuir Street

Vancouver, BC V6C 3K4

A lot of the momentous milestones in life take a lot of planning to achieve, and sometimes the hassle of planning can take away from the excitement of it all. We're here to minimize your stress, as you stride towards success. Whether you're planning for your new home purchase with a tax-free GIC, saving for a vacation with a GIC, planning for a new car with an e-Savings account or simply looking ahead to a comfortable retirement, we're here to ease the decision-making burden.



## 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 products – at your convenience.

Peoples prides itself on providing great customer service with products that offer you ease of access, safety, and security.

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



**Janet Cabbage**  
SENIOR MANAGER,  
DEPOSIT SERVICES



# Guaranteed Investment Certificates



## **GICs - NON-REGISTERED & REGISTERED ACCOUNTS**

Why a Peoples Trust GIC? Simply put, high rates are 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 investment of one to five years, interest rates are guaranteed for the full term of your investment.



### About Us

Our GICs have been a staple product for over 30 years.

## **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. This product 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.

## e-Savings



### 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.

### FEATURES:

More savings, more convenience:

- Our high-interest rates help your money grow faster
- No monthly fees means you save more
- No minimum deposit lets you start building your savings right away
- Interest calculated daily and paid monthly means that every dollar counts
- Easily manage your finances with the convenience of online banking
- View your monthly transactions online
- Transfer funds between your Peoples Trust accounts for total flexibility
- Transfer funds between your linked accounts at other financial institutions
- Eligible for deposit insurance offered by Canada Deposit Insurance Corporation (CDIC)



### About Us

#### 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.

## Tax-Free Savings



### About Us

#### Tax-Free Savings Account:

Competitive interest accumulation. Get what you want sooner! We offer a competitive TFSA, with high interest accumulation that is calculated daily and paid monthly.

#### TAX-FREE SAVINGS ACCOUNT:

As a registered product, the Tax-Free Savings Account (TFSA) 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 TFSA is a good tool to save for the things that are important.

#### FEATURES:

- High interest rate
- Withdraw funds at any time without incurring tax penalties
- Income earned and capital gains are tax-sheltered
- Unused contribution room can be carried forward
- Interest calculated daily and paid monthly
- Eligible for deposit insurance offered by Canada Deposit Insurance Corporation
- No set-up, service or transfer fees
- Monthly statement available online
- Contributions can be made at any time
- Ability to designate a beneficiary

For more information visit us online at [www.peoplestrust.com](http://www.peoplestrust.com).

# Peoples Card Services



## Prepaid and Credit

VISA\* AND MASTERCARD®

*Peoples Card Services (PCS) is a subsidiary of Peoples Trust Company, 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 Bank Identification Number (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.

Our expertise gained from leading the prepaid industry in Canada for over 10 years has resulted in unsurpassed time-to-market launches of hundreds of innovative card programs. In close cooperation with a selection of technology providers, we've enabled multiple clients to launch successful and award-winning payment solutions in Finance, Retail, Health, Travel, and Government. Our best-in-class approach ensures the certainty of full compliance. This peace of mind allows entrepreneurs to focus on converting the latest "fintech" into sustainably profitable card programs.

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



Cards are issued by Peoples Trust Company under licence from Mastercard International Incorporated. ®/™ Mastercard is a registered trademark, and the circles design is a trademark of Mastercard International Incorporated. Visa prepaid card is issued by Peoples Trust Company pursuant to licence by Visa Int. \*Trademark of Visa International Service Association and used under licence by Peoples Trust Company.



Peter Read  
PRESIDENT



Contact Us

Phone: 604-694-6214  
Toll-Free: 1-855-694-6214  
Fax: 604-331-3469

[www.peoplescardservices.com](http://www.peoplescardservices.com)

# Leading Prepaid



**Mike Chittenden, CPA, CMA**  
VICE PRESIDENT, OPERATIONS & RISK

Since 2002, Peoples Trust Company has been a leading issuer of Visa<sup>®</sup> and Mastercard<sup>®</sup> 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.

#### 2016 PAYBEFORE AWARDS:

- Leading Prepaid Organization
- Best Consumer-Funded Prepaid Program
- Industry Person of the Year

#### PREVIOUS AWARDS:

- M-Wallet of the Year
- Top Motivator
- Leading Prepaid or Payments Organization
- Best Prepaid & Payments Innovation
- Best Corporate or Government-Funded Prepaid or Payments Program



# 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, insurance, and health plan distributions, and other cheque 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<sup>®</sup> and Mastercard<sup>®</sup> customized to the needs of their clients, whether those needs are a country-wide card program or a niche market private label product.



**Mihnea Cirica**  
SENIOR MANAGER, IMPLEMENTATIONS



**Stephanie Villard**  
MANAGER, PROGRAM RELATIONS



# Payment Cards



**Chloe Gagnon**

MANAGER, MARKETING AND PROGRAMS



**David Rambaran**

MANAGER, BUSINESS DEVELOPMENT  
AND SALES

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.

Through its partners, Peoples Trust also provides what are known as Restricted Authorization Network 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.



# Secured Mastercard® Credit Card



## Establish Healthy Credit

*Unlike debit cards or cash, the Peoples Trust Secured Mastercard® helps build or rebuild a strong credit rating while giving the cardholder all the convenience and security of a 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 offers its cardholders an annual interest rate of 12.99%, making it one of the lowest-interest 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](http://www.bettermycredit.ca) to apply or find out more.



Contact Us

Phone: 1-877-694-6200

Fax: 604-694-6209

[www.peoplescardservices.com](http://www.peoplescardservices.com)

[www.bettermycredit.ca](http://www.bettermycredit.ca)

## 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 bankrupts or 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](http://www.bettermycredit.ca) to find out more.



*The Credit Builder Card*



The Peoples Trust Secured Mastercard® is issued by Peoples Trust Company under licence from Mastercard International Incorporated. ®/™ Mastercard is a registered trademark, and the circles design is a trademark of Mastercard International Incorporated.

# Peoples Payment Solutions



## Payment Processing Made Easy

*Peoples Payment Solutions offers a suite of industry-leading payment processing solutions for merchants through our various processing partners.*

Peoples Payment Solutions (PPS), a subsidiary of Peoples Trust, specializes in providing Bank Identification Number (BIN) Sponsorship for merchant processing and facilitating payments.

We provide a 'one stop solution' for merchants in Canada in partnership with sponsored Independent Sales Organizations (ISOs), Payment Facilitators, and Processors with connections to Visa<sup>®</sup>, Mastercard<sup>®</sup>, Discover<sup>®</sup>, UnionPay and Interac<sup>®</sup>.

In addition to being able to support full EMV chip card processing, PPS provides the unique competitive advantage of enabling merchants to process transactions on foreign cards in their own currency.

Through our sponsorship program, we work with reputable, well-established partners from around the world to provide choice and flexibility to merchants. As a licensed acquirer of Visa, Mastercard, Discover and UnionPay, and with connectivity to the Interac network, PPS leverages its experience with BIN sponsorships and Payment Facilitators to continue its tremendous growth in merchant transaction processing.

Enabling innovative merchant payment services while helping to ensure fair and accountable business practices is key to Peoples Payment Solutions.



Howard Klein  
PRESIDENT



Contact Us

Toll-Free: 1-844-304-2083

Fax: 416-642-1550

# Merchant Acquiring and Payment Services Sponsorship



**Gerry Serratore**  
VICE PRESIDENT,  
SALES AND BUSINESS DEVELOPMENT



**Shirley Matthew**  
VICE PRESIDENT,  
MERCHANT ACQUIRING SERVICES

Peoples Payment Solutions (PPS) continues to grow its sponsorship program. We partner with best-in-class, leading edge Independent Sales Organizations, Payment Facilitators, and processing platforms.

PPS can provide full payment service and settlement solutions for merchants in Canada, including money disbursements.

Today our merchant portfolio encompasses card present merchants as well as card not present merchants, both small and large. We provide the option of consistency for multi-national merchants to work with a single provider in multiple countries. This allows merchants to capitalize on economies of scale and for our business partners to strengthen their relationship with the multi-national merchant.



# 2016 Financial Results



## Achievement Milestones

With a focus on tailored customer service and outstanding products, Peoples Group ramped up during 2016, and our clients took notice. Our offices across the country were extremely busy, pushing our Assets under Administration up by over 20% to \$8.5 billion, and our Regulatory Capital beyond the milestone \$200 million mark.

While Canadian GDP growth was limited to the 1% to 2% range in 2016, Net Income for Peoples grew by over 12% to exceed \$19 million. But our impressive organic growth in volumes was just the beginning of our success story, as we also entered a new consumer lending segment, which nicely broadened our client base and achieved remarkable advances in operating efficiency by re-engineering our liquidity and investment processes, enabling us to provide sharper pricing and improve earnings.

Our constant pursuit of innovation and efficiency resulted in a year of financial recognition for the Group. We were recognized by Business in Vancouver (BIV) Magazine as one of the top 40 most profitable companies in British Columbia, which was followed by an award for our Chief Financial Officer by the Chartered Professional Accountants of BC and BIV Magazine as CFO of the Year (in the Publicly Accountable category). We are honoured to receive these recognitions and will endeavour to work even harder to continue to earn your business in the year ahead.



**Samson Lim, CPA, CA**  
EXECUTIVE VICE PRESIDENT AND  
CHIEF FINANCIAL OFFICER

# 2016 Financial Results



## CONDENSED BALANCE SHEET<sup>1</sup>

2016

2015

(Expressed in thousands of dollars)

### Assets

Cash and securities	658,474	493,514
Loans receivable	1,471,815	1,030,184
Securitized mortgage receivables	425,259	696,132
Other assets	162,477	155,654
Total Assets	<u>2,718,025</u>	<u>2,375,484</u>

### Liabilities

Customer deposits	1,750,502	1,254,255
Securitization liabilities	440,199	705,128
Other liabilities	328,822	236,007
Total Liabilities	<u>2,519,523</u>	<u>2,195,390</u>

### Shareholders' Equity

Share capital	26,884	26,884
Retained earnings	171,268	152,406
Non-controlling interest	350	804
Total Equity	<u>198,502</u>	<u>180,094</u>
Total Liabilities and Equity	<u>2,718,025</u>	<u>2,375,484</u>

Total Assets Under Administration	<u>8,459,507</u>	<u>6,930,693</u>
-----------------------------------	------------------	------------------

<sup>1</sup>Prepared from audited consolidated financial statements of Peoples Trust Company.



# 2016 Financial Results



<b>CONDENSED STATEMENT OF INCOME<sup>1</sup></b>	<b>2016</b>	<b>2015</b>
<i>(Expressed in thousands of dollars)</i>		
<b>Net Interest Income</b>		
Interest revenue	79,864	82,292
Cost of funds	49,566	62,361
	<u>30,298</u>	<u>19,931</u>
<b>Recovery of (Provision for) Loan Losses</b>	<u>173</u>	<u>(216)</u>
<b>Income Before Other Income, Operating Expenses and Income Taxes</b>	30,471	19,715
<b>Securitization, Card Services and Payment Services Income</b>	17,077	21,188
<b>Other Income</b>	<u>18,919</u>	<u>15,654</u>
<b>Income Before Operating Expenses and Income Taxes</b>	66,467	56,557
<b>Operating Expenses</b>		
Administrative	20,566	17,223
Salaries and benefits	19,351	15,798
Depreciation	<u>508</u>	<u>510</u>
	<u>40,425</u>	<u>33,531</u>
<b>Income Before Income Taxes</b>	26,042	23,026
<b>Provision for Income Taxes</b>	<u>6,830</u>	<u>5,923</u>
<b>Net Income for the Year<sup>2</sup></b>	<u><u>19,212</u></u>	<u><u>17,103</u></u>

<sup>1</sup>Prepared from audited consolidated financial statements of Peoples Trust Company.

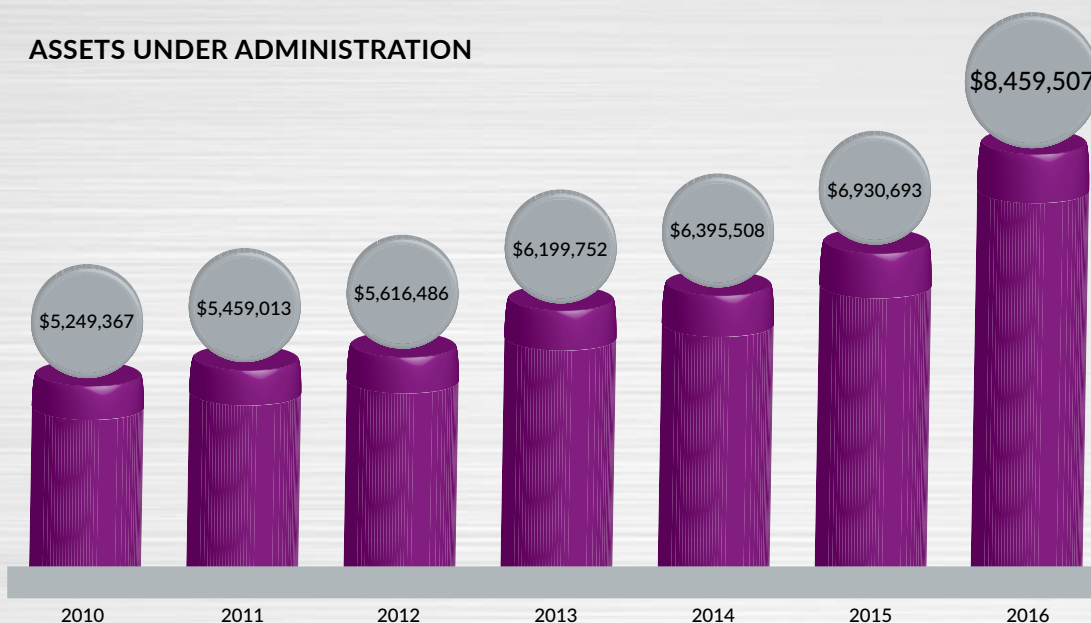
<sup>2</sup>Includes non-controlling interest of \$350 (\$804 in 2015).

# 2016 Financial Results

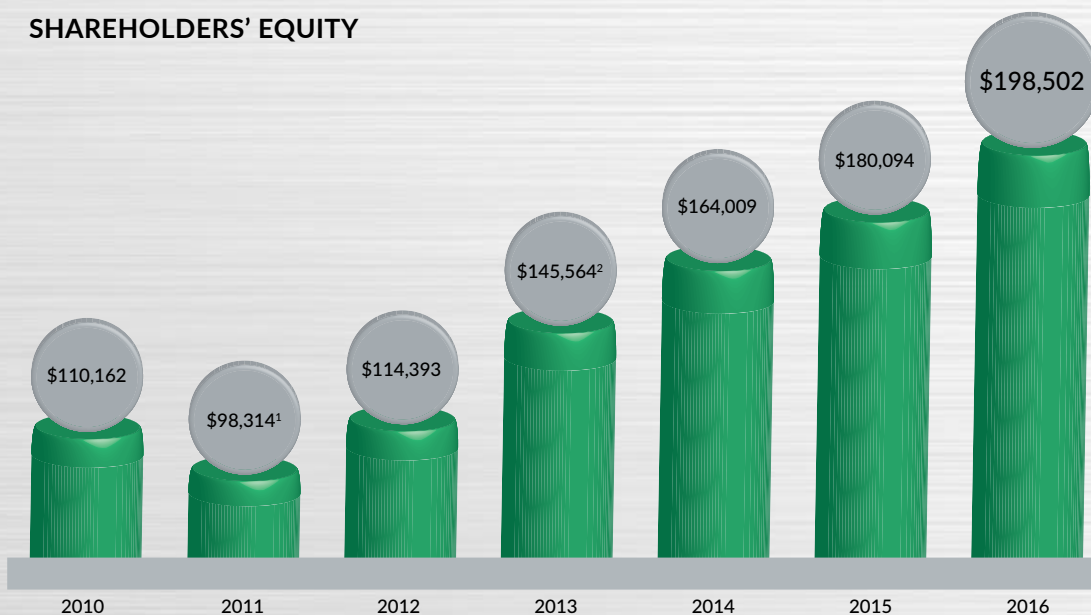


(Expressed in thousands of dollars)

## ASSETS UNDER ADMINISTRATION



## SHAREHOLDERS' EQUITY



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

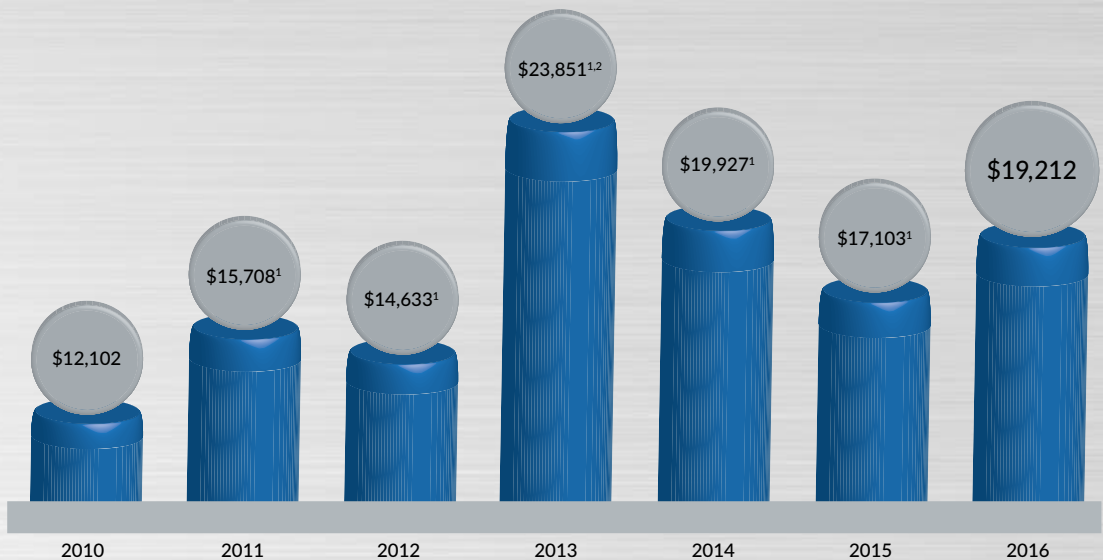
<sup>2</sup>Includes Peoples Card Services beginning in 2013 and related non-controlling interest (NCI).

# 2016 Financial Results

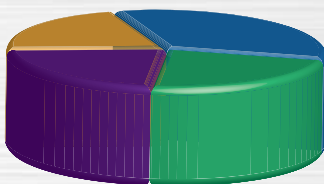


(Expressed in thousands of dollars)

## NET INCOME FOR YEAR (AFTER TAX)



<sup>1</sup>As a result of 2011 IFRS adjustments, annual earnings fluctuated from 2010 to 2015.  
<sup>2</sup>Includes Peoples Card Services beginning in 2013 and related non-controlling interest.



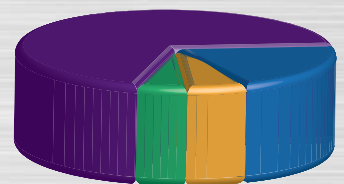
**ADMINISTERED LOANS  
BY LOCATION**

BC	34%
PRAIRIES	23%
ONTARIO	21%
OTHER	22%



**ADMINISTERED LOANS  
BY SECURITY**

MULTI-FAMILY	85%
CARE FACILITY	8%
SINGLE FAMILY	2%
OTHER	5%



**ADMINISTERED DEPOSITS  
BY LOCATION**

ONTARIO	69%
BC	20%
PRAIRIES	6%
OTHER	5%

## Peoples' Spirit

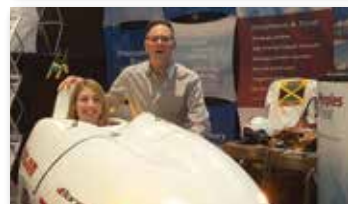


**Ann McDow**  
VICE PRESIDENT,  
PEOPLE AND CULTURE

## Peoples Group is About People

*Peoples Group has been doing business for over 30 years. Some of Peoples' people have been with the Company since the beginning. We foster a sense of community, both within our office, and extending to our city. We support a variety of significant community initiatives throughout the year.*

At Peoples Group, we strive to provide a dynamic and rewarding work environment; we believe in teamwork and team play, and that everyone should have a little fun in their day. It's our people that help us succeed — each of us demonstrating the same drive and commitment to Peoples Group as we do to our families and communities. We recognize that satisfied employees contribute significantly to our ongoing growth and success, making us a leader in the industry and a sought-after employer.



# Peoples' Community



## SOME OF OUR COMMUNITY INVOLVEMENT INCLUDES:

- Raising funds for the Heart & Stroke Foundation by riding the Big Bike.
- Sponsorship of the volunteer program for Vancouver's Bard on the Beach Shakespeare Festival.
- Participating in the Vancouver Sun Run's Corporate Team Challenge since 2003.
- Men's Health: Our Movember team helps raise awareness.
- Raising funds and awareness for juvenile diabetes through the JDRF Revolution Ride and Team Diabaters.
- Raising funds for our 2016 charity, Covenant House which provides support for at-risk youth.



# Meet the People of Peoples Group





## Memberships & Affiliations



### About Us

#### Resolution Process

At Peoples Group, our goal is to provide high-quality products and services for all our customers. We appreciate your business and are dedicated to building long and satisfying relationships. If you have a concern about the products and services we have provided to you, we encourage you to let us know, because your satisfaction is our primary objective.

For more information visit  
[www.peoplesgroup.com](http://www.peoplesgroup.com)

## Good Partnerships That Have Earned Our Trust

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®

Licensed Canadian Acquirer of Discover®

Principal Merchant Acquiring Member of UnionPay

Member of Canadian Prepaid Providers Organization

Member of Global Prepaid Exchange

Member of Registered Deposit Brokers Association

Member of Mortgage-Backed Securities Issuer Association

Member of the Better Business Bureau

Member of many Provincial Industry Associations



# Board of Directors



**David Ghermezian**  
CHAIRMAN



**Michael T. Andrews**



**Howard S. Anson**



**Andrew Bury**



**Peter R. Hindmarch-Watson**



**Jonathan A. Levin**



**Grant MacKenzie**



**Nelson Merizzi**



**Keith Thompson**



**Martin Walrath**

*Absent: Eskandar Ghermezian, Chairman Emeritus*

# Leadership Team



*"I am pleased to introduce the Senior Management Team of Peoples Group, each of whom brings a wealth of knowledge and experience to our organization. Together we make a formidable team, dedicated to providing exceptional customer service..." Grant*



**Grant MacKenzie**  
PRESIDENT AND CHIEF  
EXECUTIVE OFFICER,  
PEOPLES GROUP



**Samson Lim, CPA, CA**  
EXECUTIVE VICE PRESIDENT,  
AND CHIEF FINANCIAL  
OFFICER, PEOPLES GROUP



**Waheed Hirji**  
CHIEF OPERATIONS  
OFFICER,  
PEOPLES GROUP



**Bill Moffatt**  
CHIEF CREDIT OFFICER,  
PEOPLES GROUP



**Darren Kozol**  
GENERAL COUNSEL AND  
CORPORATE SECRETARY,  
PEOPLES GROUP



**Neil Allen, BSC**  
CHIEF INFORMATION  
OFFICER AND  
SENIOR VICE PRESIDENT,  
PEOPLES GROUP



**Ann McDow**  
VICE PRESIDENT,  
PEOPLE AND CULTURE,  
PEOPLES GROUP



**Dennis Dineen**  
SENIOR VICE PRESIDENT  
AND REGIONAL MANAGER,  
BRITISH COLUMBIA,  
PEOPLES TRUST



**Dennis Aitken**  
SENIOR VICE PRESIDENT  
AND REGIONAL MANAGER,  
PRAIRIES, PEOPLES TRUST



**Michael Lombard**  
SENIOR VICE PRESIDENT  
AND REGIONAL MANAGER,  
EASTERN CANADA,  
PEOPLES TRUST



**Peter Read**  
PRESIDENT,  
PEOPLES CARD SERVICES



**Howard Klein**  
PRESIDENT,  
PEOPLES PAYMENT SOLUTIONS



**Gerry Serratore**  
VICE PRESIDENT, SALES AND  
BUSINESS DEVELOPMENT,  
PEOPLES PAYMENT SOLUTIONS



**Shirley Matthew**  
VICE PRESIDENT, MERCHANT  
ACQUIRING SERVICES,  
PEOPLES PAYMENT SOLUTIONS

## Contact Us



## Connect with the Right People

*We are available for you. If you want to make an investment, open an account, inquire about a mortgage, obtain a secured card, or even just ask some questions, we want to make sure you can touch base with the right people.*

### **PEOPLES GROUP**

#### **HEAD OFFICE**

Suite 1400  
888 Dunsmuir Street  
Vancouver, BC V6C 3K4  
Phone: 604-683-2881  
Fax: 604-331-3469

### **PEOPLES TRUST**

#### **DEPOSIT SERVICES**

Suite 100  
888 Dunsmuir Street  
Vancouver, BC V6C 3K4  
Phone: 604-331-3465  
Toll-Free: 1-800-663-0324  
Fax: 604-683-5110

### **MORTGAGE SERVICES REGIONAL OFFICES**

#### **BC REGIONAL OFFICE**

Suite 450  
888 Dunsmuir Street  
Vancouver, BC V6C 3K4  
Phone: 604-685-1068  
Fax: 604-683-2787

#### **PRAIRIE REGIONAL OFFICE**

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

#### **EASTERN CANADA REGIONAL OFFICE**

Suite 915  
95 Wellington Street West  
P.O. Box 15  
Toronto ON M5J 2N7  
Phone: 416-368-3266  
Fax: 416-368-3328

### **PEOPLES CARD SERVICES**

Suite 1400  
888 Dunsmuir Street  
Vancouver, BC V6C 3K4  
Phone: 604-694-6214  
Toll-Free: 1-855-694-6214  
Fax: 604-331-3469

### **SECURED MASTERCARD**

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

### **PEOPLES PAYMENT SOLUTIONS**

Suite 2710 - Bay Adelaide  
Tower East  
22 Adelaide Street West  
Toronto, ON M5H 4E3  
Phone: 844-304-2083  
Fax: 416-642-1550



[www.peoplesgroup.com](http://www.peoplesgroup.com)

[www.peoplestrust.com](http://www.peoplestrust.com)

[www.peoplescardservices.com](http://www.peoplescardservices.com)

[www.peoplespayments.com](http://www.peoplespayments.com)

[www.bettermycredit.ca](http://www.bettermycredit.ca)