

Joining
Your
Board of Directors



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Information for Nominees for Board of Directors

Thank you for your interest in becoming a Director on the Public Service Credit Union Board. Serving on the Board of Directors will be both a rewarding and challenging opportunity. It will give you the chance to chart the future direction of your Credit Union while providing an opportunity for professional and personal development.

Nomination Package - Annual General Meeting

This document contains the information on the requirements, qualifications, expectations, roles and responsibilities for Directors of the Public Service Credit Union. It also outlines the nomination process and key dates. **The two documents attached to the package - The Nomination Application (Appendix A) must be completed, signed and returned by the date indicated.**

For your reference and consideration we have also included information on our Mission Statement, Vision Statement, Values and the Seven Co-operative Principles (See Appendix D) for Cooperative Principles.

Mission Statement

The Public Service Credit Union is committed to providing its members with responsive and innovative financial products and services in a socially responsible manner to maximize wealth for the members, while ensuring the highest standard of excellence and integrity.

Vision Statement

The Public Service Credit Union desires to be the preferred choice for all your financial needs.

Values

The Public Service Credit Union believes in:

- Fostering an environment that embraces the Co-operative principles of democracy and solidarity while encouraging self-help and self-responsibility. Also to provide quality products and services that meet the needs and expectations of the members we serve and respect.

Overall Director Responsibility



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Directors have a great deal of responsibility and accountability. Individually and collectively they have a duty to be informed, act with care, diligence and skill, and to conduct Credit Union affairs with honesty and good faith. While the board exercises authority over strategic direction and policy development, operational policies and day to day operations are the responsibility of the senior management team.

The Board is responsible for:

- The long term success of the Credit Union;
- Development of the Strategic Plan;
- Corporate governance and policy development;
- Appointment, review and evaluation of Senior Management;
- Ensuring compliance with the Credit Union Act and Regulations; and
- Overseeing financial management.

The Board carries out its duties by meeting at least quarterly and meeting regularly in assigned committees to discuss policies and reports. The Board undertakes training regularly and it is expected that all new directors to participate in the Credit Union Director Achievement program training with the aim of obtaining their CUDA designation in their first term. As well members of the Board attend regional meetings as required.

Position up for Election

There are three Director Positions available. People elected will hold the position for three years.

Nomination Deadline

Submission including the list of qualifications using the attached form must be received by the Chair of the Nomination Committee. Applications are to be mailed or delivered to:

nominations@psc.ca.
Chair of the Nomination Committee
Public Service Credit Union
403 Empire Ave, St. John's, NL
A1E 1W6

Questions and Inquiries

Questions and inquiries about the nomination process should be emailed to the Chair at nominations@pscua.ca. A response will be provided within 2 business days provided it is received during normal office hours.

Timeline 2016

- | | |
|--|-------------------|
| • Nomination package ready | January 15, 2016 |
| • Return of Nomination Packages* | January 28, 2016, |
| • Validation of submissions and notification of applicants | March 11, 2016 |
| • Annual General Meeting | March 28, 2016 |

Statutory requirements as outlined in the Credit Union Act Section 70.

A person who is a citizen of Canada, 19 years of age or older, a member of the credit union and who satisfies the requirements set out in the by-laws of the credit union may be a Director, unless he or she:

- is an undischarged bankrupt person;
- is an employee of a credit union or the guarantee corporation;
- is not bondable;
- is an auditor, or a member of the auditor's firm, of this Credit Union;
- is a parent, child, grandchild, spouse, brother or sister or in-law of an employee of this Credit Union;
- is the solicitor of this Credit Union;
- is a representative of a bargaining agent for the employees of a credit union; or
- is a public employee whose official duties are concerned with the affairs of credit unions.

Other Requirements and Responsibilities

- commits to comply with the Code of Ethics for Directors;
- has not been an employee of the Public Service Credit Union in the last three years;
- is not currently an employee of a competing financial institution;
- agrees to participate in quarterly Board meetings including the prior review of Board meeting material;
- agrees to serve on at least one of the Board's standing committees (Audit; Governance and Human Resources) and ad hoc committees as required;
- agrees to complete the Director training program as prescribed by the Credit Union;

- has knowledge and experience in business matters and be financially literate; and
- the ability to deal with business, financial and corporate issues.

Time Commitment

Below is an estimate of the amount of time necessary to fulfill your role as a Director. Each director is expected to prepare for and attend Board meetings and to serve on at least one of the Board Committees. In addition, Board members are expected to attend annual Strategic Planning Sessions.

Item	Minimum Estimated Time (not including travel)
<i>Board meeting</i>	<i>Board meetings can last between 2 and 3 hours per meeting. They take place in the evening. There are 6 regular board meetings per year and there can be up to 3 Special Board meetings per year. The meetings are held at PSCU board room or via telephone if necessary.</i>
<i>Prepare for Board Meetings</i>	<i>2-3hours per meeting.</i>
<i>Prepare for Committee meetings</i>	<i>Committee meetings can be held in the day or evenings and they can last between 1 and 2 hours per meeting.</i>
<i>Read Committee package</i>	<i>1-2 hours per meeting</i>
<i>Board planning sessions</i>	<i>Fall: 1 Saturday per year</i>
<i>Training and development</i>	<i>Directors are required to attend education/training sessions. This may involve weekdays and /or weekends and to be completed within the first three years of directorship. All director training expenses are compensated by the credit union.</i>

Relevant Skill and Abilities

- The ability to understand and interpret financial statements and to assess business performance;
- Committed to life-long learning;
- Have an understanding and are committed to the Credit Union's values, its Vision and Mission;
- Have the ability to work in a team environment; and
- Have good communication skills.



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Election Procedure

The nomination forms will be reviewed by a Committee of the Board to ensure the nominee's eligibility.

If the number of qualified nominees is less than or equal to the number of positions to be filled, the validated nominees shall be declared elected by acclamation at the Annual General Meeting.

In the event the number of qualified nominees is more than number of positions to be filled, a secret ballot will be held at the Annual General Meeting. Each candidate will be provided an opportunity to speak for 3 minutes. Information on each candidate will be provided at the Annual General Meeting using the information to be provided section of Appendix A.

A current member of the Board will Chair the election with two independent scrutineers appointed to count the ballots that are cast.

The Board of Directors

Directors are members of the Credit Union who have been democratically chosen by their fellow members to carry out a special job – to oversee the operation of the credit union.

A definition of the Board of Directors might be expressed as “a group of people, elected by the credit union membership to administer the affairs of their organization over a period of time; i.e. between annual meetings. The word “group” requires some emphasis as the success or failure of any Board depends, to a large extent, on how well it operates as a team. Directors have authority only as a group and not as individuals. A Director, as part of this group, is responsible for reinforcing co-operation through his/her actions and attitudes and must remember that personal feelings and ideas will be accepted, rejected or modified by group decision. It is the success of this group action which determines how well the credit union will serve its members now and in the future.

The dedication of the Directors to their job is the most important factor in the credit union reaching three important goals:

1. Providing the best possible service to members
2. Serving as many of its potential members as possible
3. Supporting the communities in which it operates



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Integrity

The board of directors, as the internal governing body, must exhibit high ethical standards in all personal and professional interactions. In order to ensure that the ethical standards are met, the credit union provides a standardized code of conduct clearly explaining proper and improper behavior. This written code of conduct provides strict boundaries for directors and employees, thereby preventing possible violations due to a lack of clarity.

Credit unions must take all necessary measures to avoid conflicts of interest. In particular the board of directors should not use their position on the board to benefit personally. To accomplish this ethical consideration, board members must excuse themselves from discussions and voting on matters in which they or their relations have economic interest.

Furthermore, immediate family members of those who have close relationships to any of the board of directors or staff should not serve on the board or in management concurrently. A family or close pre-existing bond provides numerous opportunities for wrongdoing, such as collusion on votes and opens the credit union to charges of nepotism. No matter how qualified or impartial the directors may be, the reputation of the credit union cannot be risked.

Background on Credit Unions

A credit union is a co-operative enterprise that serves and is controlled by its members. The members have equal rights to vote (one member, one vote) and participate in decisions affecting the credit union without regard to the amount of savings, deposits or the volume of business. Credit unions are non-discriminatory in relation to race, nationality, sex, sexual orientation, religion or politics. This democratic structure ensures that the business is run for the benefit of the members and not for the profit of outside investors.

In the early 1900s, average working Canadians had little access to the banks. Credit Unions, organized locally according to cooperative models, were born in this country as a result. The first financial cooperative was created in Levis, Quebec in 1900, when 80 people banded together as a *caisse populaire*. Public Service Credit Union began in 1937. Today the international credit union system is comprised of 40,000 credit unions and 186 million members.

Our history is the foundation of *our philosophy: that everyone deserves an opportunity to achieve financial well-being, that working together, cooperatively, works for the good of all and that giving back to communities is a key rationale for profitable operations. This is reflected in the seven cooperative principals.*

1. Voluntary and open membership
2. Democratic member control

3. Member economic participation (through member shares)
4. Autonomy and independence (self-help organizations controlled by members)
5. Education, training and information (for members, staff and directors)
6. Cooperation among cooperatives (working together locally, regionally, nationally and internationally)
7. Concern for community



The Public Service Credit Union

In 1936, a seed was planted among a number of senior public servants to organize a co-operative to provide various financial services to their fellow workers. In 1937 an organizational meeting was convened by Judge Browne in Canon Wood Hall for the creation of the Civil Service Co-operative Credit Society and the first \$121 was invested in December 1937. Judge Browne provided a sum of money to get the Credit Society started and the DSA provided a loan of \$75 to produce a set of credit union books.

The first Annual Meeting was held in the Newfoundland Hotel on January 27 1938, attended by a large gathering of Civil Servants. Following the election of Officers, the Board officially admitted the first seventy-two members with loan business commenced that February.

In 1942, the Civil Service Co-operative Credit Society Limited was incorporated under the Co-operative Societies Act, on July 17, 1942 following five years of operation. The first office was opened in the Connors Building on the east corner of Queen and Water Street next door to the old Central Post Office and from there it was transferred to the basement of the Colonial Building.

The pace of change was slow and it was not until 1975 when the first full-time Manager was hired. The name changed from the Civil Service Co-operative Credit Society to Public Service Credit Union Limited February 1, 1978. In 1979, PSCU rented an office at 23 Cashin Avenue, providing 9-5 service. The first building was purchased on April 14, 1986 at 403 Empire Avenue. On completion of a new layout and installation of equipment, these new offices were officially opened by our founder, the Honorable W.J. Browne, P.C., Q.C., on October 16, 1986, International Credit Union Day.

In the late 80's and early 90's the pace of change increased as Member cards & Global Payment cards were introduced providing electronic access to members accounts 24/7 at the merchant and ATM level. In 1992, the Credit Union was the second Credit Union in the Province to provide member access at its' own ATM.



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In 2003, the Credit Union commenced construction of modern new premises that was completed in July 2004. That same year, Centennial Credit Union ceased operations and its members transferred their accounts to Public Service Credit Union. August 2, 2004 marked the first day of operation of the PSCU's new premises at 403 Empire Avenue, next to its previous location. The official grand opening was held on October 20, 2004 during Co-op Week.

PSCU hired for the first time, a General Manager from the ranks of its own staff in 2006. That same year PSCU also changed its bond of association, opening its membership to all residents of Newfoundland and Labrador. In 2007 PSCU celebrated 70 years of providing financial services to its members.

In 2008 a much discussed and anticipated service, Financial Planning was offered to members. After ten years of discussing how this service could be offered under a feasible model, the Public Service Credit Union formed a partnership with four other Credit Unions, Horizon, Eastern Edge, Reddy Kilowatt and Community to offer Financial Planning to its' members through Credential Financial Strategies. Under this arrangement PSCU provides financial advice and planning, including mutual funds and insurance products.

In most recent years the pace of change in the financial industry has been driven by new developments in technology. Members can access their accounts via the internet through Member Direct integrated (MDi), allowing members to review their account, to pay bills, to transfer money to other financial institutions anytime, anywhere internet was available. In 2009 two new products were added to the financial suite of products: Tax Free Savings Account (TFSA) and High Interest Savings Account (HISA).

In 2011 PSCU became a member of the newly formed Atlantic Central, which replaced the centrals in the Atlantic Provinces. In June 2011 PSCU offered Electronic Statements to its members to complement its internet banking service allowing members to store and view their statements on line.

PSCU celebrated its' 75th anniversary in 2012. In January 2012 the electronic banking system was enhanced as the PSCU offered email money transfer service allowing members to email money to anyone with an email and a financial institution account. That same year cheque imaging was implemented, replacing the hard copy.

In 2014 PSCU was the first CU in the province to launch the iPhone app to provide 24/7 access, to pay bills, transfer money and email money from the convenience of the iPhone.

PSCU is a full service financial institution providing loans, mortgages, home equity line of credit, registered saving products (RRSP, RRIF, RESP, TFSA), Investments, savings, chequing, loan insurance, deposit protection, on line banking, mobile banking, telephone banking, Financial Planning , Interac, ATM and Credit Cards.

We are backed and supported by over 300 credit unions nationally and over 40,000 worldwide.



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PSCU provides innovative and responsive Financial Services that are focused on your best interest....."Focused On Me".

Appendices

- | | |
|------------|--|
| Appendix A | Nomination Application and Information to be Provided to Members |
| Appendix B | Guidelines for Completing Business Background and Experience |
| Appendix C | Bond Application (information purpose only) |
| Appendix D | Seven Co-operative Principles |



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**Appendix "A"
Public Service Credit Union
Nomination Application**

Name: _____

Address: _____

Phone # _____

Email Address: _____

Member of the Credit Union _____
(Date of membership MM/DD/YYYY)

Have you ever filed for bankruptcy? If yes when? _____
(MM/DD/YYYY)

Check list for eligibility

Question	Yes	No
Are you bondable? (See Appendix C – Bond Application)		
Are you a person who is an undischarged from bankrupt?		
Are you an employee of a credit union or the Guarantee Corporation?		
Are you an auditor, or a member of the auditor's firm, that audits this Credit Union?		
Are you parent, child, grandchild, spouse, brother or sister or in-law of an employee of this Credit Union?		

Are you the solicitor of this Credit Union?		
Are you a representative of a bargaining agent for the employees of a Credit Union?		
Are you public employee whose official duties are concerned with the affairs of credit unions?		
Do you commit to comply with the Code of Ethics for Directors?		
Have you been an employee of the Public Service Credit Union in the last three years?		
Are you currently an employee of a competing financial institution?		
Do you agree to participate in quarterly Board meetings including the prior review of Board meeting material		
Do you agree to serve on at least one of the Board's standing committees (Audit; Governance and Human Resources) and ad hoc committees as required?		
Do you agree to complete the Director training program as prescribed by the Credit Union?		
Do you have knowledge and experience in business matters and be financially literate?		
Do you have the ability to deal with business, financial and corporate issues?		

Note: You may have to agree to have a credit bureau check completed if elected as a Director Also, if elected you must agree to provide a certificate of conduct from the Royal Newfoundland Constabulary. Any normal cost incurred will be covered by the Credit Union

Please complete Sections I, II, III and IV which will be presented to the membership as part of the election process.



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By signing below you are authorizing the Public Service Credit Union to complete the necessary due diligence to ensure your eligibility as Director and to complete a credit bureau report if elected.

Signature: _____

Date: _____



**Appendix “A” Continued
Public Service Credit Union**

Section III

Please describe any personal attributes you think that would help you meet the roles and responsibilities of a director with the Public Service Credit Union

Section IV

Please indicate why you want to become a Director with the Public Service Credit Union



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Appendix “B” Public Service Credit Union

Guidelines for Completing Business Background and Experience

Below are some of the key business background and experience, personal attributes and often associated with the position of a director on a Credit Union.

Business Background and Experience

- Experience in the financial industry sector
- Knowledge in the area of risk management
- Core knowledge in the area of corporate governance
- Core knowledge of audit principles and practices
- Experience in the co-operative sector
- Business experience in related fields
- Knowledge and experience in association governance of management
- Completion of any Director training including CUDA training
- Knowledge and understanding of Financial Statements
- Experience in government relations
- Experience with customer relations
- Past experience serving as a Director
- Core knowledge of fiduciary and legal responsibilities pertaining to Director
- Experience involving mergers, acquisitions and strategic alliance
- Knowledge and experience in the area of human resources
- Knowledge and experience with interest rates or credit risk management
- Experience and knowledge in strategic planning
- Computer technology literacy
- Experience with financial services regulation
- Membership in Professional Association and Professional Licenses



Appendix “C”
Public Service Credit Union

Bond Application - Credit Union Deposit Guarantee Corporation
Director/Committee Member
Fidelity Bond Application

Fidelity Bonding is a firmly established business practice. As a requirement of your assuming the position of Director or Committee Member you are required to be bondable by Regulations. The Credit Union Deposit Guarantee Corporation has mandated that the bonding agency for the Newfoundland and Labrador Credit Union System will be The Credit Union Bonding Program (TCUBP) operated by CUMIS General Insurance Company.

Fidelity bonding serves notice that you meet the high standards required by the issuer of your bond. It also protects the credit union in the event there is a loss sustained by the credit union as a result of a dishonest act of a director or committee member. Compliance with your credit union’s rules and faithful and honest discharge of the duties of your position will assure your continued bond ability.

Directors and Committee Members are to complete the information and questions listed below.

1. Organization: _____
 Address: _____
 Telephone #: _____
2. Applicant: _____
 Home address: _____
 Telephone #: _____
 Email: _____
 Position: Committee Member Committee _____
 Director / Officer Position _____
3. Current Occupation: _____
4. Past Experience as a Director/Committee Member: _____

5. Years of Service as a Director/Committee Member of a Credit Union: _____

Yes No

- | | | | |
|----|---|--------------------------|--------------------------|
| 6. | Has any application by you for a bond been declined by a surety company? | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. | Are you presently the subject of any civil or criminal action? | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. | 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"/> |
| 9. | Are you related to a current employee of the Credit Union? | <input type="checkbox"/> | <input type="checkbox"/> |

IF ANY OF THE QUESTIONS NUMBER 6 TO 9 ARE ANSWERED “YES”, GIVE FULL PARTICULARS IN A SEPARATE LETTER SECURELY ATTACHED TO THIS APPLICATION

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 Co-operators General Insurance Company and 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 of 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 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 #6 to 9) 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.



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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.

Dated at _____ this _____ day of _____ 20____
(City) (Prov)

Witness

Signature of Applicant

Appendix “D” Seven Cooperative Principles

1. Voluntary Membership

Co-operatives are voluntary, co-operative organizations, offering services to people willing to accept the responsibilities and benefits of membership, without gender, social, racial, political or religious discrimination.

2. Democratic Member Control

Co-operatives are democratic organizations owned and controlled by their members, one member one vote, with equal opportunity for participation in setting policies and making decisions.

3. Members’ Economic Participation

Members are the owners. As such they contribute to, and democratically control, the capital of the cooperative. This benefits the members in proportion to the transactions with the cooperative rather than on the capital invested.

4. Autonomy and Independence

Co-operatives are autonomous, self-help organizations controlled by their members. If the cooperative enters into agreements with other organizations or raises capital from external sources, it is done so based on terms that ensure democratic control by the member and maintains the co-operative autonomy.

5. Education, Training and Information

Cooperatives provide education and training for members, elected representatives, managers and employees so they can contribute effectively to the development of the cooperative.

6. Co-operation Among Co-operatives

Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, provincial, regional, national, and international structures.



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7. Concern for Community

While focusing on member needs, co-operatives work for the sustainable development of communities, including people of modest means, through policies developed and accepted by the members.

These seven principles are founded in the philosophy of co-operation and its central values of equality, equity and mutual self-help. They express, around the world, the principles of human development and the brotherhood of man through people working together to achieve a better life for themselves and their community.