



**Ladysmith & District Credit Union  
Board of Directors  
2021 Nomination Package**



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# 1. Important Information

## **a) Required Elements**

The following required elements must be submitted to the Ladysmith & District Credit Union by February 19, 2021:

- Resume
- Board of Directors Application – Article 17
- Signed Election Campaigning Policy– Article 18
- Signed Qualifications Checklist– Article 19
- Completion of Board of Directors Applicant Questionnaire – Article 20
- Signed Code of Ethics for Directors – Appendix E
- Signed Director Disclosure Statement – Appendix F
- Signed Code of Conduct Policy Acknowledgement for Directors – Appendix G
- Signed Director Confidentiality Policy Acknowledgement – Appendix H

In addition to the above please ensure you have reviewed the Conflict of Interest Policy for Directors attached as Appendix I

## **b) Any Questions?**

If you have any questions about this Board nomination package and/or its contents, please contact Linda King, Executive Assistant at 245-6379 or via email at lking@ldcu.ca.

## **c) Important Dates**

Friday February 19, 2021	-	Nomination Deadline
Tuesday May 4, 2021	-	LDCU Annual General Meeting

## **d) Expiring Terms**

The terms of Office for the following Directors on the Ladysmith & District Credit Union Board of Directors will expire at the Annual General Meeting on May 4, 2021:

- Rob Viala
- Gerry Clarke

Each of the incumbents is eligible for re-nomination.

## 2. Welcome Message

December 1, 2020

Dear Member,

At the Ladysmith & District Credit Union, we value the dedication and commitment of our members who choose to participate in our elections process as a Board candidate. Thank you for your interest in seeking nomination for our Board of Directors. Inside this nomination package, you will find information that will clarify the role Board Members play in governing our Credit Union.

If you decide to proceed with submitting your name as a Board candidate, please complete and submit the Required Elements, as outlined in the Table of Contents. The deadline for nomination is February 19, 2021.

Please contact Linda King, Executive Assistant at the Credit Union if you have any questions as you work through your application.

Sincerely,

David O'Connor,  
Chair, Nominating Committee

### 3. Nomination Process and Key Dates

#### *a) Key Dates*

- Nomination deadline: Friday, February 19, 2021
- Deadline for candidate statements: Friday, February 19, 2021
- Endorsement of Board candidates: Monday, February 22, 2021
- Annual General Meeting: Tuesday, May 4, 2021

#### *b) General Nomination Information*

- The Nomination Committee will endorse eligible members who submit their applications and who, in the opinion of the committee, are suitable candidates for election, (see Article 5. “Qualifications of Board Members” and Article 6. “Persons Disqualified as Directors under the BC Company Act”).
- A candidate must be nominated, in writing, by at least three members in good standing of the Ladysmith & District Credit Union, who are 19 years of age or older.
- No member, (except a member of the Nominating Committee), may nominate more than one candidate.
- All candidates must be eligible as defined in the Ladysmith & District Credit Union Rules.
- Each candidate will be asked to prepare a Candidate Statement of no more than 250 words, complete with a photo, and deliver said Statement to Ladysmith & District Credit Union no later than February 19, 2021. Information will be available to all members as submitted.
- Voting for directors will take place at the Ladysmith & District Credit Union’s Annual General Meeting held on May 4, 2021.
- If there is an election, the ballots will be counted as outlined in the Credit Union Rules.
- There will be no nominations from the floor at the Annual General Meeting.
- There will only be a vote at the Annual General Meeting if there are more nominations than positions available.
- The Board’s Nomination Committee will conduct Board applicant interviews at the Committee’s discretion. It may not be necessary to interview each applicant.
- A tie-breaking procedure is in place in case of a tie vote.

## 4. LDCU Board of Directors Job Descriptions

***a) LDCU's Board Job Descriptions are attached as Appendices as noted below:***

- i) LDCU Director Job Description – Appendix A
- ii) LDCU Board President – Appendix B
- iii) LDCU Board Vice-President – Appendix C
- iv) LDCU Secretary – Appendix D

## 5. Qualifications of Board Members

***a) Qualifications:***

A member who wishes to be considered for the Board of Directors, in addition to the qualifications under Rule 4.1 to 4.5 of the Ladysmith & District Credit Union Rules, must meet the following qualifications:

- Be bondable.
- Have a positive credit rating, showing no derogatory records.
- Not be employed by, or be a director of, a competing financial institution.
- Not be in violation of the Credit Union's policies or Rules.
- Be a Canadian citizen or a person who has been lawfully admitted into Canada for permanent residence.
- Not be a parent, spouse, child, or step-child of a director or employee of the Credit Union or any subsidiary.
- Not have been an employee of LDCU or any subsidiary for the previous five years.
- Where a director, or a corporation in which the director is a director, officer, or has a controlling interest is engaged under a contract for a provision of services or sale of goods to the Credit Union, or a competing financial institution, and that contract is deemed by special resolution of the Board to be material in value, and related to matters having strategic business importance to the Credit Union, that director shall not be qualified to serve as a director.

***b) Failure to Meet Qualifications***

Where a director no longer meets the qualifications of a director under Rule 4.1 to 4.5, they shall submit their resignation to the Board of Directors and if they fail to do so, the Board of Directors shall remove the director if it becomes aware of a defect in their qualifications, and shall record its action in the minutes. In the event the facts surrounding the defect in qualifications are unclear, or the situation can be corrected, a director may be suspended by a special resolution of the Board until the matter of their qualification is resolved.

### **c) Desired Skills and Experience**

The Ladysmith and District Credit Union seeks candidates with general business skills and experience such as:

- Audit and Compliance Oversight
- Board and CEO Performance
- Credit Union Operations
- Financial Literacy
- Governance and Ethics
- Leadership
- Regulatory Environment
- Risk Management Oversight
- Strategic Planning

## **6. Persons Disqualified As Directors Under the Credit Union Incorporation Act**

No person is qualified to become or act as a director of a Credit Union who is:

- Under the age of 19 years.
- Found to be incapable of managing their own affairs by reason of mental infirmity.
- A corporation.
- An un-discharged bankrupt.
- Unless the court orders otherwise, convicted in or out of the Province of an offence:
  - in connection with the promotion, formation, or management of a corporation, or
  - involving fraud.
- Unless 5 years have elapsed since the expiration of the period fixed for suspension of the passing of sentence without sentencing or since a fine was imposed, or the term of imprisonment and probation imposed, if any, was concluded, whichever is the latest, but the disability imposed by this paragraph ceases on a pardon being granted under the Criminal Records Act (Canada), or
- in the case of a reporting company, a person whose registration in any capacity has been cancelled under:
  - the Securities Act by either the BC Securities Commission or the Superintendent.
  - the Mortgage Brokers Act by either the Commercial Appeals Commission or the Superintendent, or
  - the Commodity Contract Act by either the BC Securities Commission or the Superintendent, whichever is applicable, otherwise orders, or unless 5 years have elapsed since the cancellation of the registration.

Every person who acts as a director of a company and is a person who is not qualified to act as a director of a company by reason of the above commits an offence.

## 7. Holding of Office

A director ceases to hold office when the director:

- Dies or resigns.
- Is removed from office by ordinary resolution of the members at an Annual General Meeting.
- Becomes disqualified pursuant to the Financial Institutions Act or the Credit Union Incorporation Act.
- Is, or becomes, a paid employee of the Credit Union, or of a subsidiary of the Credit Union, or the parent, spouse, child, or step-child (which includes persons who have lived together for not less than one year, although not married to each other), of a paid employee, or director of the Credit Union or of a subsidiary of the Credit Union.
- Was an employee of the Credit Union or any subsidiary during the five-year period prior to the date that nominations for the office of director under these Rules closed
- Is an employee, officer, director of a bank, trust company, loan company, savings and loan association, deposit-taking institution, lending institution or another Credit Union, (other than Central 1), or a subsidiary of any of them except where that person has been requested or authorized in writing by the directors to serve as a director of a bank, trust company, loan company, savings and loan association, deposit-taking institution, lending institution, other Credit Union or subsidiary of any of them
- When their term expires
- Has failed, without being excused, to attend regular meetings of the directors for three consecutive months in which meetings are held.

## 8. Number of Directors

The Board of Directors shall consist of no more than seven persons duly elected by the members.

## 9. Action on Vacancy on Board

In the event any vacancy occurs among the directors on or before the next Annual General Meeting, the existing directors may appoint a qualified person to fill the vacancy pursuant to Rule 4.35 of the Credit Union's Rules.

## 10. Election of Board Members

The members shall elect directors at each Annual General Meeting. The term of office for directors shall be until the third annual meeting following their election, except, for the purpose of staggering terms, members may elect directors for a shorter term, but no term shall exceed the third annual meeting following their election.



## 11. Failure to Elect Minimum Number of Directors

If for any reason, the office of director is not filled in an election, the remaining directors may appoint a qualified person to fill the vacancy pursuant to Rule 4.35 of the Credit Union Rules. Any person so appointed shall hold office until the close of the next Annual General Meeting.

## 12. Election of Officers

At the first directors meeting following the Annual General Meeting of the Credit Union, the Board of Directors shall choose from their own members a President of the Board, a Vice-President, a Board Secretary and such other officers as they consider necessary.

## 13. Director Attendance at Meetings

If a director misses three consecutive meetings without the prior approval of the Board of Directors or the Chairman of the relevant committee, their office may be declared vacant by the Board of Directors and the vacancy shall be subject to Rule 4.35 of the Credit Union Rules.

## 14. Director Remuneration

Directors and non-employee officers of the Credit Union shall receive remuneration in recognition of their time and efforts. Such remuneration was approved by the membership at the Annual General Meeting held May 14, 2019 as follows:

	Board Chair	Board Vice- Chair	Directors
Annual Honorarium	\$ 2,250	\$2,000	\$2,000
Board Meetings	\$175	\$150	\$150
Other Meetings*	\$175	\$150	\$150
Committee Meetings (except Donation and Credit Committee)	\$100	\$100	\$100
Donation and Credit Committee Meetings	\$50	\$50	\$50

\*Other Meetings are defined as formal structured meetings with the primary focus being LDCU business (including Board attendance at the AGM).

## 15. Director Conflict of Interest and Confidentiality Policies

Directors are required to comply with the following Conflict of Interest and Confidentiality policies. Each director is required to review and sign each policy annually.

- |   |              |
|---|--------------|
| i) Code of Ethics for Directors                           | - Appendix E |
| ii) Director's Disclosure Statement                       | - Appendix F |
| iii) Code of Conduct Policy Acknowledgement for Directors | - Appendix G |
| iv) Director Confidentiality Policy Acknowledgement       | - Appendix H |
| v) Conflict of Interest Policy for Directors              | - Appendix I |

## 16. Candidate Endorsement Statement from the LDCU Board of Directors

Ladysmith & District Credit Union values its unique history and structure in being governed by a Board of Directors comprised of annually elected members. Each year, your Board of Directors' Nominations Committee undergoes the process of seeking nominations to the Board, and carefully reviews each nomination received. Board nominees are required to meet criteria set out in our Rules, which include being a member in good standing and a Canadian citizen.

After a review of each application received, the Nominating Committee interviews nominees, and then considers endorsement of potential candidates. All nominees who meet the criteria as set out in the Rules are welcome to run as candidates for our Board of Directors. The Nominating Committee is committed to an election process that is as transparent as possible, while at the same time, respects the privacy of each nominee who chooses to seek election. The endorsement step of the election process is in place to affirm the Nominating Committee's careful consideration of each nominee, including assurance that nominees' values, interests, experience and expertise are those that would enhance the Board's current composition. The Board encourages members to make an informed choice when voting for their Board of Directors. Your Board of Directors feels the Nominating Committee's endorsement step supports our democratic process and commitment to annual elections, while, at the same time, works toward securing a strong cross-section of members with the unique abilities needed to govern the business complexities and future direction of the Ladysmith & District Credit Union.

# 17. 2021 Application for Nomination to the Ladysmith & District Credit Union Board of Directors

## a) Key Contact Information

Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Telephone #: \_\_\_\_\_

Email Address: \_\_\_\_\_

Member Since: \_\_\_\_\_

Membership #: \_\_\_\_\_

Please attach your resume to this application.

**b) Applicants must be nominated by three LDCU members in good standing.**

Nominee: \_\_\_\_\_

i) Nominating Member: \_\_\_\_\_

Membership #: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone #: \_\_\_\_\_

Signature: \_\_\_\_\_

ii) Nominating Member: \_\_\_\_\_

Membership #: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone #: \_\_\_\_\_

Signature: \_\_\_\_\_

iii) Nominating Member: \_\_\_\_\_

Membership #: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone #: \_\_\_\_\_

Signature: \_\_\_\_\_

## 18. Election Campaigning Policy

### **a) Purpose**

The campaign Policy has been developed to guide all candidates through the election process. The Policy has been developed to ensure that all candidates, regardless of their means or influence, have the opportunity for equal exposure to the members.

### **b) Campaign Material**

Each candidate must submit a statement, 250 words or less, and a “head and shoulders” photograph. Ladysmith & District Credit Union will provide all communication opportunities for candidates to share their messages with the membership. Ladysmith & District Credit Union will review all candidate communications and may reject material that contains defamatory, prejudicial or misleading comments. All candidates shall act independently and not appear to belong to a “slate” of candidates. No other campaign literature or materials may be produced or used by the candidate.

### **c) Independent Campaigning**

Candidates may only publicly campaign through opportunities provided by Ladysmith & District Credit Union.

### **d) Use of Media**

Candidates may not advertise or otherwise publicize their campaign in any media.

### **e) Staff Role in Campaigning**

No candidate shall interfere or permit any person on his or her behalf to interfere with the duties of Ladysmith & District Credit Union staff. Assistance in campaigning is limited to branch hours only and will be limited to administrative or informational details. All interested candidates are required to make an appointment through the Executive Assistant. Staff shall not be involved in the campaign of any individual.

### **f) Disputes**

A condition of nomination at the Ladysmith & District Credit Union election is to abide by this Election Campaigning Policy. Any contravention of this Policy will be adjudicated by the Nominating Committee. Their decision is final. The restrictions on candidates also apply to any person campaigning for, or action on behalf of, a candidate.

### **g) Communication**

Prior to the Annual General Meeting, the Nominating Committee Chairperson or their representative will contact candidates to let them know whether they were successful in their application and may now run for election to the Board of Directors.

### **h) Acknowledgement**

I have read and will abide by the Election Campaigning Policy and understand that any contravention of the Policy will be adjudicated by Ladysmith & District Credit Union’s Nominating Committee. Their decision is final.

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

# 19. Board Applicant Qualifications Checklist

At Ladysmith & District Credit Union, members enjoy many unique benefits, one of which is having a say in the Credit Union’s direction through voting for our Board of Directors. Ladysmith & District Credit Union has long understood how a strong Board helps create success. The length of one term for a Director is a maximum of three years. To qualify as a candidate for the Credit Union’s Board of Directors, you must comply with and confirm the following qualifications, as they relate to the Ladysmith & District Credit Union’s Rules.

## a) Qualification of Board Members

A member who wishes to be considered for the Board of Directors must meet the following qualifications:

- Be bondable.
- Have a positive credit rating, showing no derogatory records.
- Be a present member of the Ladysmith & District Credit Union in good standing for one year.
- Not be employed by, or be a director of a competing financial institution.
- Not be in violation of the Credit Union’s Policies or Rules.
- Be a Canadian citizen or a person who has been lawfully admitted into Canada for permanent residence.
- Not be a parent, spouse, child or step-child of a paid employee, or a director of the Credit Union, or any subsidiary.
- Not have been employed by LDCU or any subsidiary within the previous five years.
- Where a director, or a corporation in which the director is a director, officer, or has a controlling interest is engaged under a contract for the provision of services or sale of goods to a competing financial institution and that contract is deemed by special resolution of the Board to be material in value, and related to matters having strategic business importance to the Credit Union, that director shall not be qualified to serve as a director.

	<u>Yes</u>	<u>No</u>
Has your application for a bond ever been declined by a fidelity insurer?	<input type="checkbox"/>	<input type="checkbox"/>
Has a business you have owned or operated ever been declared insolvent?	<input type="checkbox"/>	<input type="checkbox"/>
Have you ever been personally bankrupt?	<input type="checkbox"/>	<input type="checkbox"/>

## b) Consent

I hereby give my consent to the disclosure of credit and/or personal information to, or from any reporting agency including a fingerprint background check. I confirm the above information is true to the best of my knowledge. I permit Ladysmith & District Credit Union to conduct a credit check on my behalf, and take appropriate steps to further validate the above qualifications.

Name: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## 20. Board of Directors Applicant Questionnaire

**a) Qualification of Board Members (please provide answers on a separate page)**

- i) Why do you wish to become a director of Ladysmith & District Credit Union?
- ii) What is your vision for Ladysmith & District Credit Union and the Credit Union system?
- iii) Should Credit Unions differentiate themselves from other financial institutions?
  - If so, what do you feel Credit Unions should offer their members that would clearly differentiate them from other financial institutions?
- iv) What skills and experience can you offer to strategically guide Ladysmith & District Credit Union forward in an increasingly complex environment?
- v) What is your view on corporate community involvement?
- vi) Do you have any further comments you would like to make at this time?