



BOARD OF DIRECTORS 2024 CANDIDATE HANDBOOK

Notice of Nominations – Board of Directors

Notice is hereby given that nominations are open for the positions of Director of Ganaraska Financial Credit Union (GFCU).

The nomination period shall be open from 9:00 am on Friday December 15, 2023 and close at 5:00 pm on Monday February 12th, 2024.

The Board of Directors consists of nine (9) elected Members. This year GFCU is seeking three (3) Directors. All three (3) positions for a three (3) year term.

To qualify for election as a director a person must be:

- At least 18 years of age;
- A Canadian citizen or a person lawfully admitted to Canada for permanent residency who is ordinarily a resident of Canada; and
- Is, and has been for a continuous period of at least one (1) year, as of the last date on which nominations can be received pursuant to section 7.10 hereof regarding the election in which he or she wishes to be a candidate, a Member of the Credit Union, or of a Credit Union the assets of which the Credit Union has purchased, In Good Standing.
 - o A Member in Good Standing is an individual that complies with the Credit Union's rules, maintains an active and responsible account, and fulfills financial obligations, while also demonstrating ethical conduct and adherence to Membership criteria. Failure to meet these criteria may result in the loss of good standing status and potential consequences such as restricted account access or Membership termination.

In order for a nomination to be valid, it must:

- Be received by the Elections Committee during the nomination period.
- Be on the form prescribed and signed by one eligible voting Member of the Credit Union as well as by the person accepting the nominations.

Nomination forms may be obtained via our website or, at any branch of Ganaraska Financial Credit Union:

www.ganaraskacu.com

Port Hope Branch
17 Queen Street
Port Hope, ON

Cobourg Branch
57 Albert Street,
Port Hope, ON.

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WELCOME AND INTRODUCTION

On behalf of Ganaraska Financial Credit Union and the Board of Directors, I am delighted to extend a warm welcome to you as a potential new Member of our esteemed Board.

Ganaraska Financial Credit Union has been a cornerstone of the Northumberland County, with a rich history dating back to 1945. For decades, we have proudly served the residents of Port Hope, Cobourg and the entire County of Northumberland and surrounding areas. Our commitment to the financial well-being and prosperity of our members has been unwavering, and we continue to be a trusted and essential part of the local landscape.

As we embark on this journey to explore the possibility of your joining our Board, it's important to understand that we take great pride in our history, but we are equally excited about our future. Our mission is to provide outstanding financial services, guided by our values and a strong sense of community. We strive to promote financial literacy, support local initiatives, and make a meaningful impact on the lives of our members.

The Board of Directors plays a pivotal role in shaping the direction of Ganaraska Financial Credit Union. As a potential new Board Member, you will have the opportunity to contribute your unique skills, perspectives, and expertise to our collective mission.

Our Board is a dynamic and diverse group of individuals who are passionate about upholding the Credit Union's legacy and ensuring its continued success. We believe that your potential contribution to our Board would be invaluable as we navigate the ever-evolving landscape of the financial industry and seek new ways to serve our members better.

As you consider joining our Board, we encourage you to learn more about our organization, our values, and our vision for the future. We are excited about the prospect of you becoming a part of the GFCU family and contributing to our shared success.

Thank you for considering this opportunity, and we look forward to the possibility of working together to continue the incredible legacy of Ganaraska Financial Credit Union.

Sincerely,

A handwritten signature in black ink, appearing to read 'Lynda Kay', with a stylized, cursive script.

Lynda Kay,
Board Chair
Ganaraska Financial Credit Union

PURPOSE OF THE HANDBOOK:

The Ganaraska Financial Credit Union Director Handbook serves as a comprehensive guide for Board Members and potential Board Members, providing essential information, guidance, and resources to fulfill their roles effectively.

Its primary purposes include:

1. **Orientation:** Welcoming and familiarizing new Directors with the Credit Union's history, mission, governance structure, and their responsibilities.
2. **Reference:** Offering a readily accessible reference for Board Members to better understand the Credit Union's operations, legal and regulatory compliance, and policies.
3. **Accountability:** Setting clear expectations for ethical behavior, responsibilities, and professionalism, ensuring all Directors contribute to the Credit Union's success.
4. **Continual Improvement:** Encouraging a culture of continuous learning and development through education and self-assessment.
5. **Transparency:** Promoting transparency in governance by outlining meeting procedures, financial oversight, and risk management practices.
6. **Compliance:** Ensuring the Credit Union's adherence to relevant legal and regulatory frameworks.

Strategic Alignment:

Aligning Board Members with the Credit Union's strategic goals and ensuring they actively contribute to the planning and oversight process. Review and Updates: The handbook specifies a process for reviewing and updating, ensuring its relevance and accuracy. This process may involve an annual review by the Governance Committee or the Board of Directors, incorporating changes in regulations and industry best practices.

In summary, the Ganaraska Financial Credit Union Director Handbook is designed to facilitate effective governance, compliance, and continuous improvement within the Board of Directors, while also fostering a culture of transparency, professionalism, and accountability.

CREDIT UNION OVERVIEW

Vision: Everyone deserves a path to financial success. Ganaraska Financial Credit Union exists to guide members through their unique financial journey, no matter where they are or what they're looking forward to.

Mission: To partner with our members in creating their financial success.

Values: Excellent service, knowledgeable staff, competitive pricing, member value & community involvement, investment and visibility.

Recognize & meet people where they are: Ganaraska values understanding and acknowledging the individual financial needs and circumstances of its members, ensuring they receive tailored support. Encourage open and transparent conversations: Ganaraska promotes honest and clear communication, fostering trust and collaboration between Members and the organization.

Act with Integrity: Integrity is at the core of Ganaraska values, ensuring that all actions and decisions are made ethically and in the best interest of its members.

Commit to community-based decisions: Ganaraska is committed to making decisions that benefit the financial well-being of its community of Members, taking into account their diverse needs and aspirations.

Humanize banking: Ganaraska aims to bring a personal and human touch to banking, focusing on the individual needs and experiences of its members.

Our Value Proposition: At Ganaraska Financial Credit Union, our unwavering goal is to consistently deliver superior solutions to our valued Members. We are dedicated to ensuring that every Member's interaction with us is streamlined and hassle-free. Our foremost commitment is to prioritize our members, offering them the most competitive options, expert advice, and a wealth of resources to help them achieve their financial aspirations. What sets us apart is our deep-rooted local knowledge and expertise. We are not just a financial institution; we are an integral part of the communities we serve.

Our commitment extends beyond banking, as we actively engage with and invest in the wellbeing of our local communities. We understand the unique financial dynamics of our region and leverage our insights to provide tailored solutions that make a real difference in our members' lives. We firmly believe that each Member deserves a personalized approach and access to innovative financial products tailored to set them on the path to financial success. We acknowledge the distinctiveness of every individual's financial situation and are wholeheartedly devoted to assisting each Member in finding the perfect solutions that cater to their unique needs.

GOVERNANCE STRUCTURE, INCLUDING BOARD COMPOSITION AND COMMITTEES:

The Board of Directors is regulated and overseen by the Financial Services Regulatory Agency (FSRA). The role of this provincially mandated body is broad and includes. regulation and supervision, consumer protection, market integrity, stability and risk management, licensing and registration, policy development.

Board Composition Collectively, these nine Directors work together to set strategic directions, oversee financial matters, ensure regulatory compliance, and prioritize the best interests of Ganaraska Members and their communities.

Ganaraska commitment to this effective Board composition and term structure ensures a harmonious blend of experience and fresh insights, ultimately delivering the best financial services to its members.

Ganaraska Financial Credit Union has established several committees at the Board level to enhance its oversight and governance structure, ensuring that it operates effectively and in line with its mission and values. These committees play key roles in overseeing various aspects of the Credit Union's operations:

Governance Committee: This committee is responsible for maintaining and improving the governance structure of the Credit Union. It focuses on Board composition, development, and governance policies. The Governance Committee ensures that the Board operates efficiently and that the Credit Union's governance practices align with its mission and values.

Audit Committee: This committee is responsible for monitoring and mitigating operational and financial risks. It oversees internal controls, audit processes, and risk management procedures to ensure the Credit Union's operations are secure and compliant with regulations This committee is tasked with overseeing the credit market risk faced by the Credit Union. It evaluates the risk exposure related to lending and investments, ensuring that these activities align with the Credit Union's risk tolerance and financial stability goals. It plays a crucial role in safeguarding the Credit Union's financial integrity and managing the Credit Union's Financial health.

Nomination Committee: The Nomination Committee focuses on the Board's composition and succession planning. It is responsible for identifying and nominating potential Board Members who align with the Credit Union's mission and values. This ensures a well-rounded and diverse Board that can effectively guide the Credit Union.

Meeting Schedules:

It is an expectation that Board members will be members of at least one committee. Committees generally meet on a quarterly basis and report back to the Board on activities and recommendations at the next Board meeting.

Board meetings occur on a monthly basis and all Directors are expected to attend the Annual General Meeting. Committee's meet quarterly with the exception of the Nominating Committee.

Ganaraska Financial Credit Union operates as a governance Board, emphasizing transparency, accountability, and the active participation of the Board Members in decision-making processes. Such a governance style promotes open and collaborative discussions, where Board Members work together to establish policies, set strategic directions, and oversee the Credit Union's activities. This style ensures that the Credit Union's operations are aligned with its mission and values, and that there is a commitment to serving the best interests of its members and the communities it serves.

DIRECTOR COMPENSATION AND BENEFITS:

Organizational Structure:

Board of Directors: At the top of the organizational chart is the Board of Directors, which sets the overall strategic direction for the Credit Union. They make critical decisions related to governance, policies, and major initiatives.

Chief Executive Officer (CEO): The CEO is the highest-ranking executive responsible for the overall management of the Credit Union. They execute the Board's strategy, oversee day-to-day operations, and report back to the Board on the Credit Union's performance.

Executive Management: The Executive Management team consists of the CEO, Manager, Finance & Administration and Manager, Risk. This team collectively provides leadership, strategic planning, and oversight to ensure the Credit Union's financial health, compliance, and Member satisfaction. They work closely with the Board of Directors to implement the Credit Union's mission and values, making decisions that affect the organization as a whole.

Senior Management Team: This team includes managers who oversee key areas such as finance, operations, business development & marketing, risk management, and Member services. They play a significant role in the operations, decision-making and implementing the Credit Union's strategy. **Departments/Functional Units:** Under the senior management team, various departments or functional units operate, including:

Finance and Administration: Responsible for financial management, budgeting, regulatory reporting and accounting.

Operations: Manages daily operations, branch services, and technology.

Business Development & Marketing: Focuses on Member and community engagement, marketing strategies, and service delivery.

Lending Services: Ensures regulatory compliance and manages risk factors and delivers credit solutions.

IT and Technology: Handles technological infrastructure and systems.

Branches and Member Services: At the operational level, there are branches and Member service representatives who directly engage with Members to provide financial products and services. These Members serve our customers at our two branch locations in Port Hope and in Cobourg. We also have a call centre, ATM's, online banking, and online lending services.

Member Base: At the heart of the Credit Union is its members, who are the reason for its existence. The Credit Union exists to serve and meet the financial needs of its members. We have over 4,100 active Members at Ganaraska Financial Credit Union.

LEGAL AND REGULATORY FRAMEWORK

Key regulations and laws governing Credit Unions. Ontario Credit Unions and Caisses Populaires are regulated by the Credit Unions and Caisses Populaires Act, 2020. It sets out the Financial Services Regulatory Authority of Ontario's (FSRA's) objectives, powers, and duties, along with general terms for deposit insurance and other governing parameters. Credit Unions are also expected to adhere to periodically issued guidance notes that outline sound business and financial practices.

- Credit Unions and Caisses Populaires Act, 2020
- Co-operative Corporations Act, R.S.O. 1990, c. C.35
- Financial Services Regulatory Authority of Ontario Act, 2016, S.O. 2016, c. 37, Sched. 8

Board of Directors' legal responsibilities and liabilities: Directors of Ganaraska Financial Credit Union have a range of important duties and responsibilities to ensure the Credit Union operates in the best interests of its members and in compliance with relevant laws and regulations. These duties and responsibilities include:

Fiduciary Duty: Directors have a fiduciary duty to act honestly, in good faith, and in the best interests of the Credit Union. They must put the Credit Union's and its Members' interests before their own.

Compliance with Laws and Regulations: Directors are responsible for ensuring that the Credit Union complies with all applicable provincial, federal, and industry-specific laws and regulations. This includes the Ontario Credit Unions and Caisses Populaires Act, 2020, and regulations under this act.

Governance: Directors must establish and oversee the governance framework of the Credit Union, including governance policies and procedures. They are responsible for setting the strategic direction and overall goals of the Credit Union.

Financial Oversight: Directors are responsible for overseeing the Credit Union's financial management, including budgeting, financial reporting, and ensuring the Credit Union remains financially stable.

Risk Management: Directors must identify and manage risks that may affect the Credit Union's operations, including credit risk, operational risk, market risk, and liquidity risk.

Ethical Conduct: Directors must conduct themselves with the highest ethical standards and promote transparency in the Credit Union's operations. They should avoid conflicts of interest and act with integrity.

Board Meetings: Directors are required to attend Board meetings and actively participate in discussions and decision-making processes. They should be well-prepared and informed about the Credit Union's activities and performance.

Appointment and Removal of Officers: Board Members are typically responsible for appointing and, if necessary, removing officers such as the CEO and other executive officers.

Strategic Planning: Directors play a crucial role in the development and oversight of the Credit Union's strategic plan, ensuring it aligns with the organization's mission and objectives.

Member Advocacy: Directors should represent the interests of the Credit Union's Members, ensuring that their needs and concerns are taken into consideration in Board decisions.

Audit Oversight: Directors are responsible for overseeing the audit of the Credit Union's operations, financial statements, and internal controls.

Continuing Education: Directors are encouraged to stay informed about industry developments and may be required to undergo training to enhance their knowledge and skills in the financial sector.

Failure to fulfill these duties and responsibilities can result in legal and regulatory issues and financial instability. It's essential for Directors to act diligently and responsibly to protect the Credit Union and its Members. Directors may also benefit from consulting legal and financial experts to ensure they meet their obligations effectively.

As for liabilities, Directors of Credit Union Boards can be held personally liable if they breach their legal duties or engage in negligent, reckless, or fraudulent conduct. Such liabilities may result in financial penalties or legal action against individual Directors. To mitigate these liabilities, many Credit Unions maintain liability insurance for their Board Members.

It's crucial for Directors to be aware of their legal responsibilities and to act with diligence and care in fulfilling their roles. They should also seek legal counsel or consult with experts when necessary to ensure compliance with the law and the best interests of the Credit Union and its Members.

Compliance and Risk Management: The Board of Directors of Ganaraska Financial Credit Union has significant compliance and risk management responsibilities, which are essential to ensure the Credit Union's financial stability, protect its members, and maintain regulatory compliance. Here's an overview of these responsibilities:

Compliance Responsibilities:

Regulatory Compliance: The Board must ensure that the Credit Union adheres to all relevant provincial, federal, and industry-specific laws and regulations. This includes the Ontario Credit Unions and Caisses Populaires Act, 2020, and regulations and rules under this act, as well as other financial sector regulations.

Policies and Procedures: The Board is responsible for establishing and overseeing the implementation of policies and procedures that promote compliance. This includes setting standards for ethical conduct, privacy protection, anti-money laundering, and more.

Risk Assessment: Directors should regularly assess and monitor compliance risks. They must be aware of changes in laws and regulations and evaluate how these changes may impact on the Credit Union's operations.

Audit and Examination: The Board oversees audits and examinations of the Credit Union's operations, financial statements, and internal controls to ensure regulatory compliance and the accuracy of financial reporting.

RISK MANAGEMENT:

Risk Identification: The Board is responsible for identifying and understanding various risks the Credit Union may face, including credit risk, market risk, operational risk, capital risk and liquidity risk. They must consider external and internal factors that could affect the Credit Union's stability.

Risk Mitigation and Management: Directors should establish risk management strategies and policies to mitigate identified risks. This may include creating risk management frameworks, setting risk tolerance levels, and implementing mitigation plans.

Capital Adequacy: The Board should ensure that the Credit Union maintains adequate capital to absorb potential losses and meet regulatory capital requirements.

Stress Testing: Directors may require the Credit Union to undergo stress testing to assess its resilience in adverse economic conditions and to develop strategies for mitigating those conditions.

Risk Reporting: The Board should receive regular reports on risk exposure and risk management activities. They must remain informed about the Credit Union's risk profile and act when necessary.

Compliance with Prudential Standards: Credit Unions in Ontario are subject to prudential standards set by the Financial Services Regulatory Authority of Ontario (FSRA). The Board is responsible for ensuring the Credit Union complies with these standards.

Failure to fulfill these compliance and risk management responsibilities can result in regulatory scrutiny, legal issues, and financial instability. Credit Union Directors need to stay informed about industry developments, regularly assess risk, and work with management to implement effective risk mitigation strategies to protect the institution and its members

FINANCIAL OVERSIGHT

The role of a Board of Directors in financial oversight is crucial for the effective governance and stewardship of an organization. The Board's responsibilities in financial oversight include:

- Financial Statements Review
- Financial Performance Monitoring
- Asset Quality
- Capital Adequacy
- Budget vs Actual Analysis
- Investment Portfolio
- Membership Growth and Retention
- Member Advocacy
- Economic and Market Outlook
- Future Initiative and Strategies

Strategic Planning

The Board of Directors plays a critical role in strategic planning for the Credit Union, providing guidance, oversight, and accountability. Their involvement ensures that the strategic direction aligns with the Credit Union's mission, vision, and values while delivering value. Here are the key responsibilities and contributions of the Board of Directors in the strategic planning process:

Mission, Vision, and Values Alignment: The board should ensure that the proposed strategic plan is aligned with the Credit Union's mission, vision, and core values. The strategic plan should be a roadmap for achieving the Credit Union's overarching purpose.

Setting the Strategic Direction: The Board is responsible for providing high-level strategic direction and approving the Credit Union's long-term goals and objectives. This includes defining the Credit Union's purpose, target market, and strategic priorities.

Approving the Strategic Plan: The Board reviews and approves the strategic plan, making sure it is well-conceived, realistic, and in the best interests of the Credit Union. They also consider potential risks and opportunities associated with the plan.

Resource Allocation: The Board oversees the allocation of financial and human resources to support the strategic plan. They must ensure that the plan is adequately resourced and that there is a realistic budget for its implementation.

Risk Assessment and Mitigation: The Board should evaluate the strategic plan's associated risks and assess the Credit Union's risk appetite. They play a role in determining risk management strategies to mitigate potential threats.

Monitoring Progress: The Board continuously monitors the Credit Union's progress in implementing the strategic plan. They receive regular updates on key performance indicators (KPIs) to track the plan's execution and success.

Accountability: Board members are accountable for the outcomes of the strategic plan. They ensure that management is responsible for executing the plan and that there are clear performance metrics to evaluate progress.

External Factors Consideration: The Board considers external factors and trends, such as changes in the market, industry regulations, or economic conditions, which may impact the strategic plan and necessitate adjustments.

Long-Term Sustainability: The Board's focus extends beyond short-term gains, emphasizing the long-term sustainability of the Credit Union. They ensure that the strategic plan considers both immediate objectives and future viability.

Leadership and Governance: The Board is responsible for selecting and evaluating the CEO or executive leadership team that will be instrumental in executing the strategic plan. They also maintain a strong governance structure to ensure the plan's success.

Adaptability: In an ever-changing business environment, the Board must be open to adapting the strategic plan as needed. They should not be rigid and should consider feedback from management.

Evaluation and Review: The Board periodically evaluates the effectiveness of the strategic plan and conducts a comprehensive review to assess whether it is achieving its intended outcomes. Adjustments are made as necessary.

BOARD MEETINGS AND GOVERNANCE

Ganaraska Directors are expected to attend all scheduled Board and Committee meetings and be active participants therein. They are also encouraged to attend other Ganaraska related organizational and community related activities, as well as for Directors new to the Credit Union system, be willing to attend Credit Union system conferences.

Board meetings are held monthly. It is expected that, in addition to the actual time spent at a Board or Committee meeting, a director will fully review all materials (e.g., Board materials, Committee agendas and supporting material) provided prior to attending each meeting. Materials for all Board and Committee meetings are distributed in electronic format generally 1 week prior to the scheduled meeting. Elected Directors are expected to be able to receive and communicate via electronic means. While the amount of time required for this task will vary for each individual it is not unusual for a director to spend approximately 2–5 hours preparing for a Board or for some Committee meetings.

Attendance at all Board and Committee meetings is tracked and reported to the Board. While occasional conference calls are held to deal with special issues between regularly scheduled meetings, for the most part Directors are expected to attend meetings in person or virtually. The following meeting summary shows the approximate time commitment for each Director during the course of a year: This does not include preparation time prior to meetings.

Board Meetings: Board meetings begin at 5:30pm usually on the last Tuesday evening of the month. Meetings are held via Teams and quarterly are held in person.

Audit Committee: Meets approximately 4 quarterly/year or when necessary (allow 2 hours/meeting). The meetings begin at 5:00pm at the Port Hope Branch and/or via Teams.

Governance Committee: Meets approximately 4 quarterly/year or when necessary (allow 2 hours/meeting). The meetings begin at 5:00pm at the Port Hope Branch and/or via Teams.

Nomination Committee: Meets approximately 2 times/year (allow 2 hours/meeting) plus a concentrated period during the Nomination period, when Candidate interviews are conducted.

Annual General Meeting (AGM): Usually held during the 2nd or 3rd week in April during the evening at 5:00p.m.

Strategic Planning Session: As scheduled.

BOARD DEVELOPMENT AND EDUCATION

Ganaraska Financial Credit Union considers training and development programs for our directors extremely important to assist them in understanding the roles and responsibilities of being a Director of a Credit Union. In 2018, the Financial Services Regulatory Authority of Ontario (FSRA) set out minimum expectations for individual Director Competencies which will require various programs to be completed within certain time frames.

For further information please consult the CUDA Directors program.

Board 360 & <https://www.ccuacampus.com/learn>

In addition, other in-house training sessions are developed for which attendance is expected. Each Committee regularly holds educational sessions during its scheduled meetings. Time commitments for education & workshops is usually 2-3 hours per month, some months could be above 5 hours. The Board allocates funds annually for training and development purposes, and it is incumbent on each Director to complete an Individual Development Plan for education and consider additional opportunities for development wherever possible.

Remuneration: Directors are paid an annual honorarium in recognition of the significance of the accountabilities and responsibilities associated with governing the Credit Union, and in recognition of the time required for Directors to fulfill their responsibilities, as well as a per diem for each meeting attended. These payments are taxable as personal income. Reasonable expenses are reimbursed as per Board policy.

ACKNOWLEDGEMENT AND AGREEMENT This written agreement represents our entire understanding of your role as a Director of Ganaraska Financial Credit Union.

Name

Date

Signature

DIRECTOR ELIGIBILITY REQUIREMENTS

At a minimum, the Director Elections Policy and Procedure shall:

- i. Prohibit the Nomination Committee from naming a Nominee who:
 - a) is not a Member in Good Standing;
 - b) completed a period of twelve (12) consecutive years of service as a director (the “Term Limit”) less than one year before the meeting at which the person will be a candidate for election as a director; or
 - c) if elected to fill a vacancy for a 3-year term, would otherwise have the right to serve as a director continuously for a period exceeding the Term Limit;
 - d) is, and has not been for a continuous period of at least one (1) year, as of the last date on which nominations can be received pursuant to section 7.10 hereof regarding the election in which he or she wishes to be a candidate, a member of the Credit Union, or of a credit union the assets of which the Credit Union has purchased, In Good Standing;
 - e) is the Spouse, Parent, Child or Sibling of an employee, officer, or director of the Credit Union;
 - f) was employed by the Credit Union, and is not the Spouse, Parent, Child, or Sibling of a person who was employed by the Credit Union, in the two years immediately preceding the date of the election in which he or she seeks to be a candidate for election to the Board; or,
 - g) is, or whose Spouse, if any, is, a director, officer, committee member or employee of a financial institution which, in the reasonable opinion of the Board, competes with the Credit Union;
- ii. deem, for the purposes of paragraph i.b. above, a director who resigns in the final year of the Director’s current term as if the Director had completed that term;
- iii. prescribe the form and content of the applications to be submitted by Members seeking nominations; and
- iv. prescribe the process by which submitted applications will be reviewed by the nominating committee.

Qualifications Of Directors (Extracted FROM THE ACT)

Only an individual who meets the following criteria is eligible to be a director of a Credit Union:

1. The person is a Member of the Credit Union
2. The person is at least 18 years of age.
3. The person is a Canadian citizen, or a person lawfully admitted to Canada for permanent residency who is ordinarily resident in Canada.

Disqualified Individuals (EXTRATED FROM THE ACT, REGULATION 105/22) 29 (1)

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 the individual may be elected as director.
 4. One who is unable to obtain proof of bonding insurance that is satisfactory to the Chief Executive Officer.
 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 the individual may be elected as a director, of an offence described in subsection (3) 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 the individual may be elected as director, for professional misconduct.
 9. An employee of the credit union or a central in which the credit union is a member or the employee's spouse, parent or child.
 10. A professional advisor who provides services to the credit union in the individual's professional capacity or who has provided such services in the three years preceding the date on which the individual may be elected as a director.
 11. An employee, director, or officer of the Authority.
 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.
- (2) An individual is not an employee for the purposes of paragraph 9 of subsection (1) solely because the individual provides, without remuneration, services to the credit union or central that are ordinarily provided by an employee.

(3) An offence referred to in paragraph 7 of subsection (1) is an offence that,

- a. is related to the qualifications, functions or duties of a director of a body corporate;
- b. involves theft or fraud;
- c. involves a contravention of or failure to comply with the Act, a predecessor of the Act or an Act governing a subsidiary of the credit union; or
- d. involves a contravention of or failure to comply with the Securities Act

CANDIDATE'S UNDERTAKING

The undersigned hereby applies to be nominated as a Candidate for election to the Board of Directors of Ganaraska Financial Credit Union.

I do solemnly undertake to:

- a) Stand for election, and, if elected, to serve as a director;
- b) Observe the provisions of the Credit Unions and Caisses Populaires Act (the "Act"), as applicable, including the provisions of disqualified individuals;
- c) Comply with the Director's Code of Conduct and the Duties and Obligations of Directors including Conflict of Interest Guidelines adopted by the Board;
- d) Provides full, financial disclosure to the Credit Union, as required by the Board from time to time;
- e) Consent to the disclosure of credit and/or personal information to, or from any credit reporting agency;
- f) Observes all the Credit Union's By-Laws, and the rules relating to the elections and the conduct thereof; and
- g) Resign from the Board in the event the Board has determined that as a Director, I have ceased to meet the eligibility requirements, as set out in the Credit Union's ByLaws or Section 91 of the Act or if I have met the test of any of the disqualifying criteria as set out in Section 92(1) of the Act, during my term of office

I further understand that in order to be eligible for consideration for Nomination, this Application must be completed as required; submitted as referenced in the Notice of Nomination; and be accompanied by the following documents,

1. A written Statement of Interest, not exceeding 200 words, which:
 - a. Provides the Membership with enough information about the Candidate from a personal and professional perspective to help them understand the skills and expertise the Candidate would bring to the Board;
 - b. Outlines the Candidate's reasons for seeking election to the Board of Ganaraska;
 - c. Explains why Members should vote for this Candidate. This Statement will be published by Ganaraska, and will be used to inform the Membership about the Candidate in its election materials;
2. A resume which includes disclosures outlining the following:
 - a. Experience, expertise and qualifications of the Candidate;
 - b. Candidate's involvement in community activities;
 - c. Candidate's past and present service as a Director of a Board;

- d. Any formal Director education/training accreditations; and
- e. Candidate's professional, community or other affiliations or Memberships;

3. A recent photograph of the Candidate (preferably digital) reflecting an image that is a head shot showing head and upper body.

The photo must meet the following specifications:

- A passport photo, and
- Even lighting with a clear, neutral background and
- Be taken in colour

If you do not have a recent photograph, please set up an appointment with our Business Development Officer, Megan Carr megan@ganaraskacu.com to have one taken at our Port Hope branch.

4. Must consent and complete forms for a criminal background and credit check when submitting your application to the Board for consideration.

5. Must consent, complete and pass the Fidelity Bond application process.

6. All contents of the application for nomination must be placed in the envelope provided and dropped off at either branch location or submitted via email to info@ganaraskacu.com.

a. 17 Queen Street, Port Hope

b. 57 Albert Street, Cobourg

Dated at _____ Ontario, this _____ Day of _____.

Candidate's Signature

2024 APPLICATION FOR NOMINATION

As a Member of Ganaraska Financial Credit Union, I nominate the following person for election to the Board of Directors.

Candidate:

Name: _____

Address: _____

City/Postal Code: _____

Phone (Res): _____ (Bus): _____

Email: _____

Nominator:

Legal Name: _____

Address: _____

Email: _____ Phone: _____

Signature: _____

Nominating Committee Acknowledgement of Receipt:

Legal Name: _____

Address: _____

Email: _____ Phone: _____

Signature: _____

BACKGROUND/CREDIT CHECK CONSENT FORM

Authorization By submitting a signed version of this form, you grant your explicit consent for Ganaraska Financial Credit Union to conduct a comprehensive background/credit check, which may encompass criminal, employment, education, reference verifications, and evaluating/assessing creditworthiness as part of our assessment process. Please be aware that the findings of this criminal background/credit check may have an impact on your eligibility for becoming a Director at Ganaraska Financial Credit Union.

You maintain the right to review the information obtained and request any necessary rectifications or clarifications. Should adverse action be taken based on the contents of this report, you will be furnished with a copy of the report and informed about your rights in accordance with relevant legal requirements. It is essential to acknowledge that your consent is entirely voluntary and may be revoked at any time.

I, _____, hereby authorize Ganaraska Financial Credit Union to conduct background/credit check on me for the purpose of _____.

I understand that this criminal background/credit check may include, but is not limited to, a review of my criminal history records, including arrests and convictions, evaluating creditworthiness, as well as any other relevant information related to my suitability for the purpose.

I acknowledge that I am providing this consent voluntarily and that I have the right to withdraw this consent at any time, except where prohibited by law. I also understand that the results of this background/credit check may impact my eligibility for _____.

I release Ganaraska Financial Credit Union, its employees, agents, and any third-party background/credit check provider from any liability arising from the use of the information obtained as a result of this criminal background/credit check. By signing below, I certify that I have read and understood the terms of this consent form and willingly grant permission for the background/credit check to be conducted.

Signature

Date

Full Name (Printed)

Address

City

Province

Postal Code

Phone Number

Email Address