



PSCU
CREDIT UNION
CO-OPERATIVE SOCIETY LTD

"On us you can Rely"

NAVIGATING OUR FUTURE: **Pushing Our Boundaries**



In this Issue:

PRESIDENT'S MESSAGE	PG 2-3
GENERAL MANAGER'S MESSAGE	PG 3

PSCU News:

IMPACT OF IFRS 9	PG 4
COMPLIANCE AND THE LAW	PG 4
CHILDREN'S CHRISTMAS PARTY	PG 5
MASTERING PRESENTATIONS & PUBLIC SPEAKING	PG 6
S.E.A MATH BOOTCAMP	PG 7
2019 SCHEDULE OF EVENTS	PG 8
FIRST QUARTER F.I.P WINNERS	PG 9
KIDS' CORNER	PG 10
MOBILE APP	PG 11



Mr. Stephen Creese, President of PSCU

There is a clear and imminent danger of the demise of the Credit Union Movement and we must address this. We are compelled at this juncture of our cooperative history to summon our collective intelligence declare for a different path forward.

- a. Short term or low hanging fruit
- b. Medium term
- c. Long term

But before identifying specifics there is need to have a sense of context. Informing such a context is the need to recognize some amount of antecedence i.e. what came before. I am arguing that we need to recognize that ours is an ongoing socio-economic struggle emanating from a colonial past that demanded that we fashion instruments capable of fostering our self-deliverance. What, then, have we fashioned so far?

Socially we have sought relief through the friendly societies, the trade union movement as an economic strategy and more recently the modern political party as an instrument that spans three dimensions - social economic and political! Sadly, the Friendly Societies only brought temporary relief then floundered. The trade unions, though they have entrenched themselves in the institutional fabric, are forever under attack and have been surpassed by the political party framework as the more dominant entity.

In going forward there is the need to understand how the racial demographic has bedeviled our prospects for survival. There is need also for an appreciation of how the fact that we are an ageing society has presented us with a unique set of developmental issues. Credit Unions have to fashion products for their existing ageing membership while ensuring relevance that attracts the next generation of prospective leaders. We are between the proverbial rock and the hard place.

Short Term Focus

This has to identify those objectives that are either attainable from strategies that we can develop and sustain as part of our own deliberate efforts acting singularly but preferably cooperatively. It also requires that we negotiate our way past clear institutional obstacles. For instance, the question of assignment of salaries and pensions of retired public service workers to their respective credit unions. It is my contention that much of the so-called excess liquidity in the banking sector arises from cash transfers the state makes on a monthly basis to these banks on behalf of both current and past employees. There is also the question of encashment of cheques especially government cheques by credit unions. Finally the state has never facilitated the payment of utility bills via credit unions!

Medium Term

This relates to levelling the playing field by deliberate state efforts to ensure greater participation by credit unions in national development programs. The role of Commissioner's Office has to be revisited as it is currently understaffed, and is a bottleneck with respect to approval of mortgage loans, investment projects and the processing of delinquent loans. Credit Unions are not recognized as a distinct sector for representation in the Senate. Clearly, there is need for the State to have a clear and stated policy on Credit Unions!

Long Term

The absence of a clear stated policy position is reflected in the existence of outdated legislation, as successive regimes have failed to resolve this issue. Clearly, we have not been a priority for several decades whatever our voting capacity! This we must change.

The foregoing is largely an approximation of the external scenario. We need to address our internal shortcomings in order to effectively address our survival possibilities.

Fit for Purpose

We have begun work on this aspect by commissioning a review of our management structure. Even prior to that, we have made the work of the Nominating Committee central to ensuring that the democratic process, election to Board and Committees, a more enlightened arrangement. We have begun this transition.

Digital Age

Our technological innovations have

allowed us to keep abreast of what is demanded by a more discerning membership.

Product Development/Marketing

This is an area that Management and Staff have been assiduously addressing, and have agreed to participate in a two-day Retreat to ensure that both a Business Plan and a new Strategic Plan will guide our endeavours going forward.

But as in everything else we do there is need for both collaboration and cooperation within the Movement if we are not only to effectively counter the moves of our competitors, but stride ahead of the pack! There is need to recognise the difference between the friendly rivalry amongst Credit Unions as opposed to the brutal competition in the wider financial sector.

Market research as a guide to product development is a critical tool that we must seek out cooperation from our fellow co-operators. Finally, we must demonstrate in our finest innovative and entrepreneurial spirit a willingness to broach the question of consolidation/mergers if we are to mount and sustain a framework of endurance thereby guaranteeing our members survival and a place for generations yet unborn.

So where are we today?

We should by now be in possession of both a 2019 Business Plan and a Strategic Plan 2019 to 2021. The critical challenges facing us require endeavours on three fronts:

1. Internal Housekeeping
2. Movement Initiatives
3. State Engagement

Internal Housekeeping

Evolve or perish! That is the stark choice, and we have to redesign ourselves to ensure that our organisation is properly structured for the tasks at hand. Moreover, we have to move swiftly to ensure that we have in our employ the requisite human resources that makes us fit for purpose! There are some hard and tough decisions that the Board has to make in this regard. We are required to decide whether the employment model that we have currently utilized is the best option or whether we go the way of Teachers Credit Union where retired teachers/members provide the top managerial services.

What is abundantly clear is that we cannot sustain employee costs at fifty plus percent of our revenue! The management restructuring exercise,

currently underway, is of paramount importance. The bottom line is that there are no sacred cows; we have to be efficient and effective.

Movement Initiatives

The luxury of disunity has to be consigned to the dustbin of history. We just cannot go on this way. Egos have to be cut down to size like the credit unions themselves; the movement has to be fit for purpose and the purpose is our collective survival. This requires a return to basic cooperative principles. In this regard I am proposing a retreat involving collaboration amongst the following as a first order of priority:

1. The Credit Union League
2. The Association of Credit Union Presidents
3. The Central Finance Facility
4. The Credit Union Deposit Insurance Fund

The time has come to talk to each other, honestly and openly, about the state of the credit union alternative. We have to forge a path forward or one will be prepared for us. There are two

other initiatives that PSCU has been pioneering, because where we dare to go others limp along behind, and these two are:

- a. Tobago Reloaded
- b. Credit Union Hall of Fame

Tobago Reloaded

We have sought the sponsorship by ACCUPTT of a Tobago Revitalization Committee whose task is foster the rekindling of the Tobago economy by the targeting of specific initiatives/projects in our sister isle to ensure that we never see a repeat of what transpired when the sea bridge collapsed.

Credit Union Hall of Fame

We have been promoting this concept as a biennial project. Its goal is twofold. First, there is a clear need to recognize those who have laboured in the vineyard. But, even more importantly, if we are to win the hearts and minds of the next generation, then the time has come to understand the dialectical link between the damaged psyche of our urban youth and the need to inspire them with the provision of positive role models. And I make bold to say that our credit union and cooperative history is

filled with such heroes and heroines. We have to salute them as we accord them their rightful place in our history!

State Engagement

As a credit union that came out of the bosom of a trade union we cannot turn a blind eye to what is facing the trade union movement in this country. We therefore have to demand of the State a clear egalitarian policy on credit unions and cooperatives generally. We have to claim our rightful place at table. We are nobody's poor relation.

When they come seeking your vote at election time you must ask them what is their policy on credit unions and if constitutional reform means the recognition of the cooperative sector in the Senate! We have to seize the time and the initiative and tell them what time it is. If stick break in their proverbial ears then welcome to ENT: we could fix that!

And we will fix that!

I have no doubt that we can successfully navigate our future beyond the boundaries which have been placed to limit us.

General Manager's Message



Ms. Susan Nurse, General Manager of PSCU

A new year brings with it new opportunities to capitalise on the lessons of the past so as to foster greater growth and development for years to come. PSCU Credit Union Cooperative Society Limited has observed throughout the years how difficult it has been for members to set aside time from their busy schedules to visit a branch to conduct business, even if it involved a simple request as a withdrawal from an account.

The times have progressed, and no longer is it necessary to visit an organisation each time you require a transaction to be completed. The demand for convenience and immediate service is high. With this in mind, the Credit Union has introduced technological structures to improve membership experience.

PSCU's newly upgraded website serves as a virtual space in which members can easily access information on product and service offerings, as well as provide a platform to engage with the Credit Union. Members can easily provide feedback and ask any PSCU related questions via the website.

Additionally, we continue to encourage members to sign up for Online Banking and our Mobile App which is set to launch on Sunday 14th April, 2019. PSCU's Mobile App, a safe and secure interface, would be accessible to users with android systems, and would allow instant access to your credit union account while on the go.

With the app a member would be able to engage in a number of activities which include:

- Make loan payments
- View his/her current account balances
- Transfer funds
- Request letters e.g. statement
- Request a cheque

As a financial institution, PSCU Credit Union continues to steer ahead as we aim to enrich members' interaction at the credit union.

What does IFRS 9 mean for PSCU Credit Union?

The answer to this hot-topic question is – “that’s a great question!”

IFRS9 is an International Financial Reporting Standard (IFRS) that was created in response to the global financial crisis in 2008/2009.

IFRS 9 took effect on January 1, 2018.

The table below identifies the key differences between the previously applicable standard (IAS 39) and IFRS 9:

IAS 39 Classification	IFRS 9 Classification
Rule-based	Principle-based
Complex and difficult to apply	Classification based on business model and nature of cash flows
Multiple impairment models	One impairment model
Own credit gains and losses recognised in profit or loss for fair value option (FVO) liabilities	Own credit gains and losses presented in other comprehensive income (OCI) for FVO liabilities
Complicated reclassification rules	Business model-driven classification

IFRS 9 impacts both the classification and measurement of PSCU’s investment portfolio and its loan portfolio. Given that PSCU’s loan portfolio is in excess of \$250 million and the investment portfolio is less than \$50 million – the highest impact on PSCU’s net income/surplus (and dividend!) will be through the likely increase in PSCU’s loan loss provision.

PSCU Credit Union has adopted the expected credit loss impairment model with respect to impairment of its loan portfolio, moving away from the incurred loss model. The new provisioning model incorporates a significant amount of management estimates and requires significantly more data. It requires PSCU Credit Union to better understand its lending patterns and trends. Essentially this means that PSCU Credit Union cannot ‘wait’ for loans to become delinquent (more than 90 days without receiving any payment) to be recognized as part of the loan loss provision. Loan loss provisioning starts from day one!

The provision for doubtful debts is the estimated amount of bad debt that will arise from loans that have been issued but not yet collected. Under IFRS 9, the provision is recognized as soon as loans are issued to members, rather than waiting several months to find out exactly which loans turn out to be uncollectible. Thus, the net impact of the provision for doubtful debts is to accelerate the recognition of bad debts into earlier reporting periods.

What does this mean for members?

1. Higher loan loss provision, and higher loan loss expense moving forward – which translates into lower net surplus, and lower dividends
2. Amendments to loan policy – to ensure we capture all relevant information for IFRS 9 compliance purposes. This may result in members having to run additional credit reports or provide other additional information that they were not required to previously. We ask members to facilitate this process to ensure that PSCU adequately provides and prices each loan based on its own unique credit characteristics

IFRS 9 is an accounting standard – it is not unique to credit unions or to Trinidad & Tobago. The intention is ultimately to ensure the transparency and sustainability of institutions, of which the credit union movement is a vital part. PSCU Credit Union will emerge through this phase as a stronger and more resilient credit union – we ask our loyal members to remain patient during the process!

COMPLIANCE and the LAW

AML

Anti –Money laundering (AML) refers to the laws or regulations that require supervised entities to prevent, detect and report money laundering activities in order to stop the practice of generating income through illegal means.

Legislation

- Proceeds of Crime Act (POCA)
- Anti-Terrorism Act
- Financial Obligations Regulation (FOR)
- Financial Obligations (Financing of Terrorism) Regulation
- Financial Intelligence Unit Act
- Financial Intelligence Unit Regulation

Obligations

As an entity supervised by the Financial Intelligence Unit (FIU), PSCU is required to perform due diligence on all of its members. Member Due Diligence (MDD) refers to the concept of member identification and verification.

- Identification and verification on the basis of documents, data and information from reliable and independent sources
- Identifying beneficial owner (the person who owns/controls the account) and verifying their identity so that you know who is the intended beneficiary
- Obtaining information on the purpose and intended nature of the business relationship

Member Identification and verification

- Passport from country of birth or citizenship
- National identification card
- Drivers permit
- Rental- Lease agreement or letter from Land-Lord
- Bank Statement (not more than 3 months old)
- Utility Bill (not more than 3 months old)
- Verification letter (if bill is not in member’s name) and copy of ID for person named on the bill
- Employer
- Occupation
- Income
- Source of Funds
- Source of Wealth
- Nature and place of business (if applicable)

Compliance

This may seem like a great deal of personal information that the credit union is asking you to provide and therefore you may feel that it is an invasion of your privacy. However, we would like to assure you that this is not the case as it is required by law and therefore it is necessary for the credit union to do what the law requires. Money laundering, terrorist financing and other criminal activities pose a direct threat to economic stability. Money that is needed by the government to carry out its programmes goes into the hands of criminals resulting in less financial resources being available to provide goods, services and other amenities to citizens. We appeal to our members to co-operate with us as we seek to comply with the law and do our part in the fight against money laundering and terrorist financing.

Children's Christmas Party

PSCU Credit Union transformed the St. John's Ambulance compound into a fantasyland on Saturday 8th December, 2018 when it held its annual Children Christmas Party. Approximately three hundred children, up to age twelve, turned out with their families to participate in a fun-filled day of games and entertainment.

PSCU management and staff were on site to not only assist, but to ensure the day's activities ran without a hitch.

The children had an all-day pass to games and activities ranging from rock wall, ring toss to go-cart rides and virtual interactive video games. They were also treated to eats and drinks, and each child was given a gift as part of the celebrations.

Our Annual Children's Party serves as an opportunity for the credit union to give back to its members and members' children. It is our hope that these celebrations would provide children with an unforgettable experience around the holiday season.





Mastering Presentations

PSCU Credit Union continues its efforts to drive membership development through the provision of free expert programs for its members. The year has only just started and the credit union has already hosted a number of member development activities including a two-day seminar on **Mastering Presentations and Public Speaking**.

At the Mastering Presentations and Public Speaking seminar members were taught many practical techniques which can be implemented when creating and conducting presentations, be it at work, school or personal use. The session proved to be very interactive, with seminar coordinator Karel Mc Intosh, Director of Training and Marketing at Livewired Group, taking the members through a series of exercises to alleviate their fears of public speaking while maintaining their confidence during presentations.

One of the participants of the session, Krissy-Ann Lander said 'I knew I needed this two day course, and I did not hesitate to sign up when I first saw it three (3) days into this new year without even knowing I had a presentation to prepare for at work. I know going forward with future work and school presentations, I am well prepared and equipped to nail them.'



S.E.A Math Bootcamp

PSCU held its first S.E.A Math Bootcamp over the course of four Saturdays during the month of February. At the four-part S.E.A Math Bootcamp more than a dozen children were provided with additional examination prep for this year's S.E.A Examinations. The sessions were led by Educator Dexter Morgan who took the students through rigorous review lessons involving the

use of previous S.E.A Mathematics past papers.

Additionally, Mr. Morgan was able to identify any weak areas of the topic the children were grappling with. As such he provided additional assistance on how to tackle those areas.

The S.E.A Math Boot Camp received overwhelming response from the

membership. We continue to encourage our members to always participate in programs that are relevant to their development.

The Education Committee, as the designated committee for member enhancement activities, strives to provide the membership with seminars that would foster personal growth and development.



Education Committee 2019 Schedule of Events

Calendar

• Strategic Marketing Seminar, Board and Committees	May 2019
• Public Speaking Training	May 2019
• Youth Leadership Development Programme	May 2019
• Lunch Time Financial Literacy Workshops	May 2019
• Health, Wellness and Nutrition Seminar	June 2019
• Creative Writing Camp	July 2019
• Members Market	July 2019
• Lunch Time Financial literacy workshops	July 2019

Silver Club 2019 Schedule of Events

• Silver Club AGM*	18 th May, 2019
• Mothers and Fathers Celebration*	15 th June, 2019
• Games Afternoon: San Fernando Hill	31 st July, 2019
• Trip to Rancho Quemado	17 th August, 2019
• Trip to Granville Beach	14 th September, 2019
• Lecture*	October, 2019
• Bingo*	November, 2019
• Christmas Function*	7 th December, 2019

*Venue to be announced.

Congratulations

to Our First Quarter F.I.P Winners



Teshuah Donatien, Customer Service Representative



Natanya Logan, Health Plan Assistant

CUNA Caribbean Insurance's "F.I.P 2019 Jump Start" Competition awarded staff who sold the most Family Indemnity Plans per business quarter.

PSCU CREDIT UNION
COURTEOUS. QUALITY. YOU.
"Do as you can, help as you truly."

OPEN A SHARES ACCOUNT WITH PSCU AND BECOME A PART OF OUR FAMILY!

As a shareholder, you're entitled to many perks and benefits:

- Dividends paid on shares savings annually.
- Shares are covered by insurance for a maximum benefit of \$25,000.00 (TT)
- Access to apply for PSCU loans

www.pscutt.com

Join PSCU

Adult Requirements

- Two (2) forms of i.d
- Utility bill or bank statement in your name (no older than 3 months)
- 1 passport size photo
- \$110.00 Fee

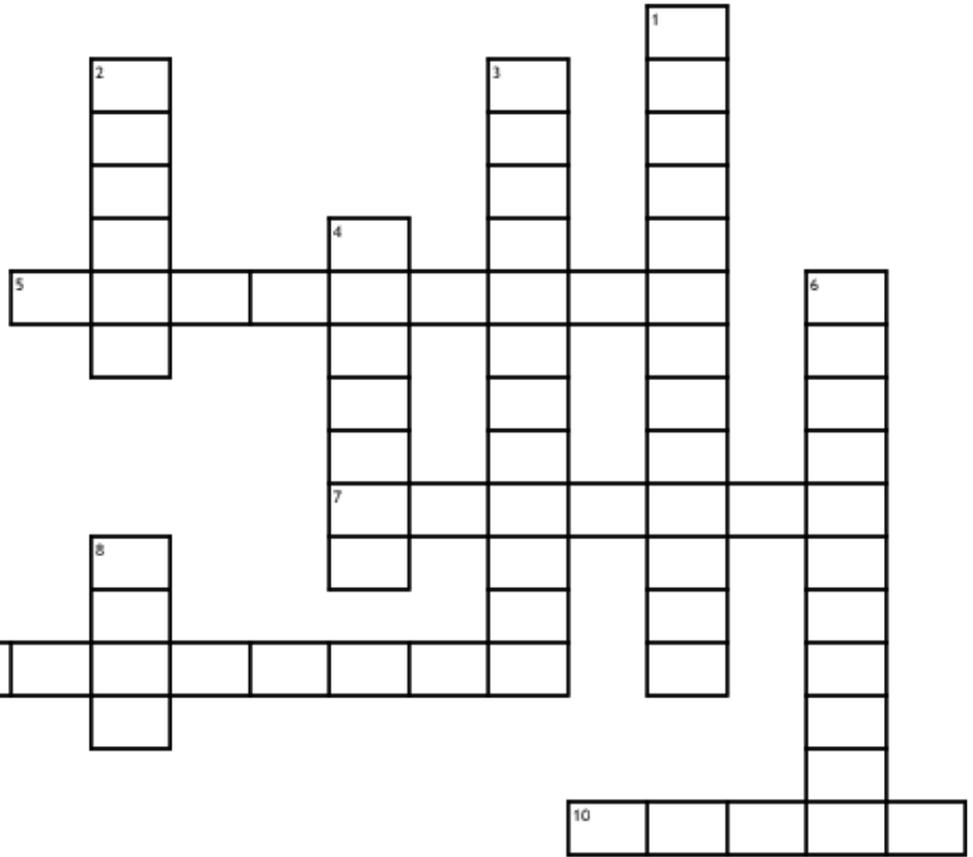
Child Requirements

- Child's birth certificate
- 1 passport size photo
- \$25.00 Share Purchase



ACROSS:

- 5. amount of a paycheck that a person can actually spend; essentially gross income minus any payroll deduction
- 7. money set aside for short or long-term goals
- 9. Buying items without need, on a whim
- 10. fees placed on income, property, or goods to support government programs

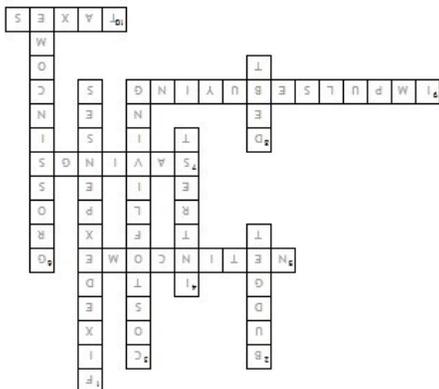


DOWN:

- 1. expenses that are a exact amount every time
- 2. A plan for spending and saving money based on a person's goals during a given time period
- 3. the average cost of a variety of expenses for living, such as rent or home costs, transportation costs, insurance, food and utilities
- 4. payment for the use of money
- 6. the amount of money you earn before deductions
- 8. the entire amount of money a person owes to lenders

D E G A G T R O M Z O J U K E A T K R W Z A Z W
 H C B P Y P T K J L V T J T I C I F E D C I V B
 G M J O B S F V J Y O T H H T B E R D O K G T N
 F Q D C B L A S Q E N T I W W X Q M X E B Z W E
 R N H G O T H V R B G J Q M P X O B X Q A I P H
 S S V A R I X E E T H N J G E B U N P P N N V L
 I H N K W B C A I G V I O U R P E R O Q K I P I
 R A F F I E P X G P V Q R P X Z A Z Q T R Z Y P
 O R E X I D N Y T I R U C E S S O Y B C U L F B
 T E K V K H C V S H T J P G P A F E M O P T W X
 A S E L E J S L K G N K O K U U D A H E T M Z N
 D R C N P V M R O D R R S D T P R M F C N T X G
 U A A R T F A R D R E V O J U K K C X E L T T P
 Q U T X E J K R I L V Q U A P Y H K H L G J E I
 I M D B C D S O L N E M V R A W G V T A R Z G N
 L J E D S A I I A S S T E I Z O V U P Y S T D S
 F O A K P P O T D V W O X K R R L U O H T E U B
 I S R E G D E L O G P C L H A Q W M H H N Y B R
 J E S T I M A T E R G V M V G G E O S L U R T P
 K N U X H U Y J R A K G Y T E A I P N U S G M Z
 N R S Y I H G D H P U A J C T N Y Z W U U Q C A
 J S Q N S S W X X G X V C H V T J A E I B Y R
 D B K T I D E R C P Z N V L I S O S P K J P F W
 A T B R P W O F Z Y M U R V B A L A N C E Q L T

Answers



- | | | | |
|----------|--------------|-------------|-----------|
| deficit | insolvent | timepayment | security |
| receiver | liquidator | creditor | overdraft |
| pawnshop | hirepurchase | mortgage | debit |
| shares | ledger | bankrupt | loan |
| debt | credit | balance | estimate |
| save | budget | | |

Courtesy: Wordmint

PSCU's Mobile app

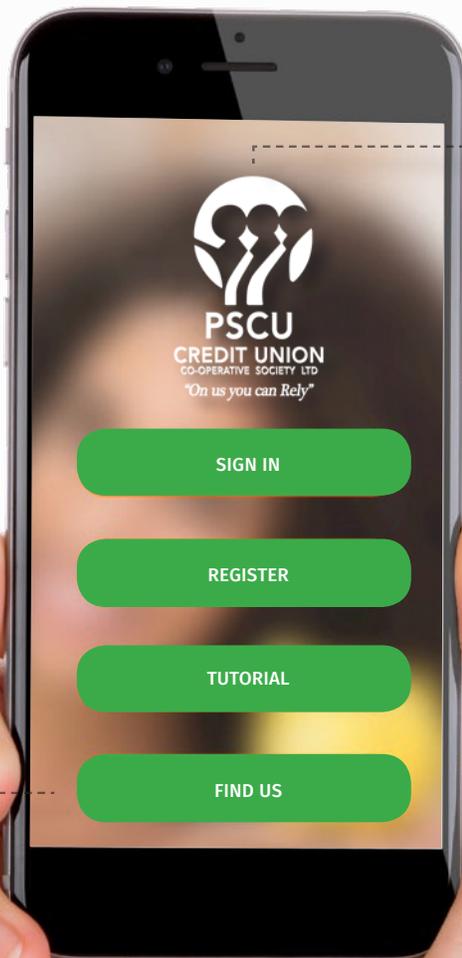
Enjoy Mobile Access... User-friendly, Easy and Convenient

Members can now enjoy the same service of Online Banking on their mobile phones. You can access your accounts and conduct transactions from anywhere in the world.

Get ACCESS today

The app allows you to:

- Check your account balance
- Transfer funds
- Pay loan instalment
- Request a letter



How do I login to the app?

- Download app
- Open app
- Register



Visit PSCU's Redesigned Website

www.pscutt.com



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