



# CARPATHIA'S QUARTERLY INSIGHT

## SPRING BECHA 2013

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- 2013-14 Board of Directors
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- Intelligent Investor
- Mystery Shopping Scams
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- Surplus Share Program

- **74th**  
Annual General Meeting
- **2013-14**  
Board of Directors
- **SCHOLARSHIPS**

See inside for more details

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[www.carpathiacu.mb.ca/  
 community-calendar.htm](http://www.carpathiacu.mb.ca/community-calendar.htm)  
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## 2013-2014 BOARD OF DIRECTORS

Dr. Taras Babick, PRESIDENT  
Roman Zubach, VICE-PRESIDENT  
Noella Pylypowich, SECRETARY  
Don Cilinsky, DIRECTOR  
Bohdan Halkewycz, DIRECTOR  
Demyan Hyworon, DIRECTOR  
Walter Kulyk, DIRECTOR  
Peter Washchyshyn, DIRECTOR  
Donna Korban, DIRECTOR

## STANDING COMMITTEES Chairpersons:

Demyan Hyworon, AUDIT & FINANCE  
Noella Pylypowich, CORPORATE GOVERNANCE  
Roman Zubach, HR & COMPENSATION  
Don Cilinsky, NOMINATING  
Peter Washchyshyn, PROPERTY & ENVIRONMENTAL  
Walter Kulyk, PR & PROMOTIONAL

## CORPORATE OFFICE

**3rd floor – 952 Main Street**  
Winnipeg, MB R2W 3P4  
PH: 204.989.7400 FAX: 204.589.2529  
HOURS: Mon - Fri 8:30am - 5:00pm

## NEW HOURS FOR ALL BRANCHES

Effective April 1, 2013  
Mon - Thu 9:30am - 5:00pm  
Fri 9:30am - 6:00pm  
Sat 9:30am - 3:00pm

## BRANCHES

**950 Main Street**  
Winnipeg, MB R2W 3P4  
PH: 204.989.7400 FAX: 204.989.7404

**80-2200 McPhillips Street**  
Winnipeg, MB R2V 3P4  
PH: 204.989.7400 FAX: 204.697.1664

**1341-A Henderson Highway**  
Winnipeg, MB R2G 1M5  
PH: 204.989.7400 FAX: 204.338.8893

**1375 Grant Avenue**  
Winnipeg, MB R3M 1Z8  
PH: 204.989.7400 FAX: 204.989.9293

**Teleservice:** 989-7711

**Email:** [info@carpathiacu.mb.ca](mailto:info@carpathiacu.mb.ca)

**[www.carpathiacu.mb.ca](http://www.carpathiacu.mb.ca)**

# Carpathia Credit Union 2013-14 BOARD OF DIRECTORS



(L to R): Donna Korban, Noella Pylypowich, Don Cilinsky, Walter Kulyk, Peter Washchyshyn, Roman Zubach, Bohdan Halkewycz, Demyan Hyworon, Dr. Taras Babick

## Carpathia Credit Union CARD FRAUD



With the introduction of chip-enabled Member cards, credit unions took a big step toward reducing the risk of card fraud. By relying on a secure chip for transactions, as opposed to the more vulnerable magnetic stripe, chip cards reduced the incidence of card skimming. However, criminals are always ready to change and adapt to any

preventative measure. In recent months, tampered chip point-of-sale (POS) devices have begun to surface. The picture to the left provides an example of a tampered chip POS device. The 'clean' POS device on the right shows how far the card needs to be inserted to engage the chip. On the left, the card needs to be inserted much farther because the grey outer shell contains a mag stripe reader that skims the card information. Both devices will process the chip transaction, so members have no clue that something is amiss, unless you know what to look for. The best advice is to remain vigilant. If you insert your card in a POS device and it doesn't seem quite right, ask to use a different device (if the business has more than one) or consider canceling the transaction altogether.

# Carpathia Credit Union 74TH ANNUAL GENERAL MEETING

Carpathia Credit Union Limited's Annual General Meeting was held On January 20, 2013.

With almost 150 registered members and guests in attendance, Carpathia Credit Union was delighted to report for the fiscal year ending September 30, 2012.

- Credit union's assets increased by 12% ending at \$358 million dollars.
- Loan growth reached \$39 million or 15%.
- Commercial loan growth grew by 21%.
- In 2012 Carpathia welcomed 374 new members and 414 associates.

- The Credit Union's operating income decreased by 7% over the previous year
- The Board of Directors declared a \$322,000 patronage reward comprised of a cash dividend of \$38,000 along with \$284,000 in new surplus shares. With this year's rate of surplus share redemption total cash payments to qualified members equaled \$470,000.
- The opening of Carpathia Credit Union's Fourth branch.
- Financial support to the community exceeding \$60,000.
- One of Manitoba's fastest growing companies.

- By-Law Amendments Passed: Board of Directors can make business decisions regarding opening of new branches without a vote at a members meeting.

Allowing for greater flexibility in the use of technology and telecommunication for holding credit union votes.

Allow the Board to limit access to member and other credit union information where it would not be in credit union's interests for that information to be disclosed to a member as part of an access to information request.



ЩОРІЧНІ ЗАГАЛЬНІ ЗБОРИ ОЩАДНО КРЕДИТОВОЇ СПІЛКИ КАРПАТІЯ ВІДБУЛИСЯ 20-ГО СІЧНЯ 2013 РОКУ. ЗБОРИ ВІДВІДАЛИ МАЙЖЕ 150 ЧЛЕНІВ ТА ГОСТЕЙ. КРЕДИТОВА СПІЛКА КАРПАТІЯ З ГОРДІСТЮ ТА ЗАХОПЛЕННЯМ ЗВІТУВАЛА ПЕРЕД ЧЛЕНАМИ ЗА 2012-ИЙ ФІНАНСОВИЙ РІК.

- Активи Карпатії зросли на 12% і склали \$358 мільйонів долларів.
- Особисті позички зросли на 15% і склали \$39 мільйонів.
- Комерційні позички зросли на 21%.
- Протягом 2012 року Карпатія привітала 374 нових членів та 414 партнерів.
- Наш операційний дохід знизився на 7% у порівнянні з минулим роком.

- Рада Директорів оголосила виплату патронажного бонусу у сумі \$322,000, з яких \$38,000 становили дивіденди на існуючі уділи та \$284,000 нових уділів. З цього річним тарифом виплати дивідендів загальна сума виплати готівки для кваліфікованих членів становила \$470,000.
- Було оголошено про відкриття четвертої Філії Ощадно Кредитової Співки Карпатія
- Фінансова допомога громаді перевищила \$60,000.
- Одна з найбільш швидко зростаючих компаній в провінції Манітоба.
- Було прийнято поправки до Статуту:

Рада директорів має право приймати бізнес-рішення що стосуються відкриття нових філій без голосування на зборах членів.

Дозволяє більше гнучкості у використанні технологій і телекомунікацій, які можуть бути об'єднані з існуючою процедурою голосування поштою.

Дозволяє Раді Директорів обмежувати доступ членів до інформації про кредитну співку та її членів, якщо розголошення такої інформації в рамках запиту про доступ до інформації, не є в інтересах кредитної співки.

# Carpathia Credit Union NEW BRANCH GRAND OPENING



Walter Dlugosh,  
Carpathia Credit Union's CEO

"This new branch is a credit to the loyalty of our membership. It's a collection of people coming together to create something great."

President of the Board of Directors,  
Dr. Taras Babick



Dr. Taras Babick,  
President of the Board of Directors



(L to R): Tenille Black-Greaves, Member Services Representative Supervisor, Walter Dlugosh, CEO, Dr. Taras Babick, President of the Board of Directors, Peter Washchyshyn, Director, Shelly Maslechko, Branch Manager



Paula Havixbeck, BA, MBA  
City Councillor for Charleswood-Tuxedo-Whyte Ridge City of Winnipeg



(L to R): Dr. Taras Babick, President of the Board of Directors, George Cibinel, Architect, Walter Dlugosh, CEO, Peter Washchyshyn, Director



(L to R): Garth Manness, CEO of Credit Union Central of Manitoba, Dr. Taras Babick, President of the Board of Directors, Walter Dlugosh CEO

One of Manitoba's remaining closed bond Credit Unions and Western Canada's largest Ukrainian Financial Institution officially opened its newest location in Winnipeg on February 3rd, 2013. Greetings were presented by, Mr. Garth Manness CEO of CUCM, Carpathia Credit Union President Dr. Taras Babick, Ms. Sophia Kachor representing the Council Of Ukrainian Credit Unions of Canada, Mr. Taras Pidzamecky CEO of Ukrainian Credit Union of Ontario and Ms. Paula Havixbeck, Winnipeg City Councillor for Charleswood-Tuxedo.

The location of the credit union's newest branch is prominently situated on the north east corner of Grant Avenue and Waverley Street within the River Heights area. "It is a different area of the city than we have traditionally serviced, but our membership has been asking for representation in the southern part of the city" Walter Dlugosh, Chief Executive Officer of Carpathia Credit Union stated.

"Not only will Carpathia Credit Union be meeting the needs of its members, who have relocated

to the southern area of the city but it will provide an option to those households that have yet to experience the credit union difference" Dlugosh added. Grand opening specials to all current and new members and associates were being offered for an extended period.

The newest branch located in the River Heights area was constructed on a former gas bar/convenience store site. Members and associates can expect to see a new modern branch with a fresh look that appeals to its surroundings along with a commitment to personal service.

# Carpathia Credit Union SCHOLARSHIPS



Carpathia Credit Union's Annual Scholarship is designed to reward all-around excellence. This scholarship is awarded on the basis of high academic standing and noteworthy participation in extracurricular activities in school and in the Ukrainian community.

Eligibility requirements include:

- member of Carpathia Credit Union since at least September 1, 2012
- currently attending high school and graduating by June 2013
- attending an approved post-secondary institution in the fall of 2013

All qualifying applicants will be considered for the scholarship. A selection committee will adjudicate the applications and select the scholarship recipient.

The scholarship will be awarded to the recipient upon proof of registration at an approved post secondary institution.

Scholarship application forms are available at all four Carpathia branches or on our website:  
[www.carpathiacu.mb.ca](http://www.carpathiacu.mb.ca)

The deadline for application submissions is April 27, 2013.

For further information please contact us at 989-7400 or email us at:  
[info@carpathiacu.mb.ca](mailto:info@carpathiacu.mb.ca)

Ощадно-Кредитова Спілка Карпатія має стипендію для молодих членів програми "Ростемо". Цією стипендією нагороджують на підставі високих академічних занять як у школі, участі у позашкільних заняттях як у школі, так і в українській громаді.

- Членство в програмі Карпатії "Ростемо" Від 1го вересня, 2012.
- Учень/учениця середньої школи, що закінчує навчання у червні 2013 року.
- Посвідка впису в університет або інший вищий навчальний заклад восени 2013 року. Стипендію буде присуджено у червні 2013 року. Селекційна комісія розгляне всі аплікації та вибере стипендиста/стипендистку.

Стипендійні анкети можна дістати в усіх трьох філіях "Карпатії". Останній термін подання аплікацій - 27 травня 2013 року. За додатковою інформацією просимо звертатися до Кредитової спілки Карпатії за телефоном (204) 989-7400 або за електронною поштою [INFO@CARPATHIACU.MB.CA](mailto:INFO@CARPATHIACU.MB.CA)

## Winner!



Darcey Lemay Membercard \$500 Debit Card Sweepstakes winner! Presented by Henderson Branch Manager Lesia Gojan

## Is your address changing?



At Carpathia Credit Union, we take looking after your personal financial affairs and protecting your personal information very seriously.

That is why the Credit Union will not accept instructions regarding a change of address over the telephone.

It is important that we can truly identify members and associates when address changes are made.

# INVESTMENT PLANNING COUNSEL - INTELLIGENT INVESTOR



## Portfolio Philosophy versus Track Record:

Do you ever have days where you feel like Detective Roger Murtaugh from the Lethal Weapon movies? One of his most famous lines from the movie was, "I am getting too old for this (stuff)." Murtaugh used a more expressive word here.

During the time I've spent in the financial industry, I've learned a lot. One significant misconception I found among my clients is the thinking that the future could be predicted by looking at the past.

*Mark Galarnyk, CFP*  
*IPC Investment Corporation*

The human brain is hard coded to form patterns in events in order to predict the future. This serves us well in survival. If you see a man walk by a bush where a lion is hiding and he is attacked, you will likely not want to walk by bushes any more. We use the same logic when looking at investments.

Some people spend countless hours looking at past performance, fund combinations, etc., to try to find the best mix of mutual funds and then claim, "if you had done this over the last three years, you would have been up 15 per cent!" The person sees this pattern as a predictor of future success (i.e. the 15 per cent) and abandons their strategy. We all know what happens next. Unforeseen events occur and throw a monkey wrench into the short-term performance of your portfolio. This causes us to look for more patterns, and the cycle starts again.

So why do I feel like Murtaugh? I have the privileged position to be able to observe the flow of assets across our industry. We know that we shouldn't be guided by it, but track record is a siren whose song is just too sweet to ignore. What I see right now is many

(luckily, not all) clients abandoning their Advisor's well-thought-out, well-researched portfolio management philosophies in exchange for short-term performing asset classes. If asked, they will tell you that it is different this time. But it isn't different—it never is.

The philosopher, Friedrich Nietzsche, once said: "Along the journey we commonly forget its goal. Almost every vocation is chosen and entered upon as a means to a purpose but is ultimately continued as a final purpose in itself. Forgetting our objectives is the most frequent stupidity in which we indulge ourselves."<sup>1</sup>

We often become frustrated by the lack of short term performance, unforeseen events, criticism, and finger pointing, which leads to us to discard our philosophies (the objective). It is often when you are most frustrated and decide to throw in the towel that your philosophies start to pay off.

*"We often become frustrated by the lack of short-term performance, unforeseen events, criticism, and finger pointing."*

We have a hardwired instinct that makes us want to run in fear at the first sign of trouble. Don't overlook the rationale on which we have created a well-diversified portfolio to meet your longterm objectives. You have to remain strong and stay the course and remember that investing is a marathon, not a sprint. Also remember that even if the press likes to think it is different this time, it is not.

Consumers still buy products, companies still strive to increase shareholder value, and the world will always revert to the mean—we just don't know when.

*"Remember that even if the press likes to think it is different this time, it is not."*

There may be days when we all feel like Murtaugh, but you should be given a medal for staying invested in these volatile, uncertain times. I want to thank you for sticking to your financial plan and for using common sense and logic as your guide along the path of living your dreams.

This report prepared by:  
Investment Planning Counsel  
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www.markgalarnyk.ca

1. Friedrich Nietzsche (1844-1900), German philosopher, classical scholar, critic of culture. Friedrich Nietzsche, Sämtliche Werke: Kritische Studienausgabe, vol. 2, p. 642, eds. Giorgio Colli and Mazzino Montinari, Berlin, de Gruyter (1980). The Wanderer and His Shadow, aphorism 206, "Forgetting Our Objectives," (1880).

Unique values.  
True strength.



CARPATHIA  
CREDIT UNION  
КАРПАТІЯ

# 2.90%\*

5 Year Term Deposit,  
RRSP or TFSA \*For a limited time

## Four Winnipeg Locations:

- 950 Main Street
  - 80-2200 McPhillips Street
  - 1341-A Henderson Highway
- New! Now Open:**
- 1375 Grant at Waverley

## Carpathia Credit Union

# MYSTERY SHOPPER SCAMS - WARNING

Every year, hundreds of unsuspecting Canadians become victims of mystery shopper scams.

The scam works when people receive a legitimate-looking cheque from a legitimate company and are asked to conduct mystery shopping excursions to specific stores to purchase specific items. Once done, they are asked to rate a money transfer company by wiring the difference, usually in the thousands of dollars, back to the fraudsters.

The mystery shoppers get to keep a few hundred dollars and whatever they have purchased.

By the time the cheque is discovered to be fraudulent, which it will be, the criminals have their wired money and the victim is left holding the bag for the entire amount.

Does it sound like a scam? Yes.  
Does it sound too good to be true? Yes.  
Do people fall for it anyway? Yes.  
Any proposition that includes the wiring of any amount of money to

someone you've never met is almost certainly a scam. If you receive such a proposition, steer clear of it and report it to the Canadian Anti-Fraud Centre.

If you still think it's legitimate, thoroughly investigate the company whose name is on the cheque, starting by Googling the company and phoning it (not the mystery shopping contact) to ask about the proposition. Your due diligence will save you money and heartache.

## Carpathia Credit Union

# RETIREMENT PLANNING

Proper retirement planning remains elusive for many Canadians.

Several recent surveys have found that while saving for retirement is a high priority for most Canadians, many are not doing a good job of actually planning for their golden years. Three separate surveys released in January reached similar conclusions:

Canadians need a plan for retirement saving, they need that plan sooner rather than later, and then they need to stick to that plan.

The first survey, by Angus Reid, found that although 65 per cent of Canadians are worried about their financial well being during retirement, 56 per cent admitted they may not have enough income to sustain a good quality of life.

A second survey, by Leger Marketing, found that while 69 per cent of current retirees feel good about their finances, 28 per cent are afraid of running out of money at some point down the road.

Finally, an Environics Research Group poll of current retirees found that the top piece of advice retirees have for working Canadians is to save more money by creating a budget and sticking to it. A significant portion of retirees surveyed (44 per cent) also recommended contributing the maximum amount to your RRSP each year. If you're one of the many Canadians concerned about your retirement plans, why not speak to a Carpathia Credit Union representative today?

Based on Carpathia Credit Union's success during the 2012 fiscal year, the Board of Directors is pleased to announce a patronage refund of:

# 470,000

to Carpathia's Patronage Plan

which includes \$38,000 in dividends on your surplus shares at a rate of **6.6%**.

All individual, organizational, business members and associates with Surplus Share accounts will have received:

**75%** Redemption of Existing Surplus Shares (**Totaling \$432,000**)  
on all surplus share accounts as at the close of business on January 11, 2013

# PLUS

Carpathia Credit Union's Board of Directors announces that all individual, organizational, business members and associates receive patronage refunds on the utilization of our services during the fiscal year as follows:

- **Interest received on non-registered deposit accounts: 3.89%**

(This excludes RRSPs & RRFIs)

- **Interest paid on loans: 1.28%**

(This includes personal loans, mortgages, lines of credit and business loans)

Carpathia Credit Union's Board of Directors looks forward to affording members the opportunity to participate in the financial success of their credit union.



Publications mail agreement no. 40063217  
Return undeliverable Canadian addresses to  
**CARPATHIA CREDIT UNION**  
952 Main Street  
Winnipeg, MB R2W 3P4



## Christ is Risen Happy Easter

to all of our members from the  
Board of Directors, Management and Staff of  
Carpathia Credit Union Limited.

## ХРИСТОС ВОСКРЕС!

Найкращі вітання  
Сердечні побажання  
зі Світлим Празником  
Христового Воскресіння

### Easter Branch Hours

Carpathia Credit Union will be CLOSED to observe  
Good Friday on:

Friday, March 29th

We will be open as usual on Thursday, March 28th,  
2013 and Saturday March 30th, 2013

Closed Easter.

Кредитова Спілка Карпатія буде  
ЗАКРИТА в такі дні

У п'ятницю 29-го Березня

Ми будемо відкриті як завжди

У четвер, 28-го Березня

У суботу, 30-го Березня

### NEW HOURS FOR ALL BRANCHES

Effective April 1, 2013

Mon - Thu 9:30am - 5:00pm

Fri 9:30am - 6:00pm

Sat 9:30am - 3:00pm

### BRANCHES

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PH: 204.989.7400 FAX: 204.338.8893

#### 1375 Grant Avenue

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### DIAL ONE NUMBER TO REACH ALL BRANCHES OR CORPORATE OFFICE

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**CORPORATE OFFICE:** Mon - Fri 8:30 A.M. To 5:00 P.M. **3RD FLOOR - 952 MAIN STREET** Winnipeg, MB R2W 3P4 Fx. (204) 589-2529