



THE ASSOCIATED BANK

**BUSINESS CARD**

3759 8765 4321 0987

J. SMITH

VALID DATES  
EXPIRES - MONTH/YEAR  
05/02

*ATB* **"Here today, here tomorrow; Albertans investing in Alberta. These are very strong sentiments to the value of ATB, and the foundation we are building on."**

*Paul Haggis, ATB President & Chief Executive Officer 1996 to present*



# *Distinctly* different

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# 1995-1998

**The Canadian Pacific Railway moved to Calgary in 1995, bringing 700 new jobs to Alberta. In 1996, WestJet took flight, announcing plans for a no-frills airline in Western Canada. In 1997, the jobless rate in Alberta fell to 5.6 per cent, a 15-year low.**

Oilpatch drilling hit a new record high with 440 rigs busy in August 1997, and oil companies announced plans to expand oil sands plants at Fort McMurray.



**“We are dealing with 60 years of history. ATB is now a very substantial organization serving a lot Albertans.**

**We should look at making it as sound, efficient and beneficial to Albertans as possible.**

**ATB is a real asset we want to make even better.”**

*Marshall M. Williams, ATB Chairman 1996 to present*



In 1995, Provincial Treasurer Jim Dinning asked former federal cabinet minister Don Mazankowski to chair a Working Group to review the Flynn Report and make recommendations for ATB’s future. “The Flynn report formed the basic elements of our mandate,” said Mazankowski. The Working Group generally supported the thrust of the Flynn Report.

Later that year, amendments were passed to the *Treasury Branches Act*, creating a Board of Directors and an Audit Committee to govern the business affairs of ATB. In September 1996, the Board appointed Paul G. Haggis as President and Chief Executive Officer. A new executive team was brought on board to position ATB as a competitive financial services provider in Alberta. The team focused on aligning Treasury Branch services more closely with customer needs, strengthening the balance sheet, and investing in new technology and more staff training.

Optimism for the future increased with the first significant changes to ATB since 1938.

**The Mazankowski Working Group made the following recommendations to government:**

- **A Board of Directors should be appointed.**
- **ATB should provide innovative products and services to meet customers’ needs either directly or through partnerships.**
- **ATB should be properly capitalized.**
- **Any advantages that ATB has over private sector competitors should be eliminated.**
- **The reporting regime for ATB should be similar to what is expected of private sector financial institutions.**

# 1995-98



## ATB TODAY

Today ATB is a \$9-billion, full-service financial institution of 3,000 employees that's responsive to local market conditions and focused on three markets: individual financial services, independent business and agri-industry. ATB is a leading financial services provider, serving half a million Albertans in 238 communities through 148 branches and 129 Agencies.

After two years of tremendous change, ATB is recharged and ready for the opportunities that lie ahead. ATB is meeting its competitors head-on through innovative and responsive product design, expanded delivery channels and extensive investment in technology.



*Fort McMurray Treasury Branch (left to right): Brent Lambert, Customer Service Manager, Darren Kjemhus, Account Manager, and Nancy LeRoux, Assistant Branch Administrator*

**“Becoming a Crown corporation allowed ATB to compensate its employees at competitive rates with other financial institutions. This was a significant factor in improving ATB’s competitiveness in the marketplace, in attracting and retaining the best people.”**

*Paul Haggis, ATB President & Chief Executive Officer 1996 to present*



ATB sustained a \$124 million loss in 1996-97 when, in an effort to clean up its loan portfolio, it charged \$198 million in credit losses against income. ATB improved its balance sheet by confronting the problematic part of the loan portfolio with a head-on strategy.

In December 1998, ATB eliminated its deficit for the first time since 1985 and retired the last of its accumulated deficit from the 1980s. By the end of the 1998-99 fiscal year, ATB posted \$110 million in earnings – a record in its 60-year history.

“We’ve achieved our success through a combination of good people and hard work, strengthening the balance sheet, and recovering a number of non-performing loans,” Paul Haggis stated in the *ATB 1998 Annual Report*.



*Board of Directors, Inaugural Board Meeting, April 25, 1996*

*Front row, left to right: Ray Nelson, Diane Hunter, Marshall M. Williams, Gail Surkan*

*Middle row, left to right: Ralph Scurfield, Robert Brawn, Brian Heidecker, Ron Triffo, Garth Griffiths, David Hughes*

*Back row, left to right: Garnett Millard, Ian Macdonald, Brian Hesje, Elson McDougald, Garnet Wells*

**“The ATB Board has been holding our board meetings out in communities such as Hinton, Grande Prairie, Lloydminster, Fort McMurray, Stettler, Red Deer and Lethbridge. By and large what you hear is ‘Oh, if it wasn’t for ATB my grandfather would never have been able to get that farm or my father couldn’t start that welding shop or barber shop.’”**

*Marshall M. Williams, ATB Chairman 1996 to present*





**“ATB is a very profitable organization. It is a strong organization.  
It continues to post profits and improve its bottom line.”**

*Stockwell Day, Provincial Treasurer 1997 to present*



The Board of Directors also identified areas where legislative changes were required to put ATB on a more equal footing with other financial institutions. ATB became a Crown corporation on October 8, 1997. This enabled ATB to offer more financial services, such as mutual funds, and act as a trustee for self-directed RIFs, RESPs and RRSPs.

ATB could now invest in a range of financial enterprises, such as investment dealing and counselling. It also provided for the capacity to contract and generally undertake its business with the same legal certainty as other corporations, especially financial institutions.

ATB was now required to pay the Government of Alberta a deposit guarantee fee in recognition of the cost to government of providing an unconditional guarantee for ATB deposits. The fee, set at one-sixth of one per cent of deposits, is phased in over six years, beginning in 1999.

Provincial Treasurer Stockwell Day said: “I believe these legislative changes will build stability and give greater confidence not only to depositors and those who do business with ATB, but to all Albertans. The changes will move ATB into the 21st century in a very confident way and make it a very viable operation.”



*Harold Smith with  
Strathcona Treasury  
Branch Manager  
Gord Mooney, 1998*

#### **WITH ATB FOR 60 YEARS**

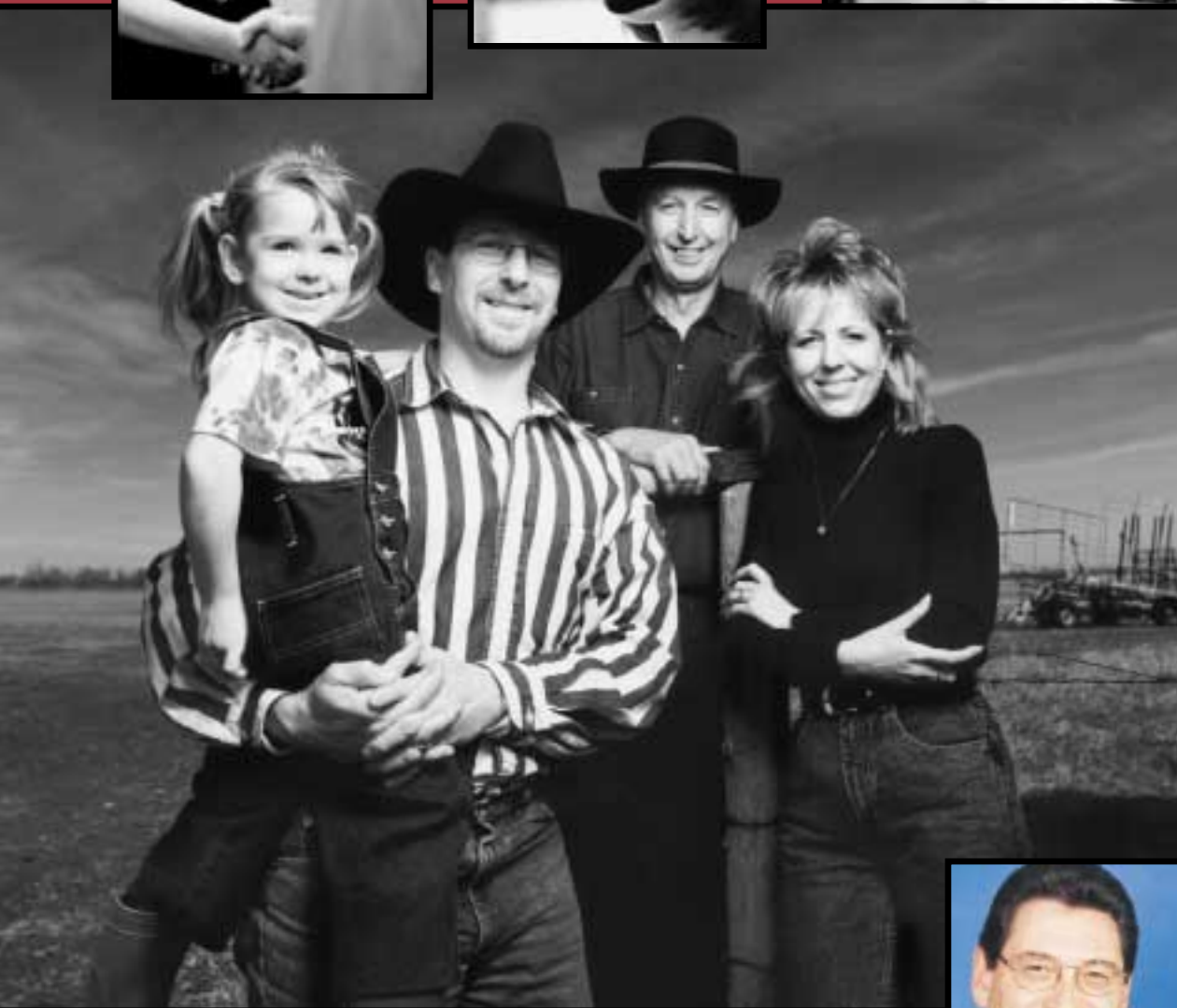
**Customer Harold Smith opened his account with ATB in October 1938. His business, Smith Produce, grew from a small egg and poultry production facility to a province-wide enterprise, operating under the name Valley Dairies Ltd. For the past 60 years, he has placed his trust and confidence in ATB.**



**"Joe Whittaker has been with ATB since 1994. His company,**

**Reliable Tube Ltd., supplies steel tubing for the construction industry and recently expanded to Calgary. Joe brought in his new partner who was not an ATB customer. Gord Mooney, my General Manager, and our corporate credit office worked together to provide financing to Joe's new partner. Already he's said he'll deal exclusively with ATB for his next business venture. That's teamwork. That's our business."**

*Dave Bruns, Relationship Manager,  
ATB employee 1971 to present*



*Aliya Hirsch and her dad, David Hirsch, Manager, Agri-industry;  
Wayne Martinson, Vice-President, Corporate Risk Management;  
Deanna Culp, Secretary, Leduc Branch*



**"Our new MasterCard for businesses, the Alberta Business Card, has had tremendous reception from our customers. It is a great product, one our clients really needed. It is a great relationship builder"**

*Chester Williams, Senior Relationship Manager,  
ATB employee 1999 to present*

**“We’re here to support you, and to provide quality products and advice where and when you want it, at a fair price.”**

*Paul Haggis, ATB President & Chief Executive Officer 1996 to present*



Over the past 60 years, ATB has evolved from an arm of the Alberta government into a Crown corporation. Looking forward, ATB will continue to respond to the changing face of the financial services industry. While increasing its services and competitiveness, ATB’s growth will continue to be guided by its relevance and responsiveness to its customers.

ATB is carrying its tradition of ‘Albertans investing in Alberta’ into the 21st Century. It is investing in the next 60 years through a strong balance sheet, new products, expanded access to services, and training and development opportunities for employees. ATB has an ongoing commitment to providing Albertans quality services at competitive prices, from knowledgeable and friendly staff.

“People have always come first at the Treasury Branches. This relationship is a cornerstone of our future success. We know our markets and we’re determined to be the best in those markets. We have the best people, the knowledge and the financial strength to succeed,” says Paul Haggis. “We are excited about our future...and we’re ready for that future.”

The Treasury Branches are recharged and ready to begin another 60 years of meeting the unique financial needs of their customers.



**Mr. and Mrs. Jack Edgerton opened their account with ATB at the Rocky Mountain House branch in the fall of 1938, a week after they got married. In 1998 they celebrated their diamond anniversary, and commemorated 60 years with ATB.**