

**OFFICIAL MINUTES
ELEVENTH ANNUAL MEETING
CATALYST CORPORATE FEDERAL CREDIT UNION
May 3, 2022**

CALL TO ORDER

The Eleventh Annual Meeting of the Members of Catalyst Corporate Federal Credit Union (Twenty-Fourth Annual Meeting under the corporate credit union's charter) was called to order by Chairman of the Board Lin Hodges, President and CEO of Associated Credit Union, Norcross, Georgia, on Tuesday, May 3, 2022, at 10:00 a.m. through a live web stream.

ASCERTAINMENT OF QUORUM

Chairman Hodges noted that a quorum of 15 registered members is required according to Catalyst's bylaws. He added that prior to the beginning of the meeting that required quorum was confirmed.

APPROVAL OF THE 2021 CATALYST CORPORATE FCU ANNUAL MEETING MINUTES

Chairman Hodges called on Michael Hooper, President and CEO of La Capitol FCU and Secretary of the Board, for the minutes.

Mr. Hooper referred to the Minutes of the 2021 Annual Meeting of the Members of Catalyst Corporate Federal Credit Union located in the program.

Duly moved and seconded, it was unanimously

VOTED: To dispense with the reading of the minutes and to accept the Minutes of the 2021 Annual Meeting, as presented.

CHAIRMAN'S REPORT

Chairman Hodges stated that the nation continues to unfold a new business environment and credit unions are finding new and creative ways to serve their members. He commented that Catalyst also rises to that challenge by creating innovative products and services, designed with member input, and backed by exceptional service. This has resulted in a successful 2022. Chairman Hodges then expressed appreciation to the volunteers on Catalyst Corporate's Board of Directors and four standing committees.

PRESIDENT'S REPORT

Chairman Hodges introduced Bruce Fox, President and CEO of Catalyst Corporate, for the president's report.

Mr. Fox stated that 2021 was a strong year and the corporate delivered on all 33 of its strategic initiatives, including strong financial results. Mr. Fox reviewed the corporate's 2021 activities:

- Financial Performance:

- Catalyst Corporate ended 2021 with a net income of \$69.3 million, a leverage ratio of 8.7 percent, and a retained earnings ratio of 4.6 percent as of December 31, 2021.
- Catalyst Corporate also ended the year with a solid operating efficiency ratio of 84.4 percent.
- An increase in credit union liquidity throughout 2021 resulted in significant growth in assets for Catalyst, with total assets under management of nearly \$54 billion. In addition to the \$4.3 billion balance sheet, year-end assets included another \$10 billion in the Fed's Excess Balance Account, \$28 billion in security safekeeping, and \$11 billion in advisory, brokerage and SimpliCD.
- Ten new capitalizing members joined Catalyst Corporate in 2021. He added that there were an additional thirteen credit unions to join in the first quarter of 2022.
- 2021 Accomplishments:
 - Catalyst Corporate's Annual Member Survey resulted in a Net Promoter Score of 87.9 percent.
 - Catalyst Corporate's commitment to innovation continues with the release of new products in 2021, such as PayMoli P2P, AFS deposit fraud detection, and the CECLution online platform. The new CECL accounting standard takes effect in 8 months and Catalyst's credit union specific solution is a powerful, affordable option.
- 2022 Efforts:
 - In January 2022, Catalyst Corporate pivoted its successful secondary capital program to accommodate the NCUA's new Subordinated Debt rule. This rule gives even more credit unions access to external capital to help them achieve their goals and Catalyst has the expertise to walk you through the process, from application to funding.
 - In 2022, Catalyst will also explore mortgage loan liquidity solutions and a capital planning and stress testing service.
 - In March 2022, Catalyst gave credit unions the opportunity to increase their earnings through a limited share certificate offering well above Treasury rates. The program sold around 150 certificates for a total of nearly \$70 million.
 - Catalyst is dedicating tremendous resources to ensuring we remain your partner for all payment services, from traditional item processing, ACH, cards, and wires to rapidly evolving faster payments, including P2P, RTP and FedNow.
 - Catalyst is working to keep item processing efficient and affordable for credit unions. Through the TranzCapture CUSO, we have an alliance with two large corporates that continues to drive economy of scale for credit union processing. Vizo Financial Corporate has now joined the TranzCapture CUSO, which will ultimately onboard 500 more credit unions to this alliance.
 - Catalyst's transition of card services to PSCU this year will provide expanded services, including credit cards. International wires will also undergo enhancements.
 - Catalyst is also at the forefront of the nation's faster payments initiative. Our team is working behind the scenes to create the infrastructure to fully participate in The Clearing House RTP[®] Network and the Federal Reserve's FedNowSM Service set to launch in 2023. Our goal is to be able to process your members' payments no matter how they are presented.

Mr. Fox then gave a reminder that Catalyst announced in October 2021 that all recurring monthly service fees for our credit unions, leagues, and CUSOs will be waived on the April 2022 billing invoices.

SUPERVISORY COMMITTEE'S REPORT

Mr. Fox introduced Jody Caraccioli, Chairman of the Supervisory Committee, for the committee's report.

Mr. Caraccioli expressed his appreciation to the other committee members for their service on the committee. He stated that the Supervisory Committee had reviewed the results of work performed by the internal audit department and examinations performed by the National Credit Union Administration (NCUA). The Supervisory Committee also met with the external auditors to discuss the 2021 external audit. Catalyst Corporate received an unqualified opinion on the audited 2021 financial statements. Based upon the results of the examinations and discussions with external auditors, the committee believed that Catalyst Corporate had complied with all applicable regulations and laws throughout 2021.

There were no items of **UNFINISHED BUSINESS**.

There were no items of **NEW BUSINESS**.

NOMINATING COMMITTEE'S REPORT

Chairman Hodges introduced Connie Cofer, Chairwoman of the Nominating Committee, for a report of the committee. Ms. Cofer expressed her appreciation to the other committee members, Rick Hein, and Michael Hooper. Ms. Cofer stated that, in accordance with election procedures, the membership was notified of the committee's nominations and advised of the petition procedure to add candidates to the ballot. There were no candidates by petition. Therefore, the four candidates presented by the Nominating Committee were elected. The nominees were:

For 3-year terms:

Steven Devan, East County Schools FCU

Syed Dinar, Texas Bay CU

Jon Hernandez, CalCom FCU

Lin Hodges, Associated CU

ADJOURNMENT

There being no further business, the meeting was adjourned at 10:15 a.m.