



kawartha
CREDIT UNION

Information Package

For Nominees to
Board of Directors

Prepared June 2022



Introduction

Kawartha Credit Union is seeking well-qualified Nominees from our membership for the position of Director. As a member of our Board of Directors you would play an important role in guiding the growth of our vibrant company. If you are qualified for this role and interested in applying your skills and experience to governing the credit union, we invite you to apply. This Information Package is designed to provide relevant information about the duties, responsibilities, competency/training requirements and eligibility for Board members. It also describes the nomination and election process, and the required forms to submit your nomination.

Kawartha is one of the largest credit unions in Ontario. We serve 50,000 members in Central, Northern and Eastern Ontario through 22 branches and we employ approximately 350 people. With over \$2 billion in assets under administration and 70 years of history, Kawartha delivers a full range of retail financial services and advice tailored to meet each member's individual needs, including access to The Exchange® Network of thousands of surcharge free ATMs across Canada and the U.S.

Over the years, Kawartha has been named a Best Employer several times by Kincentric (formerly AON). We strive to obtain this honor each year. We offer training and career development opportunities to help our employees grow and succeed. Kawartha is an equal opportunity employer: we embrace inclusiveness and diversity, and respect that each individual is unique.

Overview

The most significant responsibilities of the Board of Directors are ensuring that Kawartha Credit Union is operated in a safe and prudent manner, including adherence to the standards of sound business and financial practices, directional planning, and policy formulation. Management is installed by the Board to implement policy and achieve desired results. Standing committees, consisting of Directors, are empowered to handle important specialized tasks such as the monitoring of procedures (*vis-à-vis* policy) and to make recommendations to the Board.

Duties and Obligations of Directors

The attached Director Position Description describes the individual and Board duties along with qualifications and education requirements. Additionally, Directors are appointed to one or more of the Audit Committee, Governance Committee, Nominating Committee, Human Resources Committee and Corporate Secretary position. Committees are tasked with assisting the Board by doing in-depth reviews and making recommendations to the Board. Committee members are expected to take an active role.

Legal Responsibilities

The legal responsibilities and obligations of Directors have their roots in legal documents that establish and empower the credit union, including, but not limited to:

- *Credit Unions and Caisses Populaires Act* (the “*Act*”) and associated regulations
- Incorporation documents and By-Laws of the credit union made pursuant to the *Act*
- Policies established by the Board of Directors
- Guidance issued by the Ministry of Finance, Financial Services Regulatory Authority and Financial Services Commission of Ontario
- Common law duties and responsibilities applicable to corporate directors.



As a general premise, there are no conflicts between the empowering documents and common law requirements. This Information Package focuses on the generic responsibilities of Directors, and specific requirements can be verified in the wording of the Act, By-laws or other specified documents.

Director Competencies and Training Requirements

Kawartha Credit Union recognizes the need for Directors to understand, meet and maintain appropriate competency requirements, and we support that with effective guidelines and processes. The Board has a policy which defines minimum Director competency requirements, establishes timelines for attaining the minimum levels, and outlines assessment criteria and requirements.

All elected or appointed Directors are required to achieve a strong level of competency in each of the following areas within two years of joining the Board:

- Audit & Compliance oversight
- Board & CEO performance
- Credit union operations
- Financial literacy
- Governance & ethics
- Leadership
- Regulatory environment
- Risk Management oversight
- Strategic planning

The Board has set a policy requiring all Directors to complete a credit union specific training program. This involves completing level A within the first 12 months on the Board and levels B and C within the first two years on the Board. Level A includes seven online modules and attendance at a one-day workshop for a total time commitment of about two days. Levels B and C each have four workshops of either a ½ day or full day, for a total time commitment of about five days. The Governance-oriented curriculum covers an overview of the credit union system, Board and Director roles and responsibilities, legal basics, understanding financial statements and monitoring performance, risk management, strategic planning, governance and accountability.

Directors shall annually complete a standard self-assessment in order to confirm their level of knowledge, skill and experience in each of the required competencies. The objectives of this self-assessment are to:

- identify training or development needs for each Director to ensure that the appropriate competency level is attained in accordance with the credit union's requirements; and
- determine the degree to which the Board, on an overall basis, satisfies the competency requirements

Rules of Qualification

The rules of qualification for a Director are as follows:

1. Be at least 18 years of age.
2. Be a Canadian citizen or a permanent resident of Canada.

3. Be elected by the members of the credit union in accordance with the procedures prescribed in the By-laws of the credit union, for a term of not more than three years, before standing for re-election.
4. Attend Board/Committee meetings on a regular basis. When a Director fails to attend three consecutive Board meetings without reasonable cause, the Board may declare their post vacant and may appoint a qualified person to fill the vacancy until the next annual meeting of the credit union.
5. Demonstrate appropriate competence to execute their responsibilities and to contribute positively to the affairs of the organization.
6. Have signed the certificate and undertaking pursuant to S.92(1) of the Credit Unions and Caisse Populaires Act.

Ineligible Individuals

The following individuals are ineligible for election as Directors of the credit union:

1. One who has been disqualified from being a Director of a credit union pursuant to s.92(1) of the Credit Unions and Caisses Populaires Act.
2. One who has been removed from a board of a body corporate for failure to attend meetings, failure to perform the duties allotted to him/her as a Director, or for breach of their fiduciary duty.
3. One who has refused to complete a training program within the required time, as determined by the Board.
4. An employee of the credit union or a member of the immediate family of an employee or Director of the credit union.
5. A former employee of the credit union or a spouse, parent or child of a former employee of the credit union if the former employee was employed by the credit union in the two years immediately preceding the date of election.
6. One who is, or whose spouse is, a Director, officer, committee member or employee of a financial institution, excluding incumbent Directors of Kawartha Credit Union.
7. One who has served as a Director of the Credit Union for four (4) consecutive terms, to a maximum of twelve (12) consecutive years.
8. One who is disqualified under the Credit Unions and Caisses Populaires Act or the By-laws of Kawartha Credit Union.

Specific Knowledge/Experience Needs for 2022 Recruitment

Each year the Governance Committee executes a Director Assessment to ensure the Board as a whole has the knowledge and skills to provide proper governance. Once complete, the Governance Committee determines the knowledge and/or skills required for the upcoming election and provides direction to the Nominating Committee. This year the following skills and experience are needed:

- Audit and Compliance/Financial Literacy: preferably with a formal accounting designation, experience in audit, compliance and risk management.
- Regulatory Environment: preferably with regulatory or risk management experience in financial services
- Risk Management: preferably with a formal risk management/operational risk background
- Strategic Planning: executive leadership experience leading a business unit in a mid-sized or larger organization with strategic planning responsibilities.
- IT and Cybersecurity Risk Management expertise and,
- Human Resources professional: CHRP designation and experience working in a senior Human Resources position.

Miscellaneous Information

- Directors are expected to attend all Board meetings (normally held six times annually), quarterly Committee meetings, and any special Board meetings. During the pandemic, meetings have been held virtually, and in 2023 meeting attendance may be via electronic means and/or in person.
- Elected terms are for three years unless otherwise specified. The current term will be March 2023 to March 2026.
- Directors are paid a monthly honorarium commensurate with the position, as determined by the Board. Directors shall be reimbursed for expenses incurred when on Credit Union business. When personal vehicles are used for business travel, including travel to Board and Committee meetings, Directors will be reimbursed on a per kilometre basis. A Director traveling on Credit Union business may be permitted reimbursement for accommodation, subject to the Board's prior approval. For guidance, the round-trip should be over 300 kilometres and meeting times and weather conditions will be taken into consideration.
- The Board of Directors is comprised of 9 elected officials. The positions of Chair, Vice-Chair and Committee Chairs are approved by the Board.
- While representing Kawartha Credit Union, Directors will be expected to dress professionally, abiding by the Director Dress Code.

Nomination Process

Prior to the election:

- Once all nomination papers have been received, a screening process will be conducted by the Nominating Committee. This process is undertaken to ensure appropriate focus is given to attaining the specific knowledge and experience needs detailed on page 4.
- Nominees are asked to be available for interviews in December 2022 and January 2023.
- Selected nominees will be interviewed by the Nominating Committee to confirm that:
 - They are eligible for election, and have the experience, expertise and qualifications to serve on the Board, and
 - They understand and are committed to performing the duties and obligations of a Director of the Credit Union.
- All nominees are asked to consent to the Credit Union recording a two-minute speech for online voting purposes, a credit bureau check and a criminal record background check at the Credit Union's expense.
- Nominees will be asked to electronically submit a one-page biography, in the approved form, for publication to the membership for online voting purposes.
- The Nominating Committee will report to the membership by recommending the nominees they believe are best qualified for election to the Board.

Online voting will be available to the membership from January 27th to February 10, 2023, and the results will be communicated to the membership at the Annual General Meeting on March 29, 2023, and on Kawartha's website. All nominees will be notified of the results prior to the Annual General Meeting.

If you believe you meet the required qualifications set out in this Information Package and would like to apply for nomination to the Kawartha Credit Union Board of Directors, please submit the following completed documents via email, to a branch or to the address listed below:

- ✓ 2022 Nomination Form
- ✓ Certificate and Undertaking
- ✓ Acknowledgement and Consent
- ✓ Enclose a copy of your résumé with a confidential email address and phone number included for correspondence.
- ✓ Enclose and submit electronically a one page biography using the template provided on our website: www.kawarthacu.com to humanresources@kawarthacu.com

Failure to provide the information above by 4:00 p.m. on the last business day in November 2022 will result in the nomination not being accepted by the Committee.

Board Recruitment
Executive Vice President, Human Resources
Kawartha Credit Union
14 Hunter Street East, P.O. Box 116
Peterborough, Ontario
K9J 6Y5
Fax: (705) 743-9889
E-mail: humanresources@kawarthacu.com

For more information, contact:
Jennifer Gauthier, Executive Vice President, Human Resources
Kawartha Credit Union
705-743-9966 ext. 7253
Toll Free 1-888-743-9966 ext. 7253
jgauthier@kawarthacu.com

Or

Jeff Carter, Director and
Chair of Nominating Committee
Allison Chenier, Director
Harvey Spry, Director
Robert Lake, Director

director.jeff.carter@kawarthacu.com
director.allison.chenier@kawarthacu.com
director.harvey.spry@kawarthacu.com
director.bob.lake@kawarthacu.com



June 2022

POSITION DESCRIPTION

TITLE:	DIRECTOR
REPORTS TO:	MEMBERS
MANAGES:	Chief Executive Officer
GRADE:	N/A – See policy 2-3-1 for schedule of Director Honorariums

Primary functions:

The Board of Directors is ultimately responsible for ensuring that the credit union is operated in a safe and prudent manner and for ensuring adherence to the standards of sound business and financial practices. In fulfilling its responsibilities, the Board of Directors should be guided by co-operative principles and ensure that the credit union operates on a co-operative basis. Management is responsible to ensure that the member institution applies the processes, procedures and controls necessary to prudently manage the risk and to provide the Board of Directors with timely, relevant, accurate and complete information to enable it to assess that delegated responsibilities are being discharged effectively.

Individual duties:

1. Carry out your job honestly, in good faith, and in the best interests of the credit union;
2. Exercise care, diligence and the skill of a reasonably prudent person in doing your job;
3. Exercise sound business judgment, bringing an independence of mind and disclosing information that would be important for the Board to know in making its decisions;
4. Work to build trust and co-operation among members and between the Board and stakeholders;
5. Comply with all the relevant sections of the *Credit Unions and Caisses Populaires Act, 1994* and the Regulations, and other applicable laws and statutes, and be familiar with the serious offenses and penalties set out in the Act;
6. Maintaining the confidentiality of information obtained as a Director, except where required by law;
7. Know where there is, or may be, a conflict between your personal interest and the interests of the credit union, disclosing the conflict to the Board and, in most cases, being absent from the discussion and the vote on material contracts in which you have a personal interest;
8. Comply with Kawartha's policies and by-laws; and
9. Complete a training program within the time required by Board policy 2-1-4.

Board duties: (per policy 2-1-1)

1. Oversee development of Kawartha Credit Union’s mission, values and strategy, monitor the implementation of strategy and measure company performance against objectives;
2. Hire and delegate authority to the Chief Executive Officer to manage and supervise the business of the credit union, including the making of all decisions regarding the credit union’s operations that are not specifically reserved to the Board;
3. Communicate effectively with members and stakeholders;
4. Provide management with oversight and guidance that will be outlined in policies approved from time to time;
5. Adopt an Enterprise Risk Management approach to:
 - a. Understand the significant risks to which the credit union is exposed;
 - b. Approve appropriate risk management policies; and
 - c. Obtain reasonable assurance that Kawartha has an ongoing, appropriate and effective risk management process and that risk management policies are being adhered to.
6. Ensure implementation of an effective Internal Capital Adequacy Assessment Process.
7. Ensure the credit union’s approach to risk management and control is based on best practices and proven principles used in the marketplace, applied consistently and monitors compliance with statutory requirements, FSRA by-laws, corporate by-laws and policies; and
8. Monitor and ensure effective governance.

QUALIFICATIONS

EDUCATION

Completion of CUDA level A within first year as a Director.
Completion of CUDA levels B & C within the first two years on the Board.

PREFERENCE WILL BE GIVEN TO INDIVIDUALS WITH EDUCATION AND EXPERIENCE IN THE AREAS MENTIONED ON PAGE 4 OF THE INFORMATION PACKAGE.

**ACKNOWLEDGEMENT AND CONSENT
RE CONSUMER REPORT AND OTHER INVESTIGATIONS**

Applicant's Surname: _____	First Name: _____
Street Address: _____	City/Town: _____
Postal Code: _____	

I acknowledge that it is reasonable and necessary for **KAWARTHA CREDIT UNION** to make inquiries (both initially and on an ongoing basis) into and request reports concerning my educational, employment, credit, driving and/or criminal history in order to assess my initial and continuing suitability for the position of Director, and ensure that information I have provided is accurate. **I understand and acknowledge that these investigations will be conducted by KAWARTHA CREDIT UNION or any agent or representative of the Credit Union, and information may be obtained from financial institutions, police forces, current and former employers, consumer reporting agencies, insurance companies and/or business associates and all applicable government agencies.**

Therefore, at this time and until I specifically inform you to the contrary in writing, in compliance with all applicable human rights, consumer reporting and privacy legislation, I hereby authorize and direct you to release to **KAWARTHA CREDIT UNION or any agent or representative of the Credit Union**, information that you have access to concerning my past or current employment, my education record, my credit history, my record of Criminal Code convictions for which a pardon has not been granted, including whether there are any Criminal Code charges pending, and/or any other information contained in your files relevant to my position of Director.

I hereby declare that, to the best of my knowledge, the information I provided both orally and on my resume/application form is complete and accurate in every respect. I understand that a false statement may disqualify me from being a Director or result in my subsequent discharge if I am elected to the Board of **KAWARTHA CREDIT UNION**. I understand that this consent will be valid for the duration of position of Director.

I understand and agree that if elected to the Board of **KAWARTHA CREDIT UNION** I will be bound by the terms and conditions contained in the policies and procedures, and the Code of Conduct.

I understand I am providing this information for identification purposes to ensure the accuracy of any reports obtained pursuant to this Acknowledgement and Consent.

Signature

Date

SIN _____

DOB _____

CERTIFICATE AND UNDERTAKING

Pursuant to the Credit Unions and Caisses Populaires Act and related By-law, the following individuals are disqualified from being directors of a credit union:

1. One whose membership in any credit union has been terminated, other than voluntarily.
2. One who has been found under the *Substitute Decisions Act, 1992* or under the *Mental Health Act* to be incapable of managing property or who has been found to be incapable by a court in Canada or elsewhere.
3. One who is an undischarged bankrupt or who has been discharged as a bankrupt in the five years preceding the date on which he or she may be elected as director.
4. One who is unable to obtain a bond of an insurer licensed under the *Insurance Act* to write surety and fidelity insurance.
5. One who is more than 90 days in arrears in the payment of a debt owed to the credit union unless the credit union has agreed to extend the time for repayment.
6. One who is a listed person within the meaning of the United Nations Suppression of Terrorism Regulations under the *United Nations Act (Canada)*.
7. One who has been convicted, in the five years preceding the date on which he or she may be elected as a director, of an offence which is related to the directorship of a body corporate, involves theft, fraud, contravention or failure to comply with the Credit Unions and Caisses Populaires Act or with the Securities Act and who has not received a pardon for the offence.
8. One whose membership in a professional association has been terminated, in the five years preceding the date on which he or she may be elected as director, for professional misconduct.
9. An employee of the credit union or a league in which the credit union is a member or his or her spouse, parent or child.
10. A professional advisor who provides services to the credit union in his or her professional capacity or who has provided such services in the three years preceding the date on which he or she may be elected as a director.
11. An employee of the Financial Services Regulatory of Ontario.
12. A public servant employed under Part III of the *Public Service of Ontario Act, 2006* whose employment duties include regulating credit unions.
13. One who has not met the training requirements or qualifications for directors established by the credit union.
14. One who has not met any reasonable condition or qualification set out in the by-laws of the credit union.

The undersigned hereby certifies that he/she has reviewed the above and is not disqualified from serving as a director of Kawartha Credit Union Limited by reason of any of the above grounds, and undertakes to immediately notify the Chair should the undersigned become disqualified while serving as a director. The undersigned hereby certifies that he/she is not: a party to; a director or officer of an entity that is a party to; a spouse parent or child of an individual who is a party to; and does not have a material interest in a person who is a party to a material contract or proposed material contract with the Credit Union.

Dated at _____, Ontario this _____ day of _____, 2022.

Nominee _____

Witness _____



Board of Directors Biography Template

Candidate Information

Full Name: _____
Last *First* *M.I.*

Address: _____
Street Address

City *Province* *Postal Code*

Telephone: _____ E-mail: _____

Reason for interest in running for Board of Directors

Work Experience

Education/Certifications

Community Involvement/Volunteer Work

Personal/Interests

Note to candidates: we have made this template available in two formats:

Click here to complete this form as an **editable PDF.**

Click here to complete this form in **Microsoft Word.**

**Once complete, please save the document and email to
humanresources@kawarthacu.com**



2022 NOMINATION FORM

Date: _____

TO: **Nominating Committee**
Kawartha Credit Union
14 Hunter Street East, P.O. Box 116, Peterborough ON K9J 6Y5
Or email: humanresources@kawarthacu.com

I agree to accept the nomination for the position of Director of Kawartha Credit Union Limited.

I understand that elections will be held online from January 27 to February 10, 2023.

I certify that I have read and understand the responsibilities associated with being a Director of Kawartha Credit Union as outlined in the **Information Package for Nominees to Board of Directors dated June 2022** and I undertake to take such further training as may be required by the Board.

Name of Nominee (Please print): _____

Signature: _____

NOTE: All nominations must be received no later than 4:00 pm on the last business day in November 2022.