

Director Candidate Information Guide

DUCA Financial Services Credit Union Ltd.

(hereinafter “DUCA” or “credit union”)

2023 Election to Board of Directors

Dear Prospective Board Candidate:

At DUCA we value the dedication and commitment of our Members who choose to participate in our nomination and election process as a Board Candidate. We thank you for your interest. Inside this package you will find information that will clarify the qualification criteria for Candidates and expectations of Board Members in their role of governing the credit union. You will also find everything that you need to complete the nomination process.

To assist Members who are interested in considering candidacy, the Board appoints a Nominations Committee each year. The Committee’s primary role is to ensure Members are fully informed of the nomination process and the election process, as well as to consider the qualifications of Candidates to ensure the highest quality board composition, and to attempt to meet any gaps as identified by the Board in their analysis of the Board’s skills, knowledge, and experience.

The Nominations Committee is tasked with selecting Candidates who are the best qualified and meet the required criteria and possess specific skills and experience in the competencies set out in Schedule C:

- | | |
|--|------------------------------|
| 1. Audit and Regulatory Compliance Oversight | 5. Governance and Ethics |
| 2. Board and CEO Performance | 6. Leadership |
| 3. Credit Union Operations | 7. Regulatory Environment |
| 4. Financial Literacy | 8. Risk Management Oversight |
| | 9. Strategic Planning |

This year, experience in Technology, Legal and Environmental, Social and Governance (ESG) could all provide a valuable complement to the existing complement on the Board. A Director’s designation is a definite asset.

The DUCA Board believes in embracing diversity and inclusion and strives to represent and reflect the broad DUCA Membership, its employees, and the people in our communities.

The process is highly competitive. While all applications will be evaluated, only Candidates that best complement the skills and experience of the current Board will be considered beyond the application part of the process for an interview.

If you decide to proceed with submitting a Director application, please complete and submit this application package along with all the required documents, as outlined in the Candidate’s Guide section. If you have any questions about the enclosed information, you may contact the Chair of Nominations by email at boardelections@duca.com. Please note that applications must be received no earlier than November 16, 2022, and no later than December 15, 2022.

Yours truly,

Michelle Wassenaar, Chair of Nominations

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DUCA Vision & Values

Our Vision

We exist to help people do more, be more and achieve more with their money and their lives.

Our Values

We put people before profits, are financial stewards, embrace change, are accountable, think big, are genuine, foster excellence, nurture growth, are dedicated, do what's right for Members and each other, and give teammates and Members an authentic voice.

Who We Are

We're a vibrant, exciting credit union that lives its "profits with a purpose" philosophy in every financial transaction, product, interest rate, and community initiative we offer. We share DUCA's profits with Members and offer competitive rates that rank among the best in the business. DUCA Members enjoy the highest level of service with the lowest possible fees.

DUCA Election Process

The DUCA Board, as established in the By-Laws, consists of nine directors and in 2023 three vacancies need to be filled.

As defined in DUCA's By-Laws, and the Board's Governance policies, the Nominations Committee of the Board plays an integral role in the process of reviewing nominated Candidates who meet the eligibility requirements. This Committee is required to evaluate all applicants and to evaluate the experience, expertise, and qualifications of the Candidate in relation to the specific Director selection criteria established by the Board annually.

Upon completion of the Candidate evaluations, which may include interviews for applicable candidates, the Nominations Committee will make a determination as to the best qualified Candidates to fill the vacant positions.

The Committee will place their recommendation behind those identified Candidates in a number equal to the number of vacancies.

The process used for recommending Candidates is based on achieving alignment between a Candidate and the Board's need to fill any identified gaps based on a skills matrix and a continued dedication to diversity and inclusion.

The Nominations Committee will advise each Candidate whether they are receiving the Committee's recommendation, and any Candidate not being recommended will have the choice of staying on the ballot and participating in the election or withdrawing their name. The Candidate brochure will indicate to credit union Members the names of those Candidates who have received the recommendation of the Nominations Committee.

DUCA Elections will be conducted via electronic voting and in branch paper balloting, during the period of February 27, 2023 to March 27, 2023. Eligible voters have one vote per DUCA membership share. There will not be nominations from the floor, nor will any voting for Directors take place at the Annual General Meeting. The three Candidates who garner the most votes will join the Board for a three-year term. The results of the Election will be announced at the Annual General Meeting on April 27, 2023.

Nomination and Election Timing

1. Call for nominations sent out by email and mail to DUCA Members	November 7, 2022
2. Nomination period opens	November 16, 2022
3. Deadline to submit the official Application form and other required material	December 15, 2022 at 5pm
4. Interviews of selected Candidates by the Nominations Committee	January 5, 6, 9, 10, 2023
5. Deadline for submitting credit check, criminal check and bonding application forms.	December 29 at 5pm
5. The following is posted on DUCA's website and is available in the branches: <ul style="list-style-type: none"> • Each candidate's printed Statement of interest • Blank ballots with self-addressed return envelopes • Electronic election page on website 	February 27, 2023
6. In branch, mail-in, and electronic vote begins	February 27, 2023
7. In branch, mail-in, and electronic vote ends	March 27, 2023
8. Results are tallied	March 28 – April 15, 2023
9. Candidates are informed of the Election results	By April 17, 2023
10. Annual General Meeting <ul style="list-style-type: none"> • The results of the Election are publicly announced 	April 27, 2023
11. The Nominations Committee calls each unsuccessful Candidate for a debriefing.	Prior to the AGM

Candidate Guide and Director Eligibility Requirements

1. Individuals wishing to be Candidates for DUCA's Board of Directors must be at least 18 years of age, have been a Member in good standing of DUCA **on or before the last day of the nomination period, December 15, 2022**, and hold \$1 in Membership Shares by virtue of at least a \$1 deposit in a DUCA account.
2. After reviewing the above and Schedule F 'Background Information for Candidates', a Candidate wishing to make an application must:
 - A. Complete and submit pages 5-7 and 12-18 (and page 19 if applicable) of this Application and the documents requested on pages 6-7 of this Application, namely a Statement of Interest, Resume, and a colour digital photograph; and
 - B. When requested by DUCA's People & Culture department, complete credit check, criminal check, and bonding application forms and send directly to DUCA's People & Culture department by 5pm on December 29, 2022. These checks will be conducted on all Candidates who are interviewed and/or choose to stand for election. Note: Eligibility for election to the Board of Directors is conditional upon receiving bonding approval from DUCA's insurer.
3. Director Applications must be marked Confidential and submitted **by email** between November 16, 2022 and December 15, 2022 by 5:00 p.m. to the Chair of Nominations, boardelections@duca.com, DUCA Financial Services Credit Union Ltd.

Once the Director Application submission period closes:

- The Nominations Committee of the Board will validate the Candidate's eligibility and conduct any Candidate interviews during the interview period.
- The election of Directors by Members will be conducted from February 27, 2023 to March 27, 2023.
- Successful Candidates will be announced at the DUCA Annual General Meeting to be held on April 27, 2023.

PLEASE SEE THE CANDIDATE CHECKLIST ON THE LAST PAGE

Application of Candidate

The DUCA Member below is applying as a Candidate for election to the Board of Directors of DUCA.

Print Candidate's Name

Signature of Candidate ¹	Member Number	Date

Candidate Information:

Email address: _____

Telephone (day): _____

Telephone (evening): _____

¹ _____
By signing this form, you declare that you meet the Director Eligibility Requirements and agree to submit to a credit, criminal record, and comprehensive personal background check. You also agree to respect the requirements of the Election Campaigning Policy outlined in Schedule G.

Candidate Undertaking

The undersigned hereby applies to be a Candidate for election to the Board of Directors of DUCA.

I do solemnly undertake to:

- a. stand for election if Recommended and, if elected, to serve as a Director;
- b. observe the provisions of the Credit Unions and Caisses Populaires Act, 2020 (the "Act"), as applicable, including the provisions of disqualified individuals as outlined in Section 84 of the Act and Section 29(1) of O Reg 105/22;
- 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 from time to time;
- d. be a role model and advocate for DUCA to both internal and external stakeholders;
- e. provide full, financial disclosure to the Credit Union, as required by the Board from time to time;
- f. consent to the disclosure of credit and/or personal information to, or from any credit-reporting agency;
- g. observe all the Credit Union's By-Laws, and the rules relating to the elections and the conduct thereof; and
- h. 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 By-Laws or Section 83 of the Act or if I have met the test of any of the disqualifying criteria as set out in Section 29(1) of O Reg, during my term of office.

I further understand that in order to be eligible for consideration, 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, written in 3rd person**, not exceeding 250 words, and submitted in a digital format which:
 - i. provides the Membership with enough information about the Candidate to help them understand the skills, expertise and attributes the Candidate would bring to the Board;
 - ii. outlines the Candidate's reasons for seeking election to the Board of DUCA; and
 - iii. explains why Members should vote for this Candidate.

This Statement will be published by DUCA as received and will be used to inform the Membership about the Candidate in its election materials.

2. A **resume** that includes disclosures outlining the following: Experience, expertise and qualifications of the Candidate such as:
 - i. Candidate's skills and experiences that match the financial, operational and risk oversight needs of a credit union;
 - ii. Candidate's past and present service as a Director of a Board;
 - iii. Any formal Director education/training accreditations;
 - iv. Candidate's professional, community or other affiliations or Memberships; and
 - v. Contact information for two professional references (excluding current DUCA Directors).

Candidate Undertaking (continued)

3. A completed Candidate Experience Self-Assessment as found in Schedule C; and
4. A completed Schedule D (Declaration of Economic Interests);
5. A current high-resolution colour digital photograph of the Candidate. Please note that no photo will be used as part of the election materials or ballots.
6. Having signed this Application, the Candidate consents to DUCA reviewing any of the Candidate's financial information on file at the Credit Union, contacting references, and conducting a credit check, criminal check, and comprehensive personal background checks for the purpose of determining eligibility for election to the Board.

In addition, the Candidate must be available January 5, 6, 9 or 10, 2023 to undergo an interview process by the Nominations Committee if deemed applicable by the Nominations Committee. The Nominations Committee will be using the Candidate Selection Criteria set out in Schedule B when conducting Candidate interviews.

Candidates will be required to be available during this time period. Candidates are requested to indicate their first and second choice, out of the dates noted above. The Nominations Committee will reasonably try to accommodate the requested date.

Candidate's preferred dates:

1st Choice: _____ am and/or pm
2nd Choice: _____ am and/or pm

Dated At _____, Ontario, This ____ Day Of _____

Candidate's Signature: _____

Schedule A

Director Disqualifications

(as extracted from O Reg. 29(1))

Disqualified individuals

29. (1) For the purposes of [section 84](#) of the [Act](#), 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.

Schedule A

Director Disqualifications

(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](#).

The Financial Services Regulatory Authority of Ontario, Rule 2021-001 Sound Business and Financial Practices

Section 4 states that:

Directors must have the “appropriate skills, education, experience and commitment to enable them to discharge their duties and responsibilities effectively, having regard to the nature, size, complexity, operations and risk profile of the credit union”.

Further, Section 4 provides that an individual who is **not** independent from the senior management of the credit union (other than the CEO) may not serve as a member of the board, and an employee or related person of an employee of the credit union are disqualified from serving as a member of the board.

Schedule B

Candidate Selection Criteria

The selection criteria to be used by the Nominations Committee are the following:

Mandatory Individual Director Criteria

A Director must have the following skills/capabilities:

1. Understand the principles behind and share the vision of the Credit Union and have the ability to reflect the values and commitments of the Credit Union as well as acting in the Credit Union's best interests at all times;
2. Demonstrate the ability to bring a perspective of external business, finance, and social issues to Board deliberations;
3. Understand corporate governance and the fiduciary duties, roles and responsibilities of the Board as a whole and an individual Director of a Credit Union, including willingness to ask probing questions and challenge Management within the governance framework;
4. Commit to regular attendance at Board/Committee meetings and to full preparedness and willingness to contribute to meeting content;
5. Understand the importance of credit unions in their communities;
6. Demonstrate the ability to provide leadership, be an effective communicator, and bring a diverse and knowledgeable perspective to Board discussions and decisions;
7. Uphold the values of teamwork demonstrating the ability to operate as a team at Board level and speak with one voice once full discussion has been undertaken and a decision made by the Board;
8. Demonstrate personal integrity, discretion, discernment, financial stability and high ethical standards;
9. Have never declared personal or business bankruptcy;
10. Be willing to commit to continuous learning and undertake appropriate director training and development initiatives;
11. Have the ability to understand and assess implications of financial statements and auditors' reports;
12. Agree to fulfill the time commitment, including travel time and workload associated with being a Director of the Credit Union;
13. Able to make significant contributions to long-range planning and strategy.

Schedule B

Candidate Selection Criteria

Additional Areas of Board Expertise

Beyond the identified core competencies, we are looking to strengthen our board with expertise in the following competencies:

1. Legal Expertise
2. Human Resource Expertise
3. Professional Designation
4. Investments Acumen
5. Technology Expertise
6. Liquidity Management Acumen
7. Lending and Credit Acumen
8. General Management Experience
9. Environmental, Social and Governance (“ESG”) Acumen
10. Wealth Management Expertise

Supplemental Individual Director Qualifications Criteria

It is desirable that Directors:

1. Have considerable experience as a Director on a Board;
2. Have a demonstrated reputation of valuable community and professional involvement;
3. Have core knowledge of or experience in the cooperative system and an understanding of the cooperative principles;
4. Have experience or familiarity with accounting and reporting standards including financial instruments and International Financial Reporting Standards (IFRS);
5. Have experience or familiarity with enterprise risk management;
6. Have experience or familiarity with strategic planning;
7. Have experience or familiarity with capital markets financing instruments (e.g. securitization, interest rates, on and off balance sheet financing, etc.); and
8. Have experience/expertise in the fields of economics, finance, treasury or investment services.

Schedule C

Candidate Experience Self-Assessment

DUCA is committed to a high-quality Board of Directors, and expects that each Director brings to the Board a knowledge, experience and engagement, demonstrates valuable key attributes and adheres to core principles.

In addition, Directors must meet the minimum requirements for Director's core competencies at a STRONG Competency Level as prescribed in the Guidance Note: Director Training and Qualifications for Complex Credit Unions found at the Financial Services Regulatory Authority of Ontario website (fsrao.ca – search for "Director Competencies"). More information on a Director's core competency requirements can be found at fsrao.ca/industry under "Credit Unions and Caisses Populaires".

The following self-assessment will assist the Nominations Committee in determining the degree of expertise that you bring as a Candidate.

Please indicate your level of expertise/experience in the table below. To assist you in answering please refer to the following definitions:

Expert (E): You possess a degree/certificate/diploma in the skill area and/or have significant work experience in that field.

Strong (S): You have direct experience, or significant familiarity with the field as part of your employment or volunteer activities.

Good (G): You understand the basic fundamentals and concepts that are encountered in this skill area.

Basic (B): You have some knowledge of the competency

NA: You have no familiarity with the topic or area

***Please Note:** If you are elected to the Board, you will be expected to complete a more comprehensive self-assessment of specific competencies within 12 months of election. This assessment is used to help determine your level of expertise and training and self-development needs to fulfill the director training and qualifications requirements as established by the credit union.*

Schedule C

Candidate Experience Self-Assessment

Competency/Area	Rating
1. Audit and Regulatory Compliance - Performance and regulatory standards; examination & auditing procedures	
2. Board & CEO Performance - Setting and evaluating criteria and standards of performance of the Board, Directors and the CEO	
3. Credit Union Operations - Cooperative business model; key components of operations (people, physical and technical infrastructure), operational risks	
4. Financial literacy/expertise - Reading and interpreting financial statements and financial performance indicators	
5. Governance and Ethics - Board roles and responsibilities; structure; decision-making authority; Board policies and process; Committees (mandates; structure; process)	
6. Leadership - Leadership traits; skills and effective professional and personal attributes - Emotional and Social Intelligence	
7. Regulatory environment with respect to financial services & credit union sector - Governing legislation and guidance; regulatory bodies/organizations	
8. Risk Management Oversight - Enterprise risk management, financial and operational risks; risk management and monitoring	
9. Strategic Planning - Strategic planning concepts; process; importance of clear strategic direction; monitoring of strategic plan implementation	
10. Legal Expertise	
11. Human Resource Expertise	
12. Professional Designation	
13. Investments Acumen	
14. Technology Expertise	
15. Liquidity Management Acumen	
16. Lending and Credit Acumen	
17. General Management Experience	
18. Environmental, Social and Governance (“ESG”) Acumen	
19. Wealth Management Expertise	

Schedule D

Declaration of Economic Interests

Declaration Of Economic Interests By A Restricted Party And/Or A Related Party Of DUCA Financial Services Credit Union Ltd. ("DUCA")

Name: _____

Position with DUCA: _____

Definitions

Restricted Party (RP):

A person or entity is "restricted" in relation to DUCA if they are or have been within the last 12 months:

- A. a director or officer of DUCA;
- B. a spouse of a director or officer of DUCA;
- C. a relative of a person described in [A] or [B] above, if the relative lives in the home of the above and is financially dependent on the person described in [A] or [B];
- D. a corporation/partnership in which a person described in [A] beneficially owns, directly or indirectly, more than 10% of the voting shares; or
- E. a corporation/partnership controlled by a person described in {[A] [B] [C] or [D] above

Relative: Means a relative by blood, marriage or adoption.

Connected persons (CP):

The following conditions are prescribed as conditions that, if satisfied in relation to a member or a customer of a league, result in persons being connected for the purposes of section 79-105 of the Act:

- A. Another person or entity is one of the following:
 - a. a body corporate in which the member or customer holds or beneficially owns, directly or indirectly, at least 20 per cent of the voting securities,
 - b. ii. an affiliate of a body corporate described in subparagraph i,
 - c. a person or entity that has a 50 per cent interest in a partnership in which the member or customer also has a 50 per cent interest,
 - d. a partnership in which the member or customer is a partner,
 - e. a trust or estate in which the member or customer has a substantial beneficial interest,
 - f. a trust or estate in respect of which the member or customer serves as trustee or in a similar capacity,
 - g. a person or entity on whose financial resources the member or customer depends to repay a loan to a league,
 - h. a person who provides security to a league for a loan to the member or customer.
- B. Another individual is one of the following:
 - a. a spouse who is financially dependent on the member or customer,
 - b. ii. a relative of the member or customer or of the member's or customer's spouse who lives in the same home as the member or customer, who is financially dependent on the member, customer or spouse. O. Reg. 105/22, S. 73

Schedule D

Declaration of Economic Interests

Conflict of Interest:

Applies when a Director or Officer is/has:

- A. a party to a material contract or proposed material contract with DUCA;
- B. a director or officer of an entity that is a party to a material contract or proposed contract with DUCA;
- C. a material interest in a person who is a party to a material contract or proposed material contract with DUCA;
or
- D. a spouse, parent or child of an individual who is a party to a material contract or proposed material contract with DUCA.

Related Party (RLT.PTY):

A person or entity is related to DUCA in connection with the preparation of its financial statements if:

- A. the person or a close member of that person's family has control or joint control over DUCA;
- B. the person or a close member of that person's family has significant influence over DUCA;
- C. the person or a close member of that person's family is a member of the key management personnel of DUCA (Executive leadership team; Board of Directors and Officers of DUCA;) or
- D. the entity (a corporation/partnership) is controlled or jointly controlled by a person identified in [A], [B], or [C].

Close members of the family of a person described in {A} [B] or [C] above are those family members who may be expected to influence, or be influenced by, that person in their dealings with DUCA and include:

- A. that person's children and spouse or domestic partner;
- B. children of that person's spouse or domestic partner; and
- C. dependents of that person or that person's spouse or domestic partner

Schedule D

Declaration of Economic Interests

Parents and siblings are by virtue expected to have influence or be influenced by the individual unless otherwise proven. Family members outside of the immediate family are normally not expected to influence or be influenced by the individual. Possible examples of where non-immediate family members would be considered under the definition of “close members of the family” include situations where they are dependents of the individual; live in the same household; have strong financial ties.

Control is the power to govern the financial and operating policies of DUCA so as to obtain benefits from its activities.

Joint control is the contractually agreed sharing of control over an economic activity.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of DUCA, directly or indirectly, including any director of DUCA.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies. Significant influence may be gained by share ownership, statute or agreement.

DECLARATIONS:

Restricted Parties: [RP] Connected Persons [CP] Conflicts of Interest [CONFLICT] Related Parties (RLT PTY]

Name of Spouse [RP & RLT.PTY]:

1. Is Spouse financially dependent on me? [CP] Yes _____ No _____

2. Names of Children and other Relatives financially dependent on me or my spouse and who live in my home [RP & CP]: Other “close family members” who are expected to influence or be influenced by me (whether or not they are financially dependent) [RLT.PTY]:

A. Names of children of self or spouse/domestic partner:

B. Names of dependents of self or spouse/domestic partner:

C. Names of other individuals who live in the same household as self:

D. Names of other individuals who have strong financial ties to self or spouse/domestic partner:

Schedule D

Declaration of Economic Interests

3. Names of corporations whether or not they are Members of DUCA in which I beneficially own, directly or indirectly, more than 20 per cent of the voting shares, and the affiliates [CP] of said corporations: (state percentage) [>20=RP; >35=CP]:

4. Names of Corporations, Partnerships or Unincorporated Associations whether or not they are Members of DUCA in which I beneficially own 50 per cent or greater of the voting shares and their subsidiaries: (state percentage [50% = joint control; >50% = control]) [RLT. PTY]

5. Names of corporations whether or not they are Members of DUCA in which I or any one of my spouse, children and other relatives named above own shares which carry more than 50 percent of the votes for the election of directors: [RP]

6. Names of Corporations, Partnerships or Unincorporated Associations whether or not they are Members of DUCA in which any one of my spouse or close family members (identified above) own shares which carry 50 percent or greater of the voting shares and their subsidiaries: (state percentage [50% = joint control; >50 = control]) [RLT. PTY]

7. Names of corporations or unincorporated associations whether or not they are Members of DUCA for which I serve as a Director or Officer [CONFLICT]:

8. Names of partnerships whether or not they are Members of DUCA in which I am a partner: (state percentage interest and percentage interest of other partners)[CP]:

9. Names of trusts or estates which are Members of DUCA and in which I have a substantial beneficial interest [CP]; [RLT PTY]:

10. Names of trusts which are Members of DUCA and for which I act as trustee (including accounts on which I act as attorney for property) [CP]:

11. Names of non-relative Members for whom I have provided financial assistance, including a guarantee or co-signature for loans from the credit union [CP]:

Schedule D

Declaration of Economic Interests

Acknowledgment:

I hereby:

- acknowledge that this declaration is given for the purposes of assisting DUCA in complying with statutory and regulatory requirements relating to transactions with Restricted Parties [RP]; Connected Persons [CP], Conflicts of Interest [CONFLICT] and Related Parties (RLT PTY).
- understand that the questions will not necessarily elicit answers that will disclose all of my relatives who may be “restricted parties” under s. 92-97n of the General Regulation under the Credit Unions and Caisses Populaires Act, 2020 nor all of my relatives who may be related parties under IFRS – IAS 24 – Related parties; and undertake to disclose to the Board my connection to any relative who has a material contract or loan with the credit union as soon as I become aware of it. I warrant that the information provided herein is complete and accurate in all material respects as of the date it is given, and
- I undertake to bring to the attention of the DUCA Board any subsequent information, which would necessitate the completion of a new Declaration.

Any declaration I have made above to the effect that I am a director or officer of a corporation/partnership/unincorporated association, or have a material interest in a person, shall be regarded as a general notice to the Board of Directors that I am interested in any contract made with that entity or person by DUCA.

Dated At _____, Ontario, This _____ Day Of _____, _____

Signature of Party

Schedule E

Requirements to Disclose

The Credit Unions and Caisses Populaires Act, 2020 also requires Board candidates to disclose if they are a party to a material contract or proposed material contract with the credit union. You must include the disclosure in your submission if you:

- Are a party to a material contract or proposed material contract with the credit union;
- Are a director or an officer of an entity that is a party to a material contract or proposed material contract with the credit union;
- Have a material interest in a person who is a party to a material contract or proposed material contract with the credit union; or
- Are a spouse, parent or child of an individual who is a party to a material contract or proposed material contract with the credit union.

Please provide details here if any of the above applies.

Dated At _____ Ontario, this _____ Day Of _____, _____.

Signature _____ Name _____

Witness Signature _____ Name _____

Schedule F

Background Information for Candidates

Preamble

DUCA Directors are expected to attend all scheduled Board and Committee meetings and be active participants therein. They are also encouraged to attend other DUCA-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. Directors are also required to participate in Director education as outlined below.

The information that follows identifies and briefly describes DUCA Committees, Director education requirements and a summary of meetings and estimated commitment of time which one might expect when they become a Director of DUCA. We hope that the information below will assist you in clarifying your obligations should you become a Director. However, if you have any questions regarding the information, or wish to learn more about DUCA Governance structure/practices, please contact the Chair of Nominations.

Committees

1 **Full Board**

The Board of Directors consists of nine Directors, each elected by the Membership for a term of three years, subject to a term-limit of 15 years in office. The Board is responsible for establishing corporate objectives, policies and performance standards and measuring their achievement and hiring and delegating authority to the CEO.

2 **Board Committees**

The Board has established six standing Committees that are assigned responsibilities to assist the Board to carry out its mandate.

The current Committees and their mandates are as follows:

- A. **Audit Committee:** The Audit Committee provides the Board with reports on matters related to accounting and financial reporting practices, risk management, and internal and external control procedures. The Audit Committee is charged with a number of statutory responsibilities, as required under the Credit Unions and Caisses Populaires Act, 2020. It also reviews and recommends the annual financial statements to the Board. It is responsible for ensuring effective management of operational risk and that capital, liquidity management and internal control systems are at acceptable levels. It is also responsible for monitoring compliance with the Credit Union's Restricted Party policy.
- B. **Credit Committee:** The Credit Committee is responsible for reviewing and approving restricted party loan transactions as required under the Act, as well as exceptions to credits under the Board's policy limits.
- C. **Governance Committee:** This Committee has the responsibility to ensure effective corporate governance, including its structure, and the establishment of Committee mandates so that the Board's responsibility to the Membership is fulfilled. It is responsible for assessing the performance of the Board and its Committees.

Schedule F

Background Information for Candidates

- D. **Human Resources and Compensation Committee:** The Human Resources and Compensation Committee has responsibility for overseeing DUCA's Human Resources policies. Its role is to oversee and assess compensation of the CEO and members of the Executive Leadership team and to manage the process of evaluating the CEO.
- E. **Nominations Committee:** The Nominations Committee is responsible for overseeing the director Nomination, Evaluation, Selection and Election processes for Board Candidates.
- F. **Risk Committee:** The Risk Committee is responsible for overseeing the effective operation of all risk taking operations and risk management functions of the Credit Union and ensuring appropriate risk governance processes are executed effectively.

Meetings/Time Commitment

Board meetings are held quarterly. 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 electronically, generally one week prior to the scheduled meeting. Directors are expected to be able to 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 Board or Committee meetings.

Directors are expected to attend quarterly meetings in person, subject to necessary exceptions. Quarterly meetings are normally held in the corporate boardroom at 5255 Yonge St, Toronto.

Directors also attend additional meetings annually such as board strategy and training seminars, with commensurate additional time commitments.

While travel time to and from meetings will vary with each Director, it is another factor to be considered.

Education

DUCA 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 and enhancing the level of discussions and decisions. Directors are required to complete various programs within certain time frames in order to achieve the minimum regulatory standards set by the Financial Services Regulatory Authority of Ontario (FSRA).

In addition, new Directors will be provided an orientation program no later than two months after being elected.

Remuneration

Directors receive a monthly honorarium plus additional compensation for committee work. These payments are taxable as personal income. Kilometers are reimbursed over 20 km for reasonable business expenses.

Schedule G

Election Campaigning Policy

Campaigning is not permitted. Non-compliance with the following policy may result in a candidate's disqualification, if the Nominations Committee so determines.

1.0 Effective Date of the Policy

This policy takes effect as of the date that the Candidate submits his/her Candidate Application.

2.0 Candidate Information Provided to Members

The Nominations Committee ensures that the following information about each Candidate is made available to Members in branches and on its website:

- 2.1 **Statement of Interest** – As submitted by the candidate to the Chair of Nominations Committee according to the requirements outlined in the Board Candidate Information Kit. Maximum length to be 250 words and must be written in third person.

3.0 Campaigning Rules

The Board of Directors believes that the Statement of Interest provides Members with the information they need in a manner that is fair, open and transparent for all Candidates. Campaigning activities beyond the Statement of Interest is strictly prohibited. For more clarity, this includes but is not limited to:

- 3.1 No Candidate shall interfere with the duties or seek assistance from any employee of DUCA or any member of the Nominations Committee in connection with the election.
- 3.2 Candidates shall not campaign on DUCA premises or interfere with nor impede any Members of DUCA.

4.0 Non-Adherence to the Policy

Non-adherence to the Election Campaigning Policy may result in a Candidate's disqualification. If disqualified, within 24 hours, the Nominations Committee shall give written notice of such disqualification to the Candidate and the notice shall specify the reason(s) for the disqualification.

- 4.1 **Impact of Candidate Disqualification** – Once a Candidate has been disqualified, no vote cast in favour of this Candidate shall be counted in the tally of ballots, but the ballots shall not otherwise be deemed to be void.

Schedule G

Election Campaigning Policy

5.0 Clarification

Candidates who are unsure of the intent of any part of this policy shall contact the Chair of the Nominations Committee for clarification.

6.0 Dispute

Any dispute regarding interpretation, application or alleged violation of this policy shall be dealt with by the Nominations Committee. The decision of the Nominations Committee shall be final, non-appealable and binding.

7.0 Roles and Responsibilities

The Board of Directors of DUCA is responsible, through the Nominations and Governance Committees, to review the Director Candidate Information Guide annually.

Schedule H

Sample Credit Information Form



Credit Information Form

As part of the employment application process, I hereby authorize DUCA Financial Services Credit Union Ltd. to obtain credit information about me from any source. I understand that DUCA's obtaining credit information about me will be part of the employment decision-making process and understand that, if deemed unsatisfactory by DUCA, this information may result in DUCA's deciding to withdraw its offer of employment.

Name (please print): _____

Address: _____ Town/City: _____ Postal Code: _____

S.I.N.: _____ - _____ - _____

D.O.B.: _____

As a financial institution, we make any offers of employment conditionally upon our obtaining a satisfactory credit report for candidates from the credit bureau(s). To the best of your knowledge, would there be any problem with your credit rating?

Yes No

Signature: _____ Date: _____

Important Notice: your personal credit information will be held in confidence by DUCA Financial Services Credit Union Ltd.

Schedule I

Sample Individual Fidelity Bond Application Form

CUMIS The Credit Union Bonding Program	Employee Name: _____
	Name of Employer: _____
	Criminal record check completed? <input type="checkbox"/> Yes <input type="checkbox"/> No
	Reason for Application: <input type="checkbox"/> New Employee <input type="checkbox"/> Promotion
	<input type="checkbox"/> Other _____

INDIVIDUAL FIDELITY BOND APPLICATION FOR EMPLOYEE

Fidelity bonding is a firmly established business practice. The fidelity bond you are applying for, within its agreements, conditions and limitations, guarantees that your employer will not sustain a loss by reason of your dishonesty. It also serves notice that you meet the high standards required by the issuer of your bond. Compliance with your employer's rules and faithful and honest discharge of the duties of your position will assure your ability to obtain a bond in any future employment.

INSTRUCTIONS FOR APPLICANT

1. Complete this application only if you are currently employed by the entity requiring the bond or you have accepted an offer of employment with the entity.
2. Complete all questions fully and accurately, as all answers are material to this application. **PLEASE PRINT.**
3. Return the completed application to your employer.

INSTRUCTIONS FOR EMPLOYER

To ensure that there are no delays in the processing of this application please ensure that:

- a full 10 years of employment / personal experience is noted (age 18+). Gaps in history will require clarification.
- the applicant provides a detailed explanation for answering "Yes" to any questions #1-#11 on page 2
- the applicant provides a detailed explanation for any unfavourable items on their credit report such as collection items, R9, Beacon score under 600, judgments etc.

TO ENSURE THAT ALL REQUIRED INFORMATION HAS BEEN INCLUDED, PLEASE REVIEW THE APPLICATION IN FULL PRIOR TO SUBMITTING.

THE APPLICANT:

_____ Male
First Name Middle Name Last Name Female

Date of Birth _____ Social Insurance No. _____
(Year/Month/Day)

Current Address _____

Previous Address _____
(if less than 3 years at current address)

How many persons are dependent upon you for support (as per most recent income tax return) ? _____

POSITION:

Title of your new position _____ Date of Initial Employment/Promotion _____

Position Level: Clerical/Teller Supervisory position Management

Schedule I

Sample Individual Fidelity Bond Application Form

OTHER EMPLOYMENT:

Do you have employment, other than at the credit union Yes No If "yes" complete the following:

Name of Employer _____ Position _____

Address _____

PREVIOUS EMPLOYMENT: (For the past 10 years for ages 18+ only)

Give full and complete names and addresses of previous employers, time engaged with each, position occupied, and reason for leaving. If there were periods when you were unemployed, please state what you did during that time. If you were not previously employed, provide general information regarding: **school attendance, leave of absence, illness or travel.** If more space is required, please continue on blank sheet and attach to this application.

Please ensure that there are no gaps in the full 10 year history provided, otherwise please provide an explanation.

Name and Address of Previous Employer	Dates Employed	Last Position Held	Reason for Leaving
1.	From:		
	To:		
2.	From:		
	To:		
3.	From:		
	To:		
4.	From:		
	To:		

For the following questions, if you answer "Yes" please provide us with a full explanation in a separate letter and attach it to this application.

- | | Yes | No |
|--|--------------------------|--------------------------|
| 1. Has any application for a bond ever declined by a surety company? | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Has any person or surety company been compelled to pay a loss on your account? | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Have you ever failed in your own business? | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Have you ever voluntarily declared or been petitioned into personal bankruptcy? | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Has any part of your salary ever been garnished? | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Have you been found guilty of an offence for which you have NOT received an unrevoked pardon under the Criminal Code, the Food and Drug Act, or the Narcotic Control Act? | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Have you accepted responsibility for a criminal offence in an "Alternative Measures" or other similar "Restorative Justice Program"? | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. Are you presently the subject of any civil action, or have you had a civil judgement rendered against you? | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. Have you been discharged or asked to resign from any position of employment? | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. Has it been determined by a court of law, quasi-judicial tribunal, or Board of Arbitration that you have committed a dishonest or fraudulent act of any kind? | <input type="checkbox"/> | <input type="checkbox"/> |
| 11. Are you related in any way to any individual currently employed by the credit union which has hired you? | <input type="checkbox"/> | <input type="checkbox"/> |

Schedule I

Sample Individual Fidelity Bond Application Form

**IT IS IMPORTANT THAT THE APPLICANT READ AND FULLY UNDERSTAND THE CONTENTS OF THE AGREEMENT
HEREUNDER BEFORE SIGNING**

AGREEMENT OF APPLICANT

I hereby warrant that the foregoing statements are true and correct, and in consideration of CUMIS General Insurance Company, hereinafter called the Insurer becoming Insurer for me under this bond (the term "bond" shall include the bond herein applied for, every continuation or alteration thereof, and any new bond) in my present or any other position, I agree to unconditionally indemnify and save harmless the said insurer against all actions, proceedings, liabilities, damages, loss, cost and expense, including costs of realization and legal fees on a solicitor client basis, that it may sustain or become liable for by reason of dishonesty on my behalf.

I ALSO UNDERSTAND AND AGREE THAT:

- (a) In the event I am bonded and it is later discovered by the Insurer that any of the answers given are untrue or inaccurate, the insurer may, at its option, cancel the bond.
- (b) Should my circumstances change such that any of the answers given on this application (questions #1 to 11) by me are no longer accurate or true, then I shall immediately notify the Insurer of such change and any failure to do so may result in cancellation of the bond, at the option of the Insurer.
- (c) In the event that I am bonded, I am bound by the terms and provisions of this agreement.
- (d) The bond is automatically deemed cancelled and terminated on the discovery of any dishonest act on my part whether or not such dishonest act results in any monetary loss to the entity requiring the bond, the Insurer or any other person or organization.
- (e) The Insurer, its agent or the entity requiring the bond, may collect such additional information about me as may be necessary to review and verify the information contained on this bond application. Information may be obtained from sources such as: financial institutions, police forces (federal, provincial, municipal and foreign), current and former employers, credit bureaus, insurance companies, business associates, provincial and federal government departments and foreign governments. The information furnished on this form will be used by the Insurer to determine your eligibility for a bond.
- (f) I may be requested by the Insurer to periodically complete and file an updated "Employee's Application for Fidelity Bond" in substance, the same form as the one filed herewith, with such modifications as may be requested by the Insurer.

I further represent and warrant that I have not concealed or failed to disclose any facts which, if known to the Insurer, would cause the Insurer to decline the bond or which would make the Insurer's liability greater than would normally be expected and I understand and agree that if any such facts should become known to the Insurer, it may, at its option, cancel the bond.

Signature of Applicant

Date

**NOTE: PLEASE ENSURE ALL QUESTIONS ARE ANSWERED BEFORE SUBMITTING.
INCOMPLETE APPLICATIONS WILL NOT BE APPROVED**

Candidate Checklist

Checklist for Contents of Application for Nomination to the Board of Directors

- Application Form – completed and signed (page 5)
- Candidate’s Undertaking – completed and signed (pages 6–7)
- Statement of Interest (max. 250 words) for inclusion in Election Materials for DUCA Members. (Detailed information on page 6)
- Resume with two professional references. (Detailed information on page 6)
- Candidate Expertise/Experience Self-Assessment – completed and signed (Schedule C – pages 12–13)
- Declaration of Economic Interests – completed and signed (Schedule D – pages 14–18)
- Digital colour photograph for identification purposes and successful Candidate's biography section on the DUCA governance website.
- If applicable, Requirements to Disclose Form – completed and signed (Schedule E – page 19)

Credit, Criminal, and Bond Forms sent by email from DUCA’s People & Culture department once the Application is received by the Nominations Committee must be submitted by 5:00 pm on December 29, 2022.

- Credit Information Form (Sample Schedule H – page 24)
- Criminal Check (Online Form)
- Bonding Application Form (Sample Schedule I – pages 25–27)