

**Minutes of Bahamasair Employees Provident Fund
Annual General Meeting
New Providence Community Centre
Wednesday, December 7, 2022
at 5:00 P.M.**

For the Year Ended December 31, 2021

Declaration of a Quorum

Secretary/Management Trustee Tamara Lightbourne welcomed everyone and confirmed that there were sufficient members present (60) to declare a quorum (20).

Call to Order

The Annual General Meeting (AGM) of Bahamasair Employees Provident Fund was called to order at 5:35 p.m. by Secretary Lightbourne.

Opening Prayer

Trustee Jamal Gray opened the meeting with a prayer.

Welcome and Introductions

Trustee Mark Johnson welcomed everyone, and introduced the Board of Trustees as follows:

Dion Bethell - Chairman/Executive Management Trustee
Tamara Lightbourne - Executive Management Trustee
Joseph Moxey - Executive Management Trustee
Gladstone Adderley - AAWU Trustee
Susan Eve-Palmer - AAWU Trustee
Hugh Morally - AAWU Trustee
Nakera Braynen - PMU Trustee
Jamal Gray - B-ALPA Trustee
Mark Johnson - B-ALPA Trustee

Administrative Office Staff:

Monica Wong - Fund Administrator
Cherise Saunders - Accounts Payable and Loans Supervisor
Sheena Basden - Clerk/Receptionist

Read and approve with corrections Minutes of the last Annual General Meeting held on Thursday, November 10, 2021

It was agreed by all present to dispense with the reading of the 2021 Minutes as the legality of the Amendments to the Deed and Rules of the Fund were before the Courts.

Introduction of External Auditor

Chairman Bethell advised that the Auditors from KPMG were unable to attend in person but would now join the meeting virtually. He then proceeded to introduce Jaemar Fajardo, Senior Audit Manager.

Mr. Fajardo greeted everyone and proceeded to read the Opinion in the Independent Auditor's Report on page 1 of the Audited Financial Statements. Ms. Shaneska Kemp, Senior Partner apologized for joining the meeting late as she experienced difficulties logging in.

Mr. Fajardo then opened the floor to questions regarding the Audited Financial Statements.

As there were no questions, Chairman Bethell thanked Ms. Kemp and Mr. Fajardo for their continued service with the Annual Audit.

Chairman Bethell then proceeded to give an update on the Fund's performance in 2021. "I am pleased to report that Bahamasair Employees Provident Fund enjoyed significant growth in 2021. The Fund's asset base increased from \$60,856,803 to \$62,568,868 representing a 2.8% increase year over year".

It should also be noted that the Fund's performance improved in the following areas:

- Total net investment income for 2021 was \$2,364,623 vs. \$2,294,815 in 2020. This represents an increase of (\$69,808 or 3%).
- Net Income for 2021 was \$3,287,870 vs. \$1,158,787 in 2020. This represents a significant increase of \$2,129,083 or 184%.
- Total Member's equity and Fund's assets increased by \$3,294,174 in 2021 compared to \$1,179,446 in 2020. A difference of \$2,114,728 when compared year over year.
- Total benefits, terminations, and withdrawals during 2021 was \$4,083,028 vs. \$11,926,307 in 2020. As the Economy started to stabilize in 2021, there was a significant decrease in the number of members departing Bahamasair through early retirement, retirement, and resignations which resulted in a sharp decrease in the number of total benefits, terminations, and withdrawals having to be paid out.
- The Fund's performance in 2021 reflects the recovery being experienced in the economy. Therefore, we are pleased to declare a rate of return of 5.55% vs. 1.97% in 2020.

Introduction of Attorney

Trustee Moxey introduced Mrs. Lakeisha Hanna, Partner from the Law Firm of Harry B. Sands, Loboskey & Company.

Attorney Hanna proceeded to give an overview of all the legal actions against the Fund.

There were 3 claims and lawsuits filed by the AAWU Trustees of the Fund, Gladstone Adderley, Susan Palmer and Hugh Morally.

1. Pending litigation, etc.: B0537/11 Gladstone Adderley et al v Dion Bethell et al Supreme Court Action No. CLE/gen/1556 of 2021 This action was commenced by way of an Originating Summons seeking, inter alia, declarations that the 2nd Trustee of the Public Manager's Union was duly appointed to the Board of Trustees and the election of Dion Bethell as Chairman of the Board is void as being in breach of the Fund's Rules (Mr. Bethell cast a vote for himself in the election of the Chairman of the Board). The Plaintiffs also contend that certain amendments to the Fund's Rules are void and the Respondents have not been acting in good faith.

2. By Summons filed by the Plaintiffs on 10th February 2022, the Plaintiffs challenged the capacity of this Firm and/or Mr. Ferron Bethell KC to represent Trustees Dion Bethel, Joseph Moxey, Tamara Lightbourne, Jamal Gray and Mark Johnson on the grounds of confidentiality and conflict of interest. The application was heard by Justice Winder on 16th September 2022 and the application was dismissed with costs in the cause. As the Courts determined that there is no conflict of interest.
3. By a further Summons filed by the Plaintiffs on 5th August 2022, the Plaintiffs sought an interlocutory injunction seeking to prevent the Defendant trustees, inter alia, from acting on purported amendments made to the Trust instruments without the Plaintiffs' consent and from holding the members' Annual General Meeting ("AGM") for 2022. An interim injunction was granted by Justice Loren Klein on 10th August 2022 but discharged on 21st October 2022, thereby allowing the Trustees to hold the AGM. The Plaintiffs were also directed to attend a meeting with the Auditors to review and discuss the Audit report, which was the subject of the AGM.

Question: Captain Brent Edwards
What was the purpose of the injunction?

Response: Attorney Hanna
The Plaintiffs (AAAWU Trustees) sought an interlocutory injunction seeking to prevent the Defendant (Management and B-ALPA trustees), from acting on purported amendments made to the Trust instruments without the Plaintiffs' consent at the last AGM and from holding the members' Annual General Meeting ("AGM") for 2022. Their reasoning was they did not review or approve the Financial Statements with the Auditors.

Question:
What are the legal costs and who will be responsible?

Response: Attorney Hanna
In the matter before Justice Loren Klein the Plaintiffs were awarded 85% of their costs to be taxed if not agreed. However, the costs are to be paid out of the Pension Fund.

Response: Chairman Bethell
The YTD legal cost to the Fund is approximately \$130,000.00.

Response: Susan Palmer

The AAWU Trustees were within their rights to take the Fund to Court because our requests to see certain information were continually denied and we were not privy to the signing of certain cheques.

Response: Gladstone Adderley

Why is there so much concern over the legal cost when the Fund made a profit of over \$3M.

Question:

Are you suggesting that because the Fund made a profit it is alright for the Trustees to take legal action against each other, and the membership should have to pay?

Response: Gladstone Adderley

No that is not what I am suggesting

Response: Susan Plamer

The Courts obviously agreed with the AAWU Trustees, as they ruled in our favour.

Response: Attorney Hanna

The Court has not ruled on the original Supreme Court Action which questions the validity of the changes made to the Deed of Trust and the Rules. The appointment of Dion Bethell as Chairman or the additional PMU Trustee.

They did, however, rule in favour of the Fund with regards to the removal of counsel due to a conflict of interest. It was determined that there is no conflict of interest, and the application was dismissed with costs in the cause.

The interim injunction which prevented the Fund from hosting the AGM earlier was discharged, thereby allowing the Trustees to hold the AGM. The AAWU Trustees were also directed to attend a meeting with the Auditors to review and discuss the Audit report, which was the subject of the AGM.

Question:

What can be done to make these Trustees attend regularly scheduled board meetings?

Response: Chairman Bethell

It is incumbent on AAAWU's members to make sure that they are properly represented at board meetings. That also goes for PMU's trustee.

Question: Derek Rutherford

At the last AGM it was agreed that Trustees who did not attend regularly scheduled meetings would not receive an honorarium. Are trustees still paid an honorarium although they are refusing to attend meetings?

Response: Chairman Bethell

Yes, they are still being paid.

Question:

When will these actions come to an end and what needs to happen to bring all the trustees around the table?

Response: Attorney Hanna

All trustees have a fiduciary responsibility to come to the table and if they are unwilling only their membership can act or otherwise rely on a ruling from the Courts which can prove costly.

Response: Hugh Morally

I agree that we as trustees have a fiduciary responsibility but whenever AAAWU trustees try to exercise their rights, they are stonewalled and prevented from reviewing the information requested. We are seeking to identify any irregularities within the internal controls. That is why we found it necessary to file the injunction and take the Fund to Court.

Response: Chairman Bethell

Chairman Bethell responded by stating that getting rid of him would satisfy AAAWU and suggested that a "Vote of No Confidence" be taken. This was immediately rejected by the membership.

Response; Monica Wong

Fund Administrator Wong expressed her concerns regarding the Fund and the Board of Trustees. She suggested that AAAWU Trustees have a personal agenda which is evident by their requests to see information over 30 years old. They appear to be concerned about how much the Chairman and staff make and who signs cheques. In her twenty plus years with the Fund, she has never witnessed a

complete standstill resulting in the Fund being unable to hold Board Meetings or make decisions which impact the Fund and its members.

She also expressed her concern that the AAWU Trustees did not take the staff's wellbeing into consideration during the COVID-19 lockdown which resulted in a hostile confrontation.

Response: Hugh Morally

AAAWU Trustees were prevented from entering the Fund's office although we witnessed other persons entering.

Question:

How are Trustees appointed?

Response: Chairman Bethell

Trustees are appointed by the various parties. The current make of the Board is: nine (9) Trustees which include, three (3) appointed by Bahamasair, three (3) by AAWU, two (2) by B-ALPA and one (1) by PMU.

Question:

Who is responsible for the signing of cheques?

Response: Chairman Bethell

The Fund has several internal controls in place, one of them being the signing of cheques. All trustees can sign. Each cheque must have an A and B signature. A signatures are Bahamasair Management Trustees and B signatures are B-ALPA, AAWU & PMU Trustees.

Question:

Why do the AAWU Trustees need to see cheques if only an A and B signature is required?

Response:

Chairman Bethell responded by stating the reason is to determine how much the Chairman and staff make. For everyone's benefit, I make \$25,000.00 for serving as Chairman and providing my financial expertise.

Question: Brent Edwards

Why is it necessary to review information that is over 30 years old when you cannot impact decisions made by the previous board of Trustees and why would not seeing it prevent you from attending Board Meetings?

This question was directed at the AAWU Trustees who did not respond.

Response: Mark Johnson

In my opinion, the aim is to hold the Board and Fund hostage. Each Board member has one (1) vote and the majority rules. Unfortunately, AAWU is not in the majority, so they have decided to disrupt the running of the Fund in an attempt to have their way.

Question:

What needs to happen to get beyond this?

Response: Charles Saunders

Charles Saunders a former Trustee suggested that the Trustees come around the table so they can reach some resolution, instead of going to Court to incur additional legal fees which the membership is then responsible for.

Response: Chairman Bethell

Chairman Bethell responded by stating that he would continue to call the monthly board meetings and keep the membership informed on the progress being made.

Question:

It would seem that the Board needs to get past this as it is affecting the business of the Fund, and the membership are the ones suffering.

Chairman Bethell invited everyone present to review his Chairman's Report on the Fund's website and if there are any questions to feel free to contact him directly.

Due to the lateness of the hour, it was agreed that the meeting be adjourned.

Closing Prayer/Vote of Thanks

Trustee Braynen gave the closing Prayer and Vote of Thanks.

Secretary Lightbourne adjourned the meeting at 7:48pm