



2022 Board of Directors Nomination Package

Salmon Arm Savings and Credit Union

**Nomination Submission Deadline:
4 p.m. PT, Friday, January 7, 2022**

More Info:
sascul.com/Nominations

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INTRODUCTION

Thank you for your interest in joining the Salmon Arm Savings and Credit Union Board of Directors. This package is designed to help you gain a better understanding of the role, expectations, and support provided to a Director along with information on the process and guidelines to successfully becoming a candidate in the next election.

These guidelines are reviewed annually by the Nominating Committee. If upon review of this package you still have questions, please contact any of the Committee members.

2021/22 NOMINATING COMMITTEE

Committee Chair	Dave Witt 250.804.0169 (H) davewitt@sascu.com
Committee Members	Dawn Dunlop dawndunlop@sascu.com Kelly Bennett kellybennett@sascu.com Joan Ragsdale joanragsdale@sascu.com
President & CEO	Barry Delaney 250.833.1310 (W) barrydelaney@sascu.com

KEY DATES

EVENT	DATE
Nomination Period	December 1, 2021 to January 7, 2022
Information Session (Virtual)	7 p.m., December 7, 2021
Interviews with Nominating Committee	January 10 - 14, 2022
Deadline to Withdraw	February 1, 2022
Election In-Branch	March 28 – April 2, 2022
Election Online	March 28 – April 9, 2022
Annual General Meeting	May 3, 2022

NOMINATION AND ELECTION PROCESS

Nomination Forms and Documentation

The [Candidate Application Form](#) and all other required items must be completed and returned to the Administration Office of SASCU Financial Group located at the third floor of the Salmon Arm Downtown Branch (370 Lakeshore Dr NE) or emailed to juliapayne@sascu.com by 4 p.m., January 7, 2022.

To run as a candidate for the Salmon Arm Savings and Credit Union Board of Directors, you must also:

- Be a member in good standing as at the date of nomination or appointment (per SASCU Rules)
- Complete Background Check Release Form
- Complete Master Bond Application Form
- Provide a copy of Primary and Secondary ID
 - Primary ID – Government-issued Photo Identification
 - Secondary ID – Additional Identification in the Candidate’s Name
- Submit your Resume including up to date employment history
- Submit your Biography (maximum 300 words)
- Provide a current photograph – high resolution (minimum 300 dpi; printable 3”x3”)
- Agree to Candidate Video (this is completed after the Deadline to withdraw)

Candidacy will be conditional on the candidate providing satisfactory proof of COVID-19 vaccination, subject only to valid legal or medical exceptions, and complying with all pandemic/epidemic control measures affecting the workplace.

Requirements if elected prior to commencing duties:

- Personal Information Return (PIR) Complete the online following the instructions and submit to SASCU: <https://www.bcfsa.ca/sites/default/files/documents/regulatoryinformation/pitrustexemptsocieties.pdf>
- Policy 16 - Conduct Sign Off
- AML & Privacy Training (within first month)

Information Session

Prospective candidates are invited to a virtual information meeting at 7 p.m., December 7, 2021, to ensure candidates have a clear understanding of the role of a director and to answer any questions. Attendance is strongly encouraged. For details, go to sascu.com/Nominations

Interviews

Potential candidates are required to attend an interview with the Nominating Committee. Interviews will be scheduled January 10 – 14, 2022 and will be approximately 45 minutes long. The interview will serve to help the Committee assess each candidate against the competencies and attributes desired in a director. See [‘Duties of a Director’](#) in this package for more information.

Endorsement

SASCU recognizes the benefit of having its membership represented by a diverse composition in gender, ethnicity/culture, geographical area and age.

In the endorsement process, the Nominating Committee will consider candidates on merit against objective criteria and with intent to diversify the Board's composition.

The Committee will review each candidate's nomination package, conduct interviews, and then may endorse any number of candidates whose qualities would bring the best of these attributes and competencies to the Board. These candidates are identified as "Endorsed" to our membership in the election voting materials.

Great effort is made to remain impartial and objective. Incumbent candidates are not automatically endorsed and are subject to the same assessment and interview process as other candidates. In the end, the membership decides who to vote for and who is elected.

Election

Currently, the Board seeks to fill three 3-year terms. The election will take place:

In-Branch	March 28 – April 2, 2022
Online	March 28 – April 9, 2022

RULES

The Rules of the Credit Union, which outlines the requirements for members who would like to become a director, including eligibility, is included as an [Appendix](#). Credit Unions are subject to legislation by the Provincial Government as opposed to banks who have Federal legislation. Therefore, the Financial Institutions Commission is our governing body.

Publicity

SASCU will publish the biographies, photos, and videos of all candidates via various digital and print channels including the Connect Newsletter for distribution to our Members.

Candidates are not to campaign. Campaigning is defined as activities used directly by nominees, or on behalf of nominees, to solicit votes outside of the credit union's elections processes. The ban is to ensure that all candidates have an equal opportunity to be profiled to the membership. Candidates may, however, make their personal networks (i.e., friends and family) aware of their candidacy. In terms of social media, this is restricted to sharing SASCU's published posts including videos.

Candidate Video

Part of SASCU's election publicity efforts include candidate videos. SASCU will complete the filming and production to maintain consistency among the candidates. The format varies year to year, essentially including candidate introductions and responses to one or more questions. A time will be coordinated with each candidate shortly after nominations are finalized.

Personal Biography

Each year we inform our members of the upcoming election for directors via our newsletter, *The Connect*, in addition to other online and in branch channels. All prospective candidates, along with their pictures and biographies, are featured via these means to SASCU members.

Please submit a brief biography of yourself of not more than 300 words (due to space limitations) in the third person form. Suggestions of content are: particular focus on what skills and abilities you could bring to the Board table; your expertise and applicable background; length of time you have been a Member either here and/or in other Credit Unions; how long you have resided in a community/region served by SASCU Financial, Wealth or Insurance; and your reasons for running. We will also need to have a current photo, suitable for publication. This picture can be taken by the Credit Union if you wish.

We prefer your biography to be typed or submitted electronically to Julia Payne, Corporate Secretary at: juliapayne@sascu.com to avoid any errors. We do reserve the right to condense.

Election Results

The ballots are counted and overseen by BDO Canada LLP, a third-party accounting firm. The results are officially announced at the Annual General Meeting (AGM) that will be held on May 3, 2022. The Chair of the Nominating Committee will contact you prior to the AGM with the results. All successful candidates are expected to attend the AGM.

ROLE OF BOARD

The role of the Board of Directors is to provide strategic guidance and direction to the management of the Credit Union on behalf of the members who are the owners of the financial cooperative. As a director, you will not be dealing in individual account holders' business or staffing. You will be setting policies and guidelines, and overseeing the overall operation of the Credit Union, which has branches in Salmon Arm, Sicamous, Sorrento and Enderby.

Each Director is expected to come fully prepared to make decisions on meeting agenda items. Meeting materials are circulated in advance and any concerns or questions can be addressed at the meeting, to the Board Chair or the President & CEO prior to the meeting.

As a director, you are still able to invest and borrow as before; however, the Management Credit Committee must review any borrowings. This is to ensure adherence to all Provincial requirements.

DUTIES OF A DIRECTOR

A summary from our policy of the roles and responsibilities of Directors is below. You are not expected to be an expert in finance; the strength of the Board is in diverse viewpoints from a broad cross-section of community members. There are nine Board Members, with three (three-year) terms expiring each year to ensure some continuity. Directors can serve a total of four consecutive terms (12 years).

Attributes

The Board has identified the following personal attributes as very important to have at the Board table:

- Community-minded
- Leadership
- Analytical
- Time, energy, commitment
- Innovative
- Teamwork

Competencies

A number of relevant skills have also been identified. Candidates are not expected to possess a high degree of every one of these competencies and may have no experience in certain areas. Training in each of these areas will also be offered.

- Human Resources
- Board & Governance
- Strategic Planning
- Risk Management
- Digital Literacy
- Financial Literacy
- Business Skills
- Regulatory Framework Expertise

Directors must also be comfortable using a computer for communication and information exchange. A computer allowance is provided.

Roles and Responsibilities

- Represent Members' interests
- Exhibit conduct that reflects inclusion and respect for diversity
- Ensure financial and legal requirements are in place and adhered to
- Set Strategic Direction of the Credit Union
- Monitor Strategic Goals and Objectives
- Monitor actual results versus Operational Plans of the Credit Union
- Approve Annual Budget and Financial Statements
- Develop and approve policy
- Elect Board Chair, Board Vice-Chair and Board Secretary
- Employ/Evaluate and set compensation for CEO
- Set the organizational culture
- Serve on Committees as assigned
- Act as cooperative ambassadors in the Community
- Be there, be prepared, be timely
- Contribute ideas and opinions
- Seek out information needed to make informed decisions
- Continuously update skills and knowledge to commensurate with their roles and responsibilities.

When completing your biography, please be sure to identify and elaborate on those areas in which you are strong and can provide valuable contributions.

COMMITTEES

Each Director will serve on two to three Committees. The Board Chair, Board Vice Chair and Chair of the Governance Committee set the Committees annually, taking into consideration the needs of the Credit Union, availability, background and expertise, and individual Board member preferences. Should a possible conflict of interest arise, a Board Member will not be placed in such a position as to negate their responsibilities in this position.

The function of Committees is to thoroughly analyze issues assigned to them and provide recommendations for Board decisions. Committees may also be useful in planning and controlling. Committees have no authority other than that granted by the Board of Directors.

A brief overview of each of the Board Committees follows:

Audit and Operational Risk Committee: The committee's primary role is to provide reasonable assurance that the strategic, operational, financial and regulatory objectives of the Credit Union are achieved. The committee ensures the implementation of internal controls to support the enterprise risk management framework, the integrity of financial reporting, and compliance with regulatory matters.

CEO and Human Resources Committee: is responsible for the oversight of the performance evaluation and compensation of the President & CEO as well as strategic oversight of the HR function at SASCU.

Conduct Review Committee: fulfils the prescribed legal, ethical and functional responsibilities as set out in the Financial Institutions Act (BC) and the BC Financial Services Authority (BCFSA) Governance Guideline for BC credit unions. The Committee's focus is on reviewing transactions with Related Parties (as defined by the Act), implementing procedures to guide the Board in respect of conflicts of interest, and oversight of disclosure obligations to members.

Credit and Market Risk Committee: provides effective oversight of the Credit Union's risk management activities related to investment risk, credit risk, liquidity risk, interest rate risk, foreign exchange risk, and capital management. This includes compliance with the Financial Institutions Act and acting as the Investment and Lending Committee as required by the *Financial Institution Act*.

Governance Committee: aids the Board of Directors to provide for effective governance of the Credit Union and to evolve governance practices with the needs of the Credit Union. This includes facilitating the Board's own development and succession. The Committee assists the Board in holding Directors and Board Committees accountable for fulfilling their duties.

Community Relations and Sponsorship Committee: Is responsible for the oversight of the Community Relations and Corporate Social Responsibility function. As part of this role, the Committee reviews, approves, recommends, or declines donation and sponsorship requests according to authorized limits.

Nominating Committee: recruits nominees representing a cross-section of community members with appropriate skills for election to the Board of Directors from a community/region served by SASCU Financial, Wealth or Insurance. They oversee the entire nomination and election process to ensure adherence to the Financial Institutions Act and the Credit Union rules.

MEETINGS

There are generally 10 Board meetings per year. These meetings usually occur on the fourth Tuesday evening of each month and are primarily held in Salmon Arm. We have set aside Tuesdays in general for all Committee and Board meetings if possible. Regular Board meetings are approximately three hours in duration. Other committee meetings vary, with usual time frame being two hours each and scheduled for daytime or evening depending on committee member availability. The majority of Board and Committee meetings are held in the evenings. A comprehensive package of electronic material on agenda topics is circulated prior to meetings and each Director must thoroughly review the information in order to be adequately prepared. Options for remote participation in meetings are available.

All Board Members are expected to attend the annual Strategic Planning Session, held over two to three days in May. Additionally, there are two regional credit union association meetings (spring and fall) and a national one held in either Vancouver or Toronto, which Directors may attend.

TRAINING

There is a steep learning curve for new Directors, but help is provided. Seasoned Directors act as mentors, a multitude of background information is available on a dedicated Board website, and numerous training programs are available through CUDA (Credit Union Director Achievement program) both online and through classes. In the first year of office, new Directors are required to complete *Level A: Foundations of Governance* and recommended to complete an indigenous training course. CUDA Levels B & C are to be completed by the end of their 2nd Term. Once all 3 levels have been attained, it is the Director's responsibility to pass an Exam for Accreditation (ACCUD) by the end of their 2nd Term on the Board and to maintain that accreditation during subsequent terms. Refer to the [CUDA brochure](#) (attached) for additional information on the courses.

In addition, Directors will complete Anti Money Laundering/Terrorist Activity Financing training as well as Privacy Training within the first month of being elected to the Board, and every two (2) years thereafter.

REMUNERATION

Board members are currently paid a meeting allowance of \$350/meeting plus mileage and a per diem of \$350/day is paid for attendance at out-of-town meetings, conferences, and training programs. Travel expenses are reimbursed as per Board policy.

FORMS & APPENDICES

Candidate Application Form



TO: SASCU Credit Union Nominating Committee
ATTN: Julia Payne, Corporate Secretary
(juliapayne@sascu.com)
Administration Office
PO Box 868, 370 Lakeshore Drive NE,
Salmon Arm, BC V1E 4N9
T 250.832.8011

Submission Deadline: 4 p.m. PT, January 7, 2022

** Any person seeking nomination as a director of the credit union must be a member in good standing as at the date of their nomination or appointment*

I hereby submit my name as a Nominee in the Year 2022 election. I am a member in good standing* and I am willing:

- to stand for election, and if elected, to serve as a director;
- to observe the provisions of the *Credit Union Incorporation Act*, the *Financial Institutions Act* and other applicable Acts;
- to comply with Policy 16 - Conduct adopted by the Board; and
- to observe the Rules of the Credit Union and procedures relating to the election.

Personal Information Consent:

I consent to SASCU Financial Group and its agents and representatives collecting, using, and disclosing my personal information to:

- a) verify my identity and maintain records of my personal information
- b) process this Nomination Package and administer and maintain records of, as applicable, the information collected within
- c) keep my records separate from others with the same name

I understand that some of the information collected may be shared with applicable third parties, including but not limited to the BC Financial Services Agency (BCFSA) and other regulators and service providers.

Personal information will be collected, maintained, and destroyed in accordance with governing privacy regulations (PIPA).

LEGAL NAME: _____

ADDRESS: _____

TELEPHONE (Home): _____ (Business): _____

EMAIL ADDRESS: _____ (Fax): _____

OCCUPATION/EMPLOYER: _____

ALL ACCOUNT NUMBER(S): _____

SIGNATURE: _____ DATE: _____

“Member in good standing” means a member who has subscribed and purchased at least the minimum number of shares required by SASCU rules, and who has established the use of core accounts of the Credit Union (Chequing and/or Savings Account plus one other service), and whose loans, if any are current.

Background Check Release Form

As part of our election process, SASCU is required to perform the following checks:

- Criminal Records Check
- Credit Report
- Bankruptcy & Insolvency Check
- Stabilization Central Credit Union Individual Fidelity Bond Application

Please complete this form and the attached consent with the personal information which we require to complete these checks. Your signature below will allow us to collect the required information.

Full Legal Name:	
Physical Address:	
Mailing Address:	
Date of Birth (mm/dd/yyyy):	
Social Insurance Number:	

I hereby certify that the information given in my resume and any other documentation used in the nomination package is true, correct and complete to the best of my knowledge and belief. I understand that, should I be elected, intentionally making false statements within any documentation used in the election process will be considered grounds for removal.

I understand and agree that the personal information I disclose on this form and the information provided on the Background Check will be reviewed to determine my eligibility to be a director candidate I have applied for and, if I am elected, for the purpose of our employment relationship. This consent is valid during the nominations period, and if elected, for the duration of my employment.

Date:

 Candidate Signature

IF YOU HAVE ANY QUESTIONS OR CONCERNS REGARDING THESE FORMS OR HOW YOUR PERSONAL INFORMATION WILL BE USED AND COLLECTED, PLEASE CONTACT THE CORPORATE SECRETARY, 250-833-1343 OR JULIAPAYNE@SASCU.COM

The Master Bond Program

Applicant Name: _____

Name of Credit Union: _____

Credit Report attached? Yes No

Criminal record check completed? Yes No

Criminal record check CLEAR? Yes No

Reason for Application: New Applicant Promotion
 Board Director Other: _____

INSTRUCTIONS FOR APPLICANT

1. Complete this application only if you are currently under consideration for employment, promotion, or for election to the Board of Directors.
2. Complete all questions fully and accurately, as all answers are material to this application. **PLEASE PRINT.**
3. Return the completed application to the Credit Union.

INDIVIDUAL FIDELITY BOND APPLICATION

Fidelity bonding is a firmly established business practice. The fidelity bond you are applying for, within its agreements, conditions and limitations, guarantees that the Credit Union 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 the Credit Union’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 EMPLOYER

To ensure that there are no delays in the processing of this application, ***BEFORE SUBMITTING***, please ensure that:

- a full ***10 years*** of employment / personal experience is listed (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, judgements etc.

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

THE APPLICANT:

First Name _____ Middle Name _____ Last Name _____

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

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)? _____

Title of new Position: _____ Date of Employment/Promotion/Election: _____

Position Level: Clerical/Teller Supervisory Management Director Other

Notes for Employer (DO NOT WRITE)

IF APPLYING FOR EMPLOYMENT AT THE CREDIT UNION:

Are you currently employed anywhere other than 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 been 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 or consumer proposal?	<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 ever 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 this Credit Union?	<input type="checkbox"/>	<input type="checkbox"/>

**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 Stabilization Central Credit Union, 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 Credit Union 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 "Applicant's Application for Fidelity Bond" in substantially 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**

Credit Union Rules

1. Interpretation
2. Membership
3. Shares and Deposits
4. Borrowing and Lending
5. Directors and Management
6. Voting
7. General Meetings
8. Seal
9. Alterations

1. Interpretation

1.1 Definitions – In these Rules, unless the subject or context is inconsistent therewith:

- (a) “Act” means the *Credit Union Incorporation Act*, RSBC 1996, Chapter 28, all amendments thereto and regulations made pursuant thereto, and any successor legislation from time to time in force;
- (b) “board” means the board of directors of the credit union;
- (c) “credit union” means Salmon Arm Savings and Credit Union, FI-120;
- (d) “director” means a director of the credit union holding office pursuant to these Rules;
- (e) “directors”, unless the context otherwise requires, means the board of directors of the credit union;
- (f) “Financial Institutions Act” means the *Financial Institutions Act*, RSBC 1996, Chapter 141, all amendments thereto and regulations made pursuant thereto, and any successor legislation from time to time in force;
- (g) “individual” means a natural person and does not include a corporation, partnership, association or other body;
- (h) “member in good standing” means a member, who at the date on which good standing is determined:
 - i. has purchased, paid for and holds the number of Class A shares (being “Membership shares”) required by these Rules; and
 - ii. is not delinquent in or in breach of any obligation to the credit union as determined by the directors;
- (i) “resolution” means a resolution presented to the general membership or to a specific class of shareholders for approval and includes an ordinary resolution and

a special resolution as defined by the Act, but does not include resolutions presented at a general meeting in the ordinary course of business of the meeting.

1.2 Unless these Rules expressly provide otherwise:

- (a) where these Rules require the use of documents that are “written”, “in writing” or other similar words, the directors may permit the use of documents in such electronic form as the directors in their discretion consider desirable in the circumstances, provided that such electronic document is accessible in a manner useable for subsequent reference;
- (b) where these Rules require the provision or delivery of documents, the directors may permit the provision or delivery of such documents in such electronic form and by such electronic means (including, without limitation, making such electronic documents accessible to the intended recipient by an electronic means notified to the intended recipient) as the directors in their discretion consider desirable in the circumstances, provided that such electronic documents are accessible and capable of being retained by the recipient in a manner useable for subsequent reference; and
- (c) for the purposes of this Rule 1.2, “documents” includes without limitation, notices, instruments, resolutions, ballots and votes.

1.3 The meaning of any words or phrases defined in the Act shall, if not inconsistent with the subject or context, have the same meaning in these Rules.

1.4 These Rules are to be read and applied in conjunction with the *Credit Union Incorporation Act* and the *Financial Institutions Act*. Except where such Acts state the Rules may otherwise provide, any applicable provision of such Acts that is inconsistent with these Rules shall prevail.

2. Membership

2.1 Persons who are identified in the credit union’s common bond of membership or otherwise qualified under the Act are eligible to be admitted as members of the credit union.

2.2 Every application for membership shall be in writing and be accompanied with payment in full of the purchase price of the number of Class A shares required by these Rules.

2.3 Individuals under 19 years of age may be admitted as a junior member of the credit union. Junior members are not entitled to vote, be a director or a member of a committee of the credit union.

2.4 (a) Notwithstanding Rule 2.2, an application for membership need not be accompanied by payment for the purchase price of any shares of the credit union where the applicant is already a holder of the required number of shares.

- (b) In the case of a joint membership, each joint shareholder must hold the minimum number of shares required in order to become a voting member, otherwise the first shareholder named on the membership application is the voting member.

- 2.5 A member may withdraw from membership, and membership of any person may be terminated, in accordance with these Rules and the Act.

3. Shares and Deposits

- 3.1 Subject to the Act and these Rules, the shares of the credit union shall be under the control of the directors who may allot, issue, redeem, purchase or otherwise deal with them on such terms and conditions as they may, by resolution, from time to time determine.

- 3.2 The capital of the credit union shall be divided into three classes of shares, each having the respective rights and restrictions set forth in these Rules, and being designated as:

- (a) Class A shares or "Membership shares", which are Equity Shares (mandatory), and
- (b) Class B shares or "Investment shares", which are Equity Shares (voluntary), and
- (c) Class C shares or "Share Savings", which are Non-Equity Shares.

Equity shares represent an equity interest in the credit union; Non-Equity shares do not represent an equity interest in the credit union, but evidence an indebtedness of the credit union to the holder of the share

- 3.3 (a) Equity shares have the special rights and restrictions provided in the Act and these Rules. Money invested in Equity Shares is not guaranteed by the Credit Union Deposit Insurance Corporation under the Act.

- (b) Equity shares shall not be issued until they have been fully paid up at not less than par value.

- 3.4 (a) Subject to the Act and these Rules, Equity Shares may only be subscribed for, purchased by, or transferred or assigned to the credit union or a member thereof, at par value, and in the case of redemption, par value plus any dividends declared but unpaid on them.

- (b) All classes of shares have a par value of \$1.00

- 3.5 Equity Shares are not transferable or assignable without a resolution of the directors, obtained in advance, and no transfer or assignment of shares is effective until the record of share holdings maintained by the credit union is completed indicating the transfer or assignment.

- 3.6 (a) Subject to the Act and notwithstanding Rule 3.4(a) Equity Shares may only be redeemed or purchased by the credit union at the discretion of the directors or upon the application of the member owning such shares on such terms and conditions as the directors may from time to time determine.

- (b) Without limitation, the directors may, subject to the Act:

- (1) determine:

- (i) the maximum number of applications;
 - (ii) the minimum and maximum amount of each application, in each case, which a member may make in any year;
 - (iii) the maximum aggregate amount of redemption and repurchase by the credit union within any financial year of the credit union;
 - (iv) the period of time within any financial year of the credit union during which any such application may be made; and
 - (2) generally or specifically, waive or alter determinations and make different determinations from time to time in respect of any such application by a member or the legal personal representatives of a deceased member.
- 3.7 (a) Equity Shares may be held jointly.
- (b) All jointly held Equity Shares shall carry the right of survivorship unless a contrary statement, in writing, is given at the time of subscription and signed by all parties jointly holding the shares.
- 3.8 (a) Each member of the credit union shall subscribe for, purchase and fully pay for the number of Class A Shares as established herein:
- (i) each adult member-5 shares;
 - (ii) each incorporated company-5 shares;
 - (iii) each partnership-5 shares;
 - (iv) each member in a joint membership as contemplated in Rule 2.4(b)-5 shares per member; and
 - (v) each association-5 shares.
- (b) Junior members shall subscribe for, purchase and fully pay for five (5) Class A Shares.
- 3.9 The directors may from time to time resolve that the minimum required number of Class A shares to be owned by a member be increased, but such determination shall not exceed two times the number of shares required in Rule 3.8 to a maximum of 100.
- 3.10 The directors may from time to time establish:
- (a) the minimum and the maximum number of Class A shares to which any member may subscribe for and hold;
 - (b) the minimum and the maximum number of Class B shares to which any member

may voluntarily choose to subscribe for and hold; and

- (c) the maximum aggregate number of Class B shares which may be available for subscription by the members at any given time.

- 3.11 Rules 3.9 and 3.10 shall come into force on a date stated in a notice sent to all members of the credit union. The date the rules come into force shall not be less than 90 days following the date on which the notice is deemed to have been received by members.
- 3.12 If, on the expiration of the period of notice required in these Rules, the member has not paid for the required number of Class A shares, the credit union may apply any money on deposit and interest thereon or invested in Non-Equity shares and dividends credited thereon in the name of the member to the purchase of sufficient Class A shares in the name of the member so that the member shall own the number of Class A shares required by these rules.
- 3.13 If there are insufficient funds to put into effect Rule 3.12, the directors may, by resolution, terminate the member's membership, unless that membership shall have terminated in accordance with the Act.
- 3.14 Subject to the Act, the directors may establish policies to waive or delay purchase, payment, redemption, and ownership in whole or in part of Equity shares as required by these Rules.
- 3.15
 - (a) Subject to the Act, the directors may issue Equity Share certificates which shall state on their face the words "NOT GUARANTEED BY THE CREDIT UNION DEPOSIT INSURANCE CORPORATION".
 - (b) Notwithstanding Rule 3.15(a), the shares shall be recorded to the member's name and a statement of shareholdings shall be provided to each member regarding the member's shares, at least once in each fiscal year of the credit union, and in any event shall be provided within 13 months of the last statement.
- 3.16
 - (a) The directors may set record dates and terms and conditions for entitlement to dividends; and subject to the Act and these Rules, may declare;
 - (i) a dividend on one class of shares in preference to another class of shares; and
 - (ii) different rates of dividend for each class of shares.
 - (b) Subject to the Act, all dividends shall be paid by issuing additional Equity Shares unless otherwise determined by the directors.
 - (c) Interest on deposits and dividends on shares, in the absence of an express contract or agreement, shall be paid or credited at times, intervals and in a manner determined by the directors.

4 Borrowing and Lending

- 4.1 Subject to the Act and the *Financial Institutions Act*, the directors of the credit union may raise and borrow money for the purposes of the credit union upon such terms and conditions as to interest, term, repayment, and security as they determine by resolution.
- 4.2 Subject to the Act, if the directors, pursuant to Rule 3.1, issue debt securities related to equity shareholdings, regardless of the terms of the contract, the directors may redeem the obligation of the credit union to the member, if the member fails to maintain their required equity shareholdings in the credit union.
- 4.3 Subject to the Act, the directors shall determine the terms and conditions of loans as to interest and other charges, terms of repayment, security, and may require an additional number of equity shares be subscribed for and purchased by the member, in excess of the minimum holdings generally required by these Rules from time to time.
- 4.4 At the full and timely retirement of the indebtedness by the member referred to in Rule 4.3 above, any additional shares held at the time of the redemption of indebtedness, in the excess of the minimum holdings generally required by these Rules from time to time, shall be redeemed upon the member's request in writing, notwithstanding Rule 3.6 but subject to Rule 3.8, the Act, and the *Financial Institutions Act*.

5 Directors and Management

- 5.1 Except as otherwise provided in these Rules, the number of directors of the credit union shall be nine (9) and directors shall hold office for three (3) year terms.
- 5.2 If the credit union enters into a merger or an agreement to purchase all or substantially all of the assets of another credit union in accordance with the Act, the directors of the credit union may appoint as additional directors, for up to two terms of up to three years, persons who are directors of the transferring credit union at the effective date of the asset transfer agreement, but the total number of directors of the credit union following such appointments shall not exceed twelve(12).
- 5.3 Each year, directors will be elected to fill the positions of directors whose terms have expired and such directors shall be elected to hold office for three (3) year terms, such that one-third (1/3) of the directors terms shall expire at each successive annual general meeting. If, for any reason, the terms of the remaining directors will not allow for the expiry of one-third (1/3) of the directors' terms at each successive annual general meeting, the directors may, by resolution, determine the lengths of terms to be served by directors elected in subsequent elections in such a manner that the board may return as soon as is practicably possible to the normal cycle of one-third (1/3) of directors' terms expiring at each successive annual general meeting.
- 5.4 Where any offices of directors being filled at any election are for different lengths of terms, the term of each person shall be determined in proportion to the number of votes received, the person receiving the greatest number of votes to hold office for the longest term, provided that if there are two or more persons having an equal number of votes their election or terms of office, as the case may be, shall be determined by lot. In the event of an election by acclamation, the term of office of each director so elected shall be determined by lot.

- 5.5 (a) Where a casual vacancy occurs among the directors or, 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. Any person so appointed shall hold office for the unexpired portion of the term which gave rise to the vacancy.
- (b) If the number of directors prescribed by Rule 5.1 is reduced by death, resignation, disqualification or removal from office or by failure to elect or appoint a director pursuant to these Rules, the remaining directors shall have all of the power of the directors until the vacancy or vacancies caused thereby have been filled by appointment or election.
- 5.6 (a) Any person seeking nomination as a director of the credit union must be a member in good standing as at the date of their nomination or appointment.
- (b) No person who:
- (i) is an employee, officer, or agent of the credit union or an employee, officer, agent or director of any other credit union (other than a director of a central credit union), or of a bank or trust company;
 - (ii) was previously an employee of the Credit Union or any of its subsidiaries during the three year period immediately prior to the date that nominations for the office of director under these Rules closed;
 - (iii) is the parent, child, spouse or sibling of an employee, agent, officer, or director of the credit union;
 - (iv) is a person disqualified from becoming a director pursuant to the Act or the *Financial Institutions Act*; or
 - (v) is a person disqualified by Rule 5.16.
- is eligible to hold office as a director and, if holding office as a director, shall vacate office forthwith.
- (c) The closing date for nominations for directorship shall be held on a date to be determined by the board and the members shall be advised, in a manner determined by the directors, of those persons nominated in advance of the election.
- 5.7 Subject to the Act and these Rules, the directors may establish procedures and guidelines for the election or appointment of directors.
- 5.8 The directors shall meet within 30 days after each annual general meeting and shall elect from their own members a Board Chair, a Board Vice-Chair and a Board Secretary, and may appoint such additional officers as they may deem necessary.
- 5.9 The board shall meet as often as they deem appropriate in each year and not less frequently than once in each quarter.
- 5.10 The Board Chair may call a meeting of the directors at any time and shall within 14

days of receipt of written request of three directors call a meeting of the board.

- 5.11 Two days' notice shall be given of meetings of the directors by personal or electronic delivery, mail, or telephone. Notice may be waived by a director who does not receive notice.
- 5.12 A majority of the directors then in office shall constitute a quorum but a lesser number may adjourn from time to time until quorum is obtained.
- 5.13 The directors shall appoint the president/chief executive officer and the corporate secretary of the credit union and may authorize the appointment of such additional officers and employees as may be required for the proper operation of the credit union.
- 5.14 In the case of absence of the Board Chair or their inability for any cause to act, or in case the office of the Board Chair becomes vacant, the Board Vice Chair shall discharge the duties of the Board Chair.
- 5.15 A person may be removed as a director by resolution passed by a majority of not less than 2/3 of the remaining directors if that director has breached the policies concerning conflict of interest or the code of conduct and ethics for directors or breached the confidentiality of any proceedings, deliberations or information of the board, as determined by the remaining directors in accordance with the policies and procedures relating to director review established by the directors.
- 5.16 A person is not eligible to become elected or appointed as a director if that person has served as a director for twelve (12) or more consecutive calendar years immediately preceding the date of election or appointment. For the purposes of this Rule 5.16 only an individual's years of service as a director beginning on or after April 30, 2017 will be counted in determining whether a person has exceeded the twelve (12) consecutive year limit. A person who has served twelve (12) consecutive years as a director may be elected or appointed again only after a period of three (3) years has lapsed.

6 Voting

- 6.1
 - (a) Only a member in good standing on the last day of the month immediately preceding the commencement of voting and who is not a junior member is eligible to vote in an election of directors or on a resolution.
 - (b) A member of the credit union who is not an individual or an unincorporated association may be represented and vote in an election of directors or on a resolution by an individual of the age of majority who is not a member by written authorization of the member who is not an individual and deposited with the credit union.
 - (c) A member of the credit union who is an unincorporated association may be represented and vote in an election of directors or on a resolution by an individual of the age of majority who is a member by written authorization of the unincorporated association and deposited with the credit union.
- 6.2
 - (a) Voting in an election of directors or on a resolution shall be by a method or combination of methods permitted by the Act as determined by the directors and included in the notice of election or resolution, as the case may be, and the directors shall determine the procedures for voting by such method.

- (b) The directors may, in addition to or substitution for the voting method selected pursuant to Rule 6.2(a), determine that members may vote by electronic means in which case the directors may prescribe such technological and other requirements for the use of such electronic means as the directors, in their discretion, consider desirable in the circumstances.

6.3 Except as provided by the Act, no member shall cast more than one (1) vote, whether in a personal or representative capacity, on a resolution or in an election of directors. In an election of directors, a ballot may contain votes for fewer than the number of directors required to be elected.

7 General Meetings

7.1 The annual general meeting of the credit union shall be held on a date to be fixed by the directors and shall be convened and held in accordance with the provisions of the Act. Other general meetings may be convened and held in accordance with the provisions of the Act.

7.2 If the directors so determine and subject to the Act:

- (a) Notice of a general meeting or of a resolution shall be in writing and may be delivered by electronic means as provided by Rule 1.2; and
- (b) General meetings may be held in person or by any other communications medium whereby those entitled to participate in the meeting are able to follow the proceedings and communicate with one another.

7.3 Subject to the Act, a general meeting may adopt rules of order for its conduct, but if no rules are adopted the current edition of Robert's Rules of Order (Newly Revised) shall be used.

7.4 At a general meeting of the credit union, thirty members present in person or by other form of communications medium shall constitute a quorum, but a lesser number may adjourn from time to time until a quorum is obtained.

7.5 So far as practical, order of business at an annual general meeting shall be:

- A. Approval of Minutes
- B. Business arising out of Minutes
- C. Report of the Directors
- D. Report of Management
- E. Report of the Auditor
- F. Approval of Financial Statements
- G. Report of other Committees
- H. Announcement of Election Results
- I. Appointment of Auditor
- J. Unfinished Business
- K. Good and Welfare
- L. Adjourn

8 Seal

- 8.1 The credit union may have a corporate seal.
- 8.2 If the credit union has a corporate seal, the directors shall provide for the safe custody of the common seal at the registered office of the credit union or such other place as the directors shall determine it shall be kept for safekeeping.

9 Alterations

- 9.1 Subject to the Act, the credit union may alter these rules by special resolution from time to time.

Policy 16 – Conduct

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This policy describes the expectations for SASCU Board Members in the areas of general conduct, confidentiality and conflict of interest disclosure. Board Members are required to sign the *Annual Acknowledgement* (appendix A) to evidence their acceptance of and cooperation with this policy.

Identifying Related Parties

Related Parties are defined as:

- a) Directors;
- b) The CEO and members of the executive team who report directly to the CEO, excluding the executive secretary;
- c) Members of the Management Credit Committee;
- d) The spouse of a Related Party;
- e) Any child under the age of 18 of a Related Party;
- f) A corporation in which a person who is a Related Party, has or controls, directly or indirectly, more than 50% of the votes that are attached to the outstanding voting shares of a corporation;
- g) The External Auditor of the credit union, and;
- h) any other person defined by s.144 of the *Financial Institutions Act* (BC)

Related Parties a) thru c) above will be asked to complete a Related Party disclosure.

Undisclosed Related Parties

Where SASCU has reason to believe that the other party to a transaction is an undisclosed Related Party to the credit union, all reasonable steps will be taken to obtain full disclosure from that party. The disclosure must be in writing and detail the interest or relationship, whether direct or indirect, that potentially makes the other party a Related Party of SASCU. The disclosure must be presented to the Conduct Review Committee and evidenced either within the CRC meeting minutes or another record maintained in SASCU's registers.

Permitted Related Party Transactions

SASCU and its subsidiaries are permitted to enter into the following Related Party transactions:

- a) Pay or confer a salary, fee, pension, benefit, or incentive benefit to a Related Party
- b) Provide to a Related Party, at not less than market value, a service or product that is also provided to members and the public in the ordinary course of business
- c) With the exception of a director, senior officer, or member of the Conduct Review Committee, advance a loan to a Related Party as long as the Related Party meets SASCU's usual credit criteria outlined in the Investment and Lending Policy. Where the Related Party is a director, senior officer and/or a member of the Conduct Review Committee, SASCU's usual credit criteria must be met AND the loan must not be advanced if the loan will cause the Related Party's total lending relationship with SASCU to exceed the prescribed amounts documented in the Investment and Lending Policy.
- d) Buy from or sell to a Related Party, property or services at fair market value that does not exceed a nominal amount

Related Party Governance

Power to Approve Transactions Outside of the Class of Transactions

The Conduct Review Committee has the ability to approve Related Party transactions that do not meet the criteria of the permitted transactions, as outlined in the Investment and Lending Policy. The approval of such transactions must be documented in writing prior to being entered into. In order to grant approval for such a transaction, the Committee must be satisfied that the transaction is in the best interests of SASCU and specify in writing the factors considered in granting the approval including, but not limited to:

- a) The fair market value of the consideration to be paid by or to be received by SASCU;
- b) The nature of the transaction in relation to the usual business of the credit union;
- c) In the case of a loan, the nature of the security and its value in relation to the principal amount of the loan, and;
- d) Prescribed factors, such as meeting the usual credit criteria in the Investment and Lending Policy

Post-approval of Transactions Within the Prescribed Amounts

The Conduct Review Committee is responsible to review, on a post-approval basis, Related Party transactions that were authorized by the Management Credit Committee. The Committee's review will include confirming:

- a) that the loan granted is in the best interests of SASCU;
- b) that the loan represents fair market value;
- c) that the loan is within the parameters set out in the Investment and Lending Policy (nature of the transaction is in relation to the usual business of the CU);
- d) the nature of any security provided and the relation of value to the principal of the loan.

BCFSA Approval

Should SASCU or its subsidiaries wish to provide financial assistance, including a loan, to a Related Party where the total amount due under all financial assistance to all Related Parties will exceed 20% of SASCU's capital base, approval from the Commission is required.

Related Party Records

SASCU will maintain:

- A record of all related parties, the date on which the person became a Related Party and the date on which the person ceased to be a Related Party. The Related Party record will be updated to reflect new and expired Related Party relationships as they are identified
- A record of each transaction approved by the Conduct Review Committee, including the name of the Related Parties involved, the nature of each transaction, the value of each transaction, and the date of its approval
- A record of the total asset value disposed of to each Related Party, whether approved by the committee or not, and the date of the disposition
- A record of each Related Party transaction referred to FICOM for approval

Reporting Related Party Transactions

Management Reporting

The Management Credit Committee will report the details of any Related Party lending that was approved in the quarter leading up to the Conduct Review Committee meeting. Reporting will include assurances that the lending was approved in accordance with the *Financial Institutions Act*.

Board Reporting

The Conduct Review Committee will report to the Board of Directors, at each meeting of the Board, all Related Party transactions that have been approved by the Committee since the immediately preceding meeting of the Board.

The report will include:

- The name of the Related Parties involved in the transaction
- The nature of each transaction
- The value of each transaction

Director Conduct

A director or officer of a financial institution, in exercising the powers and performing the functions of a director or officer, must:

- act honestly, in good faith and in the best interests of the financial institution, and
- exercise the care, diligence and skill of a reasonably prudent person under comparable circumstances, and in doing so must take into account the interests of shareholders, members, depositors, and, without limiting this, of those to whom the directors owe a fiduciary duty.

The provisions of this section are in addition to, and not in derogation of, any enactment or rule of law or equity relating to the duties or liabilities of directors of a corporation. Every director and officer of a

financial institution must act in accordance with the *Financial Institutions Act* (BC) and the regulations under it.

Inappropriate Use

When using SASCU devices or resources to access the Internet, Board members must remember they represent SASCU and its subsidiaries. This policy covers forms of communication within SASCU and to any external audience including but not limited to email, posting of comments, instant messaging, blogging, recorded video clips, etc.

Board members must not:

Send unsolicited email messages, including the sending of "junk mail" or other advertising material to individuals who did not specifically request such material (email spam).

Engage in any form of harassment or trolling via email, posting to a social media platform or instant messaging, whether through language, frequency, or size of messages.

Engage in solicitation of email or social media posts for any other email address or identity, other than that of the poster's account, with the intent to harass or to collect replies.

Create or forward "chain letters", "Ponzi" or other "pyramid" schemes of any type through any medium or social media platform.

Post the same or similar non-business-related messages to a social media platform for any reason other than official SASCU business normally associated with the duties of a Board member.

Display, store or transmit sexually explicit images, messages or any transmission that contains abusive, pornographic, offensive language or anything that may be construed as harassment, discrimination or disparagement of others is not permitted at any time.

Alcohol and Drug Policy

SASCU is committed to providing a work environment that promotes health and wellness and is free of substance misuse.

Impairment may cause a reduced ability to safely or competently carry out SASCU business. As such, Board members must not be impaired by either drugs or alcohol when conducting their duties. Further, Board members must not consume, share, or be in possession of drugs or alcohol when performing their duties, with the exception of consuming medication prescribed by a licensed health care professional and over the counter medications.

For any off premises corporate or social event organized by SASCU, Board members are required to monitor their alcohol consumption and, under no condition, operate a motor vehicle while impaired. Board members who are, or may be, impaired are responsible for arranging for a designated driver or a taxi for transportation to their home.

Identifying Conflicts of Interest

A conflict of interest arises when a director has a duty or a direct or indirect interest that comes into conflict with or is sufficient to influence or appear to influence the performance of the director's duties

owed to SASCU. An indirect interest may arise through a relative, friend, corporation or other firm. Each conflict of interest is a separate conflict of interest and no permission or approval with respect to one conflict shall be deemed to be approval for any other.

A conflict of interest may involve:

- a) The business of SASCU;
- b) The business of entities in which SASCU has an interest; and
- c) Specific transactions with SASCU or an entity in which SASCU has an interest

For the purposes of this policy, a conflict of interest includes accepting any gift or hospitality of material value (over \$200) offered by reason of a person's position as a director of SASCU.

It is the duty of each director to determine whether or not a conflict of interest or potential conflict of interest exists. A director will not be excused from compliance with this policy or any rule of law relating to conflicts of interest on the basis that the director did not realize that a conflict existed or might arise.

Related Party Disclosure

Annually, each director shall sign a Related Party Disclosure, which shall include the names of all corporations and individuals that are Related Parties as defined in the Related Party section above. A director shall deliver a revised disclosure statement within 15 days of any change in any information contained in it.

Conflict of Interest Disclosure

Definition

A conflict of interest occurs where a personal interest is sufficiently connected to directors' duties that it results in a reasonable apprehension that the personal interest may influence the exercise of the directors' responsibilities. Conflicts of interest can arise for directors when they or their friends, family, business interests, or organizations they serve stand to benefit from the actions of the board of directors, or when a director serves two or more organizations that may have adverse interests or a power imbalance.

As conflicts of interest can be real, potential and apparent (indirect), directors must be vigilant in thinking about and identifying possible personal conflicts of interest. A potential conflict of interest is identified when a conflict of interest situation could arise in the future. An apparent / indirect conflict of interest occurs when a director's private interest is sufficient to appear to improperly influence the performance of his or her duties.

For the purposes of this section, the term "conflict of interest" includes real, potential and apparent / indirect conflicts of interest.

Resolving Conflicts of Interest

A conflict of interest must be avoided and / or resolved by the director disclosing the conflict including where applicable:

- a) Obtaining the Conduct Review Committee's approval for Related Party transactions and proposed transactions;
- b) Where the Conduct Review Committee determines that a conflict of interest would influence or appear to influence the majority of decisions in which the director is required to participate as a member of the Board, the director shall, unless the determination of the Committee is

overruled by the Board of Directors, either eliminate the interest or duty giving rise to the conflict or resign as a director of SASCU;

- c) Where the conflict involves a transaction with the Credit Union and the Committee's approval is required, the Committee may give its approval, but the conflict shall not be fully resolved unless the transaction is approved by the Board of Directors;
- d) Adhering to SASCU's policy on gifts or hospitality benefits, or by refusing or refunding the value of the gift or hospitality;
- e) Identifying a conflict of interest in advance of a meeting or the relevant agenda item to the Board Chair and following his or her direction by;
- f) Leaving the meeting while the matter creating the conflict is being discussed or otherwise dealt with;
- g) Taking no part in any discussion or voting with respect to the matter creating the conflict,
- h) Not attempting to influence in any way, the Board's dealing with the matter creating the conflict;
- i) In respect of the Community Relations and Sponsorship Committee, follow any additional procedures as prescribed by that committee, and;
- j) Satisfying any other legal or policy requirement.

In the absence of the Board Chair, the director can disclose to the Vice-Chair or Chair of the Community Relations and Sponsorship Committee if the conflict of interest arises in respect of membership on that committee.

Confidentiality

Each director must use utmost care and discretion in the handling of Confidential and Proprietary Information as prescribed by the Annual Acknowledgement for Board Members.

Member information may only be communicated or used in accordance with the Annual Acknowledgement for Board Members.

Confidentiality Governance

The CEO shall report in writing to the Conduct Review Committee at least annually as to any other procedures which SASCU has in place that ensures information relating to a member is maintained confidentially and in accordance with the relevant acts and regulations. Upon the committee satisfying itself that the procedures are adequate, it shall approve those procedures and communicate its approval, in writing, to the management of SASCU.

SASCU shall adopt such other procedures as are necessary to comply with the relevant acts and regulations.

Policy 16 Appendix A

Salmon Arm Savings and Credit Union and its subsidiaries (collectively "SASCU") Annual Acknowledgement for Board Members

A. CONFIDENTIALITY AND PROPRIETARY INFORMATION

(a) I understand that the obligations set out in this Section apply to all confidential, personal or proprietary information and materials of SASCU, and its members, including but not limited to:

Member and prospective member information, financial information, accounting and sales records, marketing techniques, minutes of meetings, research and development related information, formulas, inventions, drawings, specifications, "know-how" designs, personnel data, data relating to directors, policies and procedures, trade secrets, business plans, new developments, computer data, internal correspondence, e-mails, any other materials or information related to SASCU's business which are not generally known to others engaged in similar businesses or activities, legally privileged information and any information that would reasonably be regarded as being of a confidential nature. (hereafter "Confidential and Proprietary Information")

(b) I specifically understand that member information may only be communicated or used:

- i. As necessary for the performance of a duty to the member under the transaction for which it was obtained, or a similar subsequent transaction between the same member and SASCU; or
- ii. As authorized or required by legislation or any court proceeding.

Member information may only be communicated in accordance with (b)a. or (b)b. above.
It may not be used or communicated other than that, even with the member's consent.

(c) I shall use Confidential and Proprietary Information only to the extent necessary to fulfil my directorship obligations with SASCU. I shall not:

- i. Use or exploit Confidential and Proprietary Information for my own benefit or for the benefit of any other person or entity; and/or
- ii. Directly or indirectly disclose or allow the inspection of or access to Confidential and Proprietary Information to any other person or entity.

(d) In the event I am authorized or required by Order of a Court or any other government body or agency to disclose Confidential or Proprietary Information I shall provide said Order to the Board Chairperson.

(e) I will take care to protect Confidential and Proprietary Information by appropriate measures including but not limited to:

- securing documents in locked filing cabinets;
- shredding unneeded documents;
- securing USB devices that are used to transfer/store SASCU information
- keeping all passwords used to access SASCU systems private and confidential
- securely storing any devices provided by or used for the purposes of SASCU business
- encrypting outgoing external email messages whenever possible;
- lowering my voice and taking reasonable precaution when discussing SASCU business in public is necessary;

- maintaining documents and records in my custody whenever possible, and;
- reasonably securing documents and records when travelling or transporting to another location.

(f) I understand that the cessation of my directorship does not in any way affect my obligations with respect to the Confidential and Proprietary Information.

B. CONFLICT OF INTEREST DISCLOSURE

I have read Salmon Arm Savings and Credit Union’s Conduct Policy, and hereby declare that I:

- (a) am not aware of any duty to any person or interest, direct or indirect, in any private or personal business nor do I hold any office or property which may give rise to a conflict with the duties and responsibilities owed to Salmon Arm Savings and Credit Union by virtue of my being a director of Salmon Arm Savings and Credit Union;
- (b) am not a director, member, officer or employee of any other corporation, nor am I a partner in or owner of any firm other than those disclosed and approved, and other than those occurring as a result of my participation as a director of SASCU;
- (c) do not have any material direct or indirect ownership, interest or participation in outside business enterprises, which have, or are contemplating having, dealings with Salmon Arm Savings and Credit Union;
- (d) have not accepted, and will not accept, any gift or hospitality of material value offered or tendered by virtue of my position as a director of Salmon Arm Savings and Credit Union other than in accordance with SASCU policy;
- (e) I understand that my involvement with organizations in the community could cause, or be perceived as causing, a conflict of interest. I declare that I am on the Board of Directors, employed by, contracted by or have a significant role in the following organizations:

Organization Name	Position

C. CODE OF CONDUCT

- (a) As director, in discharging the office of director of SASCU, I shall:
 - act honestly, in good faith and in the best interests of SASCU;
 - exercise the care, diligence and skill of a reasonably prudent person under comparable circumstances;
 - take into account the interests of members, depositors and those to whom the directors owe a fiduciary duty;
 - keep informed of the policies, business and affairs of SASCU and of the statutes, regulations, guidelines, bylaws and rules to which SASCU is subject and by which it is governed;
 - deal with fellow directors, officers and employees of SASCU openly, honestly and in good faith;

- make available to, and share with, fellow directors and officers of SASCU all information as may be relevant and properly disclosed to ensure the proper conduct and sound operation of the business and affairs of SASCU;
- treat in confidence all matters and information involving SASCU as set out in Section A of this Acknowledgement;
- comply with the Conduct Policy for directors in effect from time to time and with any other rule of law respecting the duties and responsibilities of directors, generally;
- request such information through the Board of Directors from officers and employees of SASCU as may be necessary to permit the full discharge of the duties of a director and ensure that accurate records, minutes and memoranda are maintained with respect to the conduct and discharge of the business of SASCU.

(b) I acknowledge that I have read and considered the Conduct Policy and other relevant policies for directors of SASCU and agree to conduct myself as a director in accordance with and to abide by the policies. If I breach the Policy or have acted contrary to the Policy, I may be subject to sanctions including, without limitation, a request for my resignation from my office as director.

(c) I further acknowledge that the duties and responsibilities contained in the Conduct Policy are in addition to any other duties or responsibilities imposed by law upon a director of SASCU and that the Conduct Policy shall in no way relieve me from complying with any such law or with any rule of SASCU.

D. RELATED PARTY DISCLOSURE

I understand that as a Director;

(a) I am a Related Party of SASCU according to the *Financial Institutions Act* (BC) (the "FIA") I also understand that certain other individuals and corporations may be Related Parties of SASCU by reason of their relationship to me. Therefore, in order to assist SASCU in identifying its Related Parties, I make the following disclosure:

The name of my spouse (including any person with whom I am now living with as married, having done so continuously for the past two years):

The name of my child(ren) that are currently less than 18 years of age:

The corporations in which I have control directly or indirectly, of 51% of the votes that are attached to outstanding shares of the corporation and that may be cast in the elections of its directors:

(b) Information regarding my applicable financial transactions will be disclosed to the Conduct Review Committee or Board as necessary in order to comply with the FIA requirements for consideration and approval of Related Party transactions.

(c) I will continue to be a Related Party to SASCU for 12 months after I leave the position of Director.

I understand that this Disclosure does not relieve me of any duty of disclosure or any other duty imposed by law or any rule or policy of SASCU that is consistent with such law, in particular, the duty of a Related Party to disclose a direct or indirect interest in a specific transaction.

Signature_____

Print Name_____

Date_____

Witness Signature_____

Print Name_____

INSTRUCTIONS

1. This form is required pursuant to section 289(3)(a) and 289(4)(o) of the *Financial Institutions Act*.
2. This form must not be handwritten, except for the signature. This form is offered as a fillable and saveable PDF form for your convenience. Use the pop-up calendar to select dates in all date fields.
3. All applicable information must be provided. If additional space is required for answers, attach additional typed/printed sheets as necessary.
4. A resume that includes employment history up to the date of submission of this return must be provided.
5. A criminal record check, performed by the appropriate police agency, must be attached and must have been performed within 90 days of submission.
6. A bankruptcy and insolvency check from the Office of the Superintendent of Bankruptcy Canada must be attached and must have been performed within 90 days of submission.
7. To protect your privacy, mark the envelope "Private and Confidential". If you do not, it will be opened with the regular mail.
8. Upon completion, please forward this form together with all supporting documents, marked private and confidential to:

BC Financial Services Authority
Attn: Financial Reporting and Standards
2800 - 555 West Hastings Street
Vancouver, BC V6B 4N6

Web: <https://www.bcfsa.ca/>

Freedom of Information and Protection of Privacy Act (FOIPPA)

The information requested on this form is collected under the authorities of section 26(a) and section 26(c) of the *Freedom of Information and Protection of Privacy Act*, and the *Trust and Deposit Business Exemption Regulation of the Financial Institutions Act*. The information is collected for the purposes of administering the *Financial Institutions Act*. If you have any questions about the collection or use of this information, please contact the Privacy Officer at 604-660-3555, 2800 - 555 West Hastings Street, Vancouver, BC, V6B 4N6.

PART 1 – GENERAL INFORMATION

1. Personal Information for a: (check all that apply)		<input type="checkbox"/> Director	<input type="checkbox"/> Officer	<input type="checkbox"/> Employee
2. Name of Corporation				
3. Full Legal Name (first, middle, last)				
4. All Previous Names (first, middle, last)				
5. Residential Address (street number, city, province, postal code)				
6. Phone Number		7. Citizenship		
8. Place of Birth (city, country)		9. Date of Birth (mm/dd/yyyy)		
10. If you were born outside of Canada, indicate the date of your arrival in Canada (mm/dd/yyyy)				
11. Driver's License #		12. Issuing Province/Territory		

PART B – EMPLOYMENT

1. Position/Occupation	
2. Name of Employer	
3. Employer's Address (street number, city, province, postal code)	
4. Phone Number	5. Email Address
Start Date for Employer	

PART C – DESCRIPTION OF SECTION

1. List any memberships in professional societies or associations (if none, please indicate)

2. Have you, at any time, resided in a country outside of Canada Yes No

If Yes, please indicate the states and locations (country, state, province or territory) of each residency (mm/dd/yyyy)

From	Until	Location
From	Until	Location

3. Have you ever been convicted of, or are you currently charged with an offence, under the *Criminal Code* of Canada, provincial/territorial legislation or the legislation of any jurisdiction outside of Canada, for which you have not been granted a pardon? (includes impaired driving but not minor traffic offences) Yes No

A Criminal Record Check report must be provided as per [Instructions](#)

If Yes, please provide the type and details of the conviction or offence:

From (mm/dd/yyyy)	Description
From (mm/dd/yyyy)	Description

4. Has a civil judgment been made or disciplinary action taken against you, by professional organizations or self-regulating bodies? Yes No

If Yes, please provide the type and details of the judgement or action:

From (mm/dd/yyyy)	Description
From (mm/dd/yyyy)	Description

5. Under the laws of Canada or any other country, or state, have you ever: (a) been petitioned into bankruptcy, (b) made a voluntary assignment in bankruptcy, or (c) filed a proposal under any bankruptcy or insolvency legislation? Yes No

A Bankruptcy Check report must be provided as per [Instructions](#)

If Yes to 5. (a) or (b), please provide the following:

- i. Date of Assignment or Receiving Order (mm/dd/yyyy)
- ii. Date of Absolute Discharge (mm/dd/yyyy)
- iii. If Conditional, Date of Conditional Discharge (mm/dd/yyyy)
If Conditional Discharge, provide description of conditions:
- iv. Cause of Bankruptcy/Insolvency

If Yes to 5. (c) please provide the following:

v. Date of proposal

vi. Proposal was

Accepted

Rejected

vii. Current Status

viii. Description of Proposal Terms

A Bankruptcy and Insolvency Records Search Results report must be provided as per [Instructions](#)

PART D – Certification

I, the undersigned, hereby certify that the foregoing statements are true, correct and complete to the best of my knowledge, information and belief, and hereby undertake to notify the BC Financial Services Authority immediately in writing of any material change therein.

I consent to the BC Financial Services Authority making such enquiries as it sees fit of government institutions, credit bureaus, financial institutions, current and past employers, and professional organizations or self-regulating bodies to which I belong or have belonged, for the purpose of investigating my suitability to be a person in a position to control or influence an exempt society under the *Trust and Deposit Business Exemption Regulation*, including, but not limited to, a criminal records search with the Royal Canadian Mounted Police or other law enforcement bodies, and a bankruptcy and insolvency records search.

I acknowledge and agree that the information contained in this return and attachments will be used for the purposes described above. I understand that it is an offence under the *Financial Institutions Act* to make a false statement and that it may also be an offence under the *Criminal Code of Canada*.

I am aware that I have duties and obligations under the *Society Act* and the *Financial Institutions Act* and that it is my responsibility to fully understand these duties and obligations.

Position/Title at Financial Institution

Signature

Date

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The Credit Union Director Achievement (CUDA®) Program is designed for new and experienced credit union directors in Canada. Nationally recognized since 1988, the CUDA Program offers world-class training and the most current thinking about credit union corporate governance, in three progressive levels.

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†available in French


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