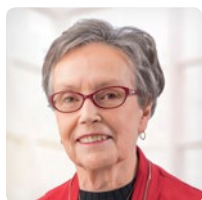




## MESSAGE FROM THE CHAIR OF THE BOARD OF DIRECTORS



Dear Members,

On behalf of our officers, I am pleased to present a review of the year 2016 for Caisse Desjardins de Bois-Franc-Bordeaux-Cartierville.

### AN INSTITUTION AT THE HEART OF ITS MEMBERS' LIVES

The year 2016 was a turning point in Desjardins history. One of the most important events was the election of Guy Cormier as President of Desjardins Group. The youngest president in our history quickly rallied employees and officers around his ambitious ideas. The first of those ideas involves reconnecting Desjardins with its purpose, which is to enhance people's lives and the communities in which they live by making active and significant contributions to the development of a sustainable economy.

For example, a new \$100-million development fund has been created to support projects in the regions where we are active, in entrepreneurship, in business development and in economic and social innovation. This fund will complement the caisses' Community Development Funds and Capital régional et coopératif Desjardins shares.

In addition, so we can be better attuned to the needs of young people (in 2016, 300 youths opened an account at our caisse), a Youth Advisory Board with a Desjardins-wide scope has been put in place, to be made up of Desjardins members, elected caisse officers and employees between ages 18 and 35. We even reserved a special place for young people during 2016 Cooperation Week focused on academic success. It was an occasion for several youths to testify to their academic successes before an audience who warmly applauded them.

### INSPIRING MOMENTUM

In 2016, our caisse recorded operating surplus earnings of \$2.6 million. These results are an indicator of the caisse's sound business management. Based on this performance, we will be staying the course by offering you services and solutions that continue to meet your expectations. I would like to thank our members for these excellent results. Your continued loyalty is the key to our success. Increased use of the caisse's products and services has a direct positive impact on its profitability.

**By joining forces, we are in a position to offer you a range of comprehensive and competitive financial products and services.**

In 2016, the caisse redistributed more than \$88,374 in our community to support projects that stimulate local social and economic health. Of this amount, \$67,473 is paid out of the Community Development Fund, a collective dividend that's voted by caisse members at our annual general meeting. This is an initiative that enables us to have a positive impact on people's lives and the communities in which they live.

### NEW LOCATION IN FAUBOURG BOIS-FRANC

Last Fall we relocated the Service Centre on Marcel-Laurin Blvd to the new Faubourg Bois-Franc in the heart of our territory. The new premises are more modern and enable us to bring a unique experience to our customers. Please note that an additional ATM is available. We also offer extended business hours including on Saturday.

## HIGHLIGHTS

Caisse Desjardins de Bois-Franc-Bordeaux-Cartierville

- 20,991 members
- 17 elected officers
- 50 employees
- \$1.33 billion in assets or business volume
- \$688,374 distributed in our community

### EXPRESSING OUR HEARTFELT THANKS

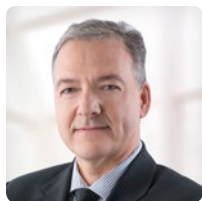
I want to extend my sincere appreciation to my fellow officers, to the managers and to the employees of the caisse for their unflagging commitment. Under the dynamic management of Pierre Poirier, they draw on their skills and great adaptability so that our cooperative can meet your needs effectively. Thanks also to our Desjardins subsidiary partners for supporting our mission to serve our members. By joining forces, we are in a position to offer you a range of comprehensive and competitive financial products and services.

Lastly, even greater thanks to our 20,991 members for placing their trust in us.

**Micheline D. Legault**  
President



**Desjardins**  
Caisse de Bois-Franc-Bordeaux-Cartierville



## MESSAGE FROM THE GENERAL MANAGER

Dear Members,

In 2016 your caisse continued its mission to meet all your financial needs by offering you access to a comprehensive range of products and services.

Offering members a first-rate business experience remains one of our primary objectives for this year. In addition to ensuring you are provided with excellent service, your caisse and Desjardins Group will continue to develop financial tools and exclusive new benefits for members. Every effort is being made to ensure that Desjardins is your financial institution par excellence.

Below are the financial results of Caisse Desjardins de Bois-Franc–Bordeaux–Cartierville and the share of net income from business at Desjardins Group subsidiaries as at December 31, 2016.

These results are directly related to your trust in us, and we are very grateful for that. Thanks to the loyalty of our members, we can all benefit from the power of cooperation and support our business development.

### BUSINESS UNDER MANAGEMENT

Backed by \$1.33 billion in business under management, up 1.4% over 2015, the caisse is well positioned in its market. Through its membership in Desjardins Group and participation in Desjardins Group subsidiaries, the caisse has access to a wide range of financial products and services to meet the ever-growing needs of its members.

### COMMENTS ON THE FINANCIAL REPORT<sup>1</sup>

Your financial cooperative's assets total \$712.4 million, up 2.2% over last year. Loans to individuals and businesses stand at \$621.7 million, an increase of 1.8%.

The caisse's liabilities total \$645.3 million, representing an increase of 1.6%. As at December 31, 2016, your cooperative's equity posted very strong growth, rising to \$67.1 million, a 8.1% increase. Equity comprised \$5.4 million in social capital, \$3.7 million in surplus earnings to be distributed, \$1.6 million in accumulated other comprehensive income and \$56.4 million in reserves. The reserve for future dividends represents \$132,000. Your caisse has also accumulated \$288,000 in the Community Development Fund.

The caisse's capital base is at a level that is in accordance with the standard respecting capital base adequacy established by the Federation.

	AS AT DEC. 2016 (%)	AS AT DEC. 2015 (%)	REQUIRED (%)
Tier 1A capital over its risk assets	12.84	13.40	≥ 11.0
Tier 1 capital over its expansion assets	5.00	5.74	≥ 3.5

## INVESTMENT FUNDS

The table below indicates the caisse's interest in each investment fund and the return on it at the end of the fiscal year.

PROVINCIAL FUND	SHARES HELD ON DECEMBER 31, 2016 (in dollars)	RETURN (as a %)
Caisse centrale Desjardins (CCD)	13,257,743	9.04
Société de Services des caisses Desjardins (SER)	(304)	—
Desjardins Capital de risque (INV)	177,762	16.93
Desjardins Holding financier (FINSA)	24,299,387	11.61

### STATEMENT OF INCOME

During the last fiscal year, your caisse generated \$2.6 million in operating surpluses, down 37.6% over the previous year.

Interest income totalled \$18.3 million, down 5.2% over last year. Interest expense decreased by 3%, to \$7.2 million. Credit losses totalled \$2,000.

Other income, generated largely from the distribution of Desjardins products and services, totalled \$3.7 million, down 2.3% compared to last year. Other charges showed a moderate increase overall, i.e., a 6.8% variance, and totalled \$12.2 million.

This year, we propose distributing a dividend of \$379,000 and contributing \$25,000 to the Community Development Fund in the form of a collective dividend, which enables us to contribute to the well-being of our community by supporting key projects.

The selected amounts were determined based on the importance of striking a balance between the distribution of surplus earnings, growth and capitalization. Like Desjardins Group in its entirety, your caisse must maintain strong capitalization. By ensuring the right balance between financial market rules and regulations and our members' needs, we can ensure the sustainable development of our caisse.

### MODERN TOOLS AND PRODUCTS

More and more of you are adopting Desjardins mobile applications. Available 24/7, these applications offer the possibility to pay bills, transfer funds or invest in exclusive financial products. Your financial autonomy goes hand in hand with the tools we place at your disposal, and we owe our longevity and relevance to our ability to create effective tools that meet your needs.

Accordingly, in the coming years we will be installing new ATMs to replace our current machines, which have become obsolete. The new models will offer the features needed to carry out your transactions, while ensuring a simple and fast experience. This will provide an opportunity for the caisse to conduct a needs analysis of automated services so it can position itself based on its members' financial habits.

1. These comments on the financial report constitute an overview of the complete report, which is available upon request. Required financial disclosures are presented in the appendix to this annual report.



WORKING  
FOR YOU

## A TEAM DEDICATED TO YOU

Our 50 employees are ready to help you achieve your financial objectives and carry out your projects. I am grateful for their commitment and their engagement, which are central to the quality of our services. It is also thanks to them that Desjardins Group continues to stand out as one of the best employers in Canada. This recognition confirms Desjardins's position as a leading employer that is close and committed to its employees.

I would also like to point out the contribution of our elected officers. Their dedication to the caisse and the community enables us to promote our unique cooperative character.

By working together, we can build a stronger institution and a more dynamic society.

**Pierre Poirier**  
General Manager

## APPROVAL OF THE ANNUAL REPORT

We certify that the annual report of Caisse Caisse Desjardins de Bois-Franc–Bordeaux–Cartierville meets the requirements of the *Act respecting financial services cooperatives* and has been duly approved by the caisse's board of directors.

**Micheline D. Legault**  
president

**Micheline Langlois**  
secretary

## SUMMARY OF LOAN PORTFOLIO

As at December 31, 2016, the loan portfolio of the caisse continued to be of high quality. Gross loans past due but not impaired and gross impaired loans only represented 2.8% and 0.1%, respectively, of gross loans.

The following table presents the distribution of loans by borrower category, with the proportion of gross loans past due but not impaired, gross impaired loans and the related individual and collective allowances.\*

(in thousands of Canadian dollars)

	GROSS LOANS	GROSS LOANS PAST DUE BUT NOT IMPAIRED	GROSS IMPAIRED LOANS	INDIVIDUAL ALLOWANCES	COLLECTIVE ALLOWANCES	NET LOANS AS AT DECEMBER 31, 2016	NET LOANS AS AT DECEMBER 31, 2015
<b>PERSONAL</b>							
Housing	\$350,517						
Consumer and other	147,593						
	\$498,110	\$16,253	\$340	\$11	\$269	\$497,830	\$499,397
<b>BUSINESS</b>							
Commercial and industrial	\$123,144						
Agriculture, forestry and fisheries	—						
Public administration and institutions	414						
	\$123,558	\$1,424	\$411	\$143	\$273	\$123,142	\$110,173
<b>TOTAL</b>	<b>\$621,688</b>	<b>\$17,677</b>	<b>\$751</b>	<b>\$154</b>	<b>\$542</b>	<b>\$620,972</b>	<b>\$609,570</b>

## SUMMARY OF DEPOSIT PORTFOLIO

As at December 31, 2016, caisse members' deposits amounted to \$513.1 million, up \$3.1 million, or 0.6%, since the end of the previous year. Please note that the caisse's main source of financing to ensure its expansion is deposits from individuals. They represented 77.2% of total deposits as at December 31, 2016.

The table below presents the distribution of deposits by depositor category with proportions based on type of savings.\*

(in thousands of Canadian dollars)

	CHEQUING ACCOUNTS	TIERED SAVINGS ACCOUNTS	REGULAR SAVINGS	TERM SAVINGS	REGISTERED PLAN SAVINGS	TOTAL AS AT DECEMBER 31, 2016	TOTAL AS AT DECEMBER 31, 2015
Individuals	\$69,293	\$45,288	\$45,312	\$119,021	\$117,042	\$395,956	\$383,687
Businesses	25,879	10,842	54,466	12,873	—	104,060	112,281
Public sector and others	6,404	682	4,126	1,879	10	13,101	14,058
<b>TOTAL</b>	<b>\$101,576</b>	<b>\$56,812</b>	<b>\$103,904</b>	<b>\$133,773</b>	<b>\$117,052</b>	<b>\$513,117</b>	<b>\$510,026</b>

\* Refer to Note 2 to the Combined Financial Statements of the Desjardins caisses in Quebec available on the desjardins.com website for additional information on presentation and significant accounting policies.

### THE FEDERATION'S OBLIGATION TO HOLDERS OF PERMANENT SHARES

Further to a recommendation of the Autorité des marchés financiers, the Fédération des caisses Desjardins du Québec guarantees to cover losses suffered by Quebec caisse members holding permanent shares due to misinformation in the audited Combined Financial Statements and annual Desjardins Group Management's Discussion and Analysis available at [www.sedar.com](http://www.sedar.com). The Federation's obligation in this matter is subject to certain conditions. Holders of permanent shares can request more information at their caisse.

The Combined Financial Statements of the Desjardins caisses in Quebec are also made available to the public on [www.desjardins.com](http://www.desjardins.com).



# REPORT FROM THE CHAIR OF THE BOARD OF SUPERVISION

The board of supervision makes sure the caisse fulfills its responsibilities in terms of ethics, professional conduct and cooperation.

## SUPERVISION OF ETHICAL ASPECTS

Every year, caisse officers and employees renew their commitment to comply with the Desjardins Code of Professional Conduct. The Code sets out the behaviours that are expected as well as those that are not acceptable.

The board of supervision ensured that the caisse, officers and employees took the values of Desjardins into account to guide their conduct.

Here is a supervision report for the past year concerning three rules of professional conduct:

### 1. CONFLICT OF INTEREST SITUATIONS

The board of supervision declares that no conflict of interest situations were noted.

### 2. DEPOSITS FROM AND LOANS TO RESTRICTED PARTIES<sup>1</sup>

The board of supervision noted no exceptions:

- To the rule of professional conduct regarding deposits accepted by the caisse from restricted parties and
- To the rules of professional conduct regarding credit granted to restricted parties and the handling of irregular situations concerning such credit.

Please note that the loans granted to restricted parties of the caisse and its centres totalled \$1,404,029.83 for the past fiscal year.

### 3. CONTRACTS FOR THE SUPPLY OF GOODS AND SERVICES AWARDED BY THE CAISSE OR ITS CENTRES TO RESTRICTED PARTIES SUBJECT TO THE CODE<sup>2</sup>

The caisse and its centres may sign a contract with restricted parties subject to the Code in accordance with the conditions stipulated to that effect. As such, no contract was awarded to restricted parties subject to the Code.

## SUPERVISION OF COOPERATIVE ASPECTS

With regard to the supervision of cooperative aspects, the board of supervision must ensure that Desjardins values are an integral part of the caisse's business and management practices. It must also make sure that the caisse contributes to the development of its community and the economic and financial education of its members. Lastly, it ensures that members are informed about topics of importance to them.

The board of supervision is satisfied with the work carried out in the past year.

I would like to thank the members of the Board for their contribution, and the general manager for helping us deliver on our mandate.

**Raymond Ayas**  
President

1. Restricted parties: Caisse officers and general manager, officers of the Fédération des caisses Desjardins du Québec and their associated persons.

2. Restricted parties subject to the Code: Restricted parties, caisse employees and centre managers and their associated persons.

## CAISSE OFFICERS

### BOARDS OF DIRECTORS

NAME	FUNCTION
Micheline D. Legault*	President
Ghislain Roby	Vice-President
Micheline Langlois	Secretary
Catherine Beaucage*	Director
Claudette Belliveau	Director
Chaya Borelowski	Director
Monique Charland	Director
Karine Cherbaka	Director
Yvan Gauthier	Director
Nathalie Laporte*	Director
Amélie Poupart*	Director
Luc Tremblay	Director
Amanda Tisseverasinghe	Young Intern officer

### BOARD OF SUPERVISION

NAME	FUNCTION
Raymond Ayas	President
Geneviève Ducharme*	Secretary
Lillian Chen	Advisor
Minh-Dat Nguyen	Advisor

\*Outgoing officers eligible for re-election

## MORE ACCESSIBILITY AND A WIDE RANGE OF SERVICES... YOUR CAISSE MEETS YOUR NEEDS!

- [desjardins.com](http://desjardins.com)
- [m.desjardins.com](http://m.desjardins.com)
- 514-CAISSES
- ATMs
- Mobile cheque deposits

## OPEN ON SATURDAYS

FROM 9:00 A.M. TO 3:00 P.M.

### HEAD OFFICE GALERIES NORMANDIE

2570 rue de Salaberry  
Montréal (Québec) H3M 1L3

### Faubourg Bois-Franc Service Centre

5590 boulevard Henri-Bourassa Ouest  
Saint-Laurent (Québec) H4R 0M6

Phone : 514 334-6006 ou 1 855 334-6006

## EXTENDED TELEPHONE SERVICE HOURS



- Weekdays, from 6:00 a.m. to 10:00 p.m.
- Weekends, from 8:30 a.m. to 4:00 p.m.



**Desjardins**  
Caisse de Bois-Franc-  
Bordeaux-Cartierville