



2021 DIRECTOR ELECTION:

**DIRECTOR NOMINATION
PACKAGE**

January 2021

DIRECTOR NOMINATION PACKAGE

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I. MESSAGE FROM THE BOARD CHAIR

Dear Prospective Board Candidate:

Thank you for your interest in serving as a Director of Provincial Credit Union. We value the dedication and commitment of our members and appreciate those who choose to participate in our nomination and election process.

Provincial Credit Union is an independent, local financial institution with assets of approximately \$500 million and more than 14,500 members. Individually and collectively, directors must meet the high standard of competence and performance our membership expects. I am proud to say that we are a committed and engaged Board focused on the best interests of Provincial Credit Union and our members.

This Director Nomination Package is provided in order to assist you in understanding Provincial Credit Union, the role of the Board, as well as to support your completion of the nomination process. Our goal is to ensure a fair and transparent process that enables our members to be fully informed when casting their vote for their preferred candidate(s).

I hope you find the information helpful. Should you have any questions about the enclosed information, please contact Doug Bridges, Marketing & Communications Officer at dbridges@provincialcu.com or at 902 629-1940.

Again, thank you for your interest in this important process.

Sincerely,

Corey Tremere
President
Board of Directors

II. OVERVIEW OF Provincial Credit Union

The original Metro Credit Union was incorporated on December 8th, 1968 and operated under Charter Number 70. Metro was formed through a merger of three Credit Unions already in existence within the Charlottetown area. These Credit Unions were St. Dunstan's and Charlottetown, which were originally organized during the 1930's, and Capital Credit Union, which was formed in October of 1962. In addition, over the years a number of other Credit Unions joined with Metro. In November 1981, Metro Credit Union relocated from Queen Street to 281 University Avenue in Charlottetown. This new, more visible location and facility enabled the credit union to grow and expand in the community. In 1995, Metro Credit Union opened Charlottetown's first 24-hour drive-thru ATM, and in August of 2001, opened a branch office in Stratford,

Metro Credit Union amalgamated with Stella Maris Credit Union in North Rustico on October 1st, 2013, and officially became Provincial Credit Union in November of 2013. On January 1, 2015, Montague Credit Union joined the team and became part of Provincial Credit Union, bringing our total number of offices to four.

Provincial Credit Union now serves 14,500 members from various communities in and around the Charlottetown area and the north shore including: Charlottetown, West Royalty, Stratford, Sherwood, Scotchfort, Rocky Point, Brackley, Hillsborough Park, East Royalty, Cornwall, Winsloe, North River, Crossroads, Elliot River, Fort Augustus, Pownal, as well as North Rustico, Cavendish, and Montague. Provincial Credit Union is part of the PEI Credit Union System, which today serves approximately 50,000 members with a complete range of professional products and services.

III. OVERVIEW OF BOARD

- The PROVINCIAL CREDIT UNION Board is a governing board and has the fiduciary responsibility to:
 - ▶ act honestly;
 - ▶ act in good faith;
 - ▶ give loyalty;
 - ▶ exercise authority within the parameters of the position;
 - ▶ disclose conflict of interest;
 - ▶ avoid breach of confidence; and,
 - ▶ hold in strict confidence all transactions and business affairs of transactions affecting PROVINCIAL CREDIT UNION and its members.
- The standard required is that a Director use reasonable care, diligence and skill that a reasonably prudent person would have exercised in comparable circumstances. Duties of care, skill and diligence consist of the following characteristics:
 - ▶ exercise reasonable care;
 - ▶ attend meetings;
 - ▶ keep informed;
 - ▶ act intelligently;
 - ▶ avoid imprudent judgement by applying appropriate due diligence in decision making;
 - ▶ provide adequate supervision; and,
 - ▶ question things that are not clear or not understandable.
- In addition to these responsibilities, the Board fulfills its oversight role in the following overarching areas:
 1. Provide strategic stewardship, including the approval of the Strategic Plan.
 2. Approve the annual Business Plan and monitor performance.
 3. Ensure effective risk management through an appropriate risk management policy, system and reporting mechanisms.
 4. Monitor the performance of the CEO and provide direction, as well as support as required.
 5. Ensure its own effectiveness through a comprehensive Board policy framework and evaluation process.

Overview of Board Proceedings

- All directors must be able to commit time and effort throughout the year to Board meetings, committees and email correspondence.
- Regular Board meetings are held 10 months a year, with no meetings scheduled in July and August. Meetings are typically 1 ½ to 2 ½ hours in duration and are held during the third Monday of each month beginning at 6:30 pm, at Provincial Credit Union's Charlottetown office. There are occasions when a special Board Meeting could be required.
- In addition to the above meetings, directors sit on at least one of the following Committees of the Board: 1. Audit Committee; 2. Governance Committee; 3. Policy Committee.
- Directors receive an annual honorarium of \$2,000, which is paid quarterly, effective as of the annual meeting date (prorated monthly). Directors also receive \$150 for in person committee meetings. Any direct expenses incurred to carry out Board business are reimbursed, including mileage, payable at normal credit union rates.
- New directors are required to participate in the Credit Union Director Achievement Program within the first six months of their appointment. The Program entails a number of components intended to enhance the director's knowledge of the organization and business in a timely manner.

IV. DIRECTOR ELIGIBILITY AND REQUIREMENTS

- (1) No person is eligible to be a director who...
 - (a) is less than eighteen years of age;
 - (b) is of unsound mind and has been found by a court in the province or elsewhere to be of unsound mind;
 - (c) is not an individual;
 - (d) is not a member of the credit union;
 - (e) is a duly appointed representative of a member that is a partnership, association, body corporate or public body;
 - (f) has been convicted within the previous five years of an offence that is of a kind that is related to the qualifications, functions or duties of a corporate director, including an offense involving fraud or an offence against this act, unless a pardon has been granted in respect of such offence under the criminal records act (Canada) R.S.C. 1985, Chap. C-47;
 - (g) has the status of a bankrupt;
 - (h) without the written approval of the board, has a loan with the credit union that is more than six months in arrears;
 - (i) has a loan with the credit union that is more than twelve months in arrears; or
 - (j) is a member of any class of persons that may be prescribed in the bylaws.

DECLARATION OF ELIGIBILITY

- (2) Nominees for the position of directors of a credit union shall confirm that they are eligible to be directors as set out in this section.

ELIGIBILITY OF DIRECTORS AS PER RULES OF PROVINCIAL CREDIT UNION

In addition to eligibility requirements as stipulated in section 29 of the Act, no person is eligible to be a director of a credit union who...

- (a) is a director of another credit union;
- (b) is a professional advisor to a credit union;
- (c) is employed in the public service sector of the province of Prince Edward Island or by a provincial agency or by a corporation, whose substantive duties are directly concerned with the business or affairs of credit unions or Atlantic Credit;
- (d) is an employee of the credit union;
- (e) is an employee of Atlantic Central;
- (f) is an employee of the corporation (CUDIC).

V. OVERVIEW OF 2021 DIRECTOR NOMINATION AND ELECTION PROCESS

For the 2021 Director election process, members will be electing candidates to fill four (4) positions, each for a three-year term, and one position, for a two-year term.

The key activities and timing for the process are as follows:

#	Key Activity	Completion Date
1	Call for nominations posted and open for acceptance for a period of 21 days	January 4, 2021
2	Nominations close	January 25
3	5 day window for applications to be received from nomination closure date	January 26 - 31
4	Vetting of applications by the Nominating Committee	February 3 – 8
5	Voting conducted for 10 business days, either on-line, or ballots can be cast at anyone of our 4 offices	February 15 - 26
6	Ballots collected and counted. Returning Officer appointed by Nominating Committee	March 1 - 5
7	Successful nominees notified and advised of AGM, to be held Tuesday, April 6/2021 at the North Rustico Lions club	March 8 - 12

PLEASE NOTE* If the proposed merger is approved, all board of director positions filled in 2021, will expire September 30, 2021.

VI. NOMINATION FORM

2021 DIRECTOR ELECTION NOMINATION FORM

This Form must be completed and emailed to dbridges@provincialcu.com or provided in hard copy at any of Provincial Credit Union's office by 4:00 pm on Friday, January 29, 2021.

1. PERSONAL INFORMATION:

Provincial Credit Union will use this information to contact you and verify your eligibility to stand as a candidate.

Last name: _____ First name: _____ Initial(s) _____

Address: _____

Home telephone: _____ Work telephone: _____ Mobile telephone: _____

Email address: _____

What is the best way for us to contact you? _____

2. EMPLOYMENT AND COMMUNITY INVOLVEMENT:

The Nominations Committee will use this information to ensure no conflicts of interest exist and to identify areas of interest to Provincial Credit Union.

Current employer and position held: _____

Previous employment (last five years): _____

Banks on which you *currently* serve (include length of service): _____

Previous Board service (include timeframe): _____

Community / volunteer involvement: _____

3. CANDIDATE STATEMENT AND PHOTOGRAPH:

Your candidate statement and photograph will be made available to Provincial Credit Union's membership via our website, election-related electronic communications and in all of our offices.

- **Candidate Statement**

Please write and submit a candidate statement that includes biographical information, occupation, credit union sector affiliations, experience and qualifications and how you will contribute to the advancement and governance of Provincial Credit Union. . The statement must be written in the first-person voice (e.g. "I am a director with...").

The candidate statement must be no more than 250 words. If you exceed this maximum, your candidate statement may be rejected or edited for length at the Nominations Committee's discretion.

- **Photograph**

Please submit a recent colour "head shot" photograph of yourself in high resolution format.

4. CANDIDATE DECLARATION:

This Declaration is required as part of your submission to ensure that you verified all information provided and consent to the use of that information.

DECLARATION

I certify that I have read and understand the candidate eligibility requirements as outlined in this Director Nomination Package, and to the best of my knowledge, information and belief, I am qualified to be a candidate for election and, if elected, to serve as a Director of PROVINCIAL CREDIT UNION . If elected, I will undertake to act honestly, in good faith and in the best interests of PROVINCIAL CREDIT UNION . I certify that the information provided in my Nomination Form and any other information submitted is true and complete.

I acknowledge that the information I have provided in this Nomination Package is being collected by PROVINCIAL CREDIT UNION for the purpose of the director election, and for the purpose of establishing a baseline profile of the competencies and personal attributes of the PROVINCIAL CREDIT UNION Board. I hereby consent to the collection, use, and disclosure of my information by PROVINCIAL CREDIT UNION for these stated purposes.

Name of Candidate _____

Signature of Candidate _____

Date _____