



The Place to Belong; The Place to Bank

2022 INTERN DIRECTOR APPLICATION

INTERN DIRECTOR APPLICATION

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INTERN DIRECTOR PROGRAM INFORMATION

THANK YOU!...for your interest in applying for an Intern Director position with Healthcare and Municipal Employees' Credit Union (HMECU). HMECU and all credit unions provide its member owners with a distinct values-based and community-owned and controlled alternative. Unlike the private, public, or voluntary sectors, all credit unions around the world are guided by the same principles, one being the principle of democratic member control. Credit unions are operated democratically and owned by their customers as members. As an Intern Director of HMECU, you'll have an opportunity to learn first hand how your Board helps to lead an organization that is committed to building strong relationships aimed at improving financial health, enriching people's lives and building healthier communities in the areas we serve.

The Intern Director program, overseen by the Nominating Committee, is designed to meet a strategic need and create a governance ready pool of volunteers who may later fill vacant positions on the HMECU Board of Directors by:

- Identifying and preparing individuals that wish to become better acquainted with HMECU, the credit union movement and the role of Intern Director.
- Allowing individuals a trial period for training and to participate and understand the responsibilities and time commitments required prior to making the full commitment if elected to a position on the Board.
- Providing an additional method for HMECU to fulfill its succession planning objectives with prospective member candidates the Board needs and develop a pool of candidates that have begun to establish knowledge, skills and abilities to serve the membership in the role of elected Director, for appointment or election.

The Intern Director program does not afford any voting rights or decision-making authority to its participants. The engagement of participants is limited to:

- Reviewing meeting materials
- Attending and observing at a minimum of 4 Board meetings and 2 Audit & Risk Committee meetings
- Participating in non in camera discussions at committee meetings
- Participating in Board education sessions and retreats

The Program will accept a maximum of three (3) Intern Directors per year from members qualified to run as a Director of the Board. At the end of the internship in March, it is anticipated that the Intern Director(s) will stand for election as a Director at the next AGM. Intern Directors will be accepted into the program from April (post AGM) to September in order to allow for a minimum of six (6) months participation in advance of the AGM elections. Intern Directors may re-apply for another internship if vacancies are available.

Vacancies will be first filled by first time applicants.

Applicants are required to complete and submit HMECU's Intern Director Application to the Chair of the Nominating Committee to begin the process for selection.

Upon confirming the applicant meets the requirements outlined in the application package, the Chair of the Nominating Committee and another Committee member will interview the applicant. The interview process will include an overview of the Board's functions and governance model, along with expectations of the applicant, including attendance at Board and committee meetings, and an attestation of an acceptable Police Criminal Records Check.

If the applicant and Nominating Committee wish to proceed further, references will be requested and vetted.

Applicants will then be recommended to the entire Board of Directors for approval to participate in the Intern Director Program.

Upon approval of admittance to the program by the Board, the individual will be required to sign a confidentiality agreement and provide a Police Criminal Records Check.

The Intern Director will be required to attend: four (4) meetings of the Board; and two (2) meetings of the Audit & Risk Committee at a minimum. The Intern Director will receive modified meeting packages for review.

Support to the Intern Director to answer any questions, offer guidance and Director mentorship will be provided by designated Board Nominating Committee members.

Appointment to the Intern Director program is not a guarantee that the Intern Director will be nominated or elected to the Board of Directors.

✓	Item #	CHECKLIST FOR THE INTERN DIRECTOR APPLICATION
	1	Applicants are encouraged to arrange an appointment to meet with the Chair of the Nominating Committee, to find out more about being an HMECU Intern Director. Please contact Jennifer Swing, Executive Assistant at 905-575-8888 x139 or by email jswing@hmecu.com to be directed to the Chair of the Nominating Committee.
	2	Review pages, 7 and 8 to be sure that you qualify. The rules for becoming a Director are set out in the Credit Unions and Caisses Populaires Act, 1994 of Ontario which governs all credit unions in the province and we require that Intern Directors meet these rules as well.
	3	Applicants authorize the Credit Union to obtain a personal Credit Bureau check as part of the eligibility process after acceptance as an Intern Director, as indicated on page 9.
	4	Complete and sign the Intern Director Applicant Statement on page 9. This document ensures you have read and understand all of the information provided in this package and confirms that you qualify to be an Intern Director.
	5	Next, carefully review and complete the Intern Director - Experience and Skills Form and Applicant's Expertise/Experience Assessment on pages 10 through to 13.
	6	The original Intern Director application, once completed, must be received no later than September 30 th each year, to the attention of Jennifer Swing, Executive Assistant on behalf of the Chair of the Nominating Committee, 209 Limeridge Road East, Hamilton, ON, L9A 2S6. Please keep a copy of the application for reference.
	7	Upon receipt of the Intern Director Application, the Chair of the Nominating Committee will contact the applicant to arrange a meeting.
	8	Applicants must obtain a Volunteer Police Criminal Record Check, at their own expense, to be submitted after acceptance as an Intern Director. Please check with your local police service for details and time frames regarding this process.
	9	All qualified applicants are encouraged to attend the Annual General Meeting (AGM) to understand the nomination and election process.

PREFERRED DIRECTOR CRITERIA
AS PER THE BOARD GOVERNANCE POLICIES OF
HEALTHCARE AND MUNICIPAL EMPLOYEES CREDIT UNION

(Intern Director applicants are also assessed against these criteria)

A Director:

- ◆ should understand the principles behind and share the vision of the Credit Union, and have the ability to reflect the values and commitments of the Credit Union, as well as acting in the Credit Union's best interest at all times.
- ◆ should demonstrate the ability to bring a perspective of social, external business or financial issues to Board deliberations.
- ◆ should understand corporate governance and the fiduciary duties, role and responsibilities of the Board as a whole and as an individual Director of a Credit Union, including the willingness to ask probing questions and be an active participant in Board discussions and debates within the governance framework.
- ◆ must commit to regular attendance at Board/Committee meetings, and to full preparedness and willingness to contribute to meeting content.
- ◆ should understand the importance of Credit Unions in their communities.
- ◆ should demonstrate the ability to provide leadership and be an effective communicator.
- ◆ should uphold the values of teamwork, demonstrating the ability to operate as "a team at Board level and speak with one voice" once full discussion has been undertaken and a decision made by the Board.
- ◆ must demonstrate personal integrity and high ethical standards.
- ◆ must not be deemed a Disqualified Individual as reference by section 92. (1) of the Credit Unions and Caisses Populaires Act, 1994, on page 5 and 6 of the package.
- ◆ must obtain a Volunteer Police Criminal Record Check at his/her own expense and authorize the Credit Union to obtain a personal Credit Bureau check as part of the nomination eligibility process.
- ◆ must be willing to commit to continuous learning and undertake appropriate Director training and development initiatives.
- ◆ should have the ability to understand and assess implications of financial statements and auditors' reports.
- ◆ must agree to abide by the additional time commitment, including travel time and work load associated with being a Director of the Credit Union.
- ◆ shall possess basic computer skills and be able to receive, print and communicate via electronic means.

DIRECTOR QUALIFICATIONS AS LEGISLATED IN SECTION 91 OF THE CREDIT UNIONS AND CAISSES POPULAIRES ACT, 1994

(Intern Director applicants must also qualify under these rules)

Qualifications of Directors

91. Only a natural person who meets the following criteria is eligible to be a director of a credit union:

1. He or she is a member of the credit union.
2. He or she is at least eighteen years of age.
3. He or she is a Canadian citizen or a person lawfully admitted to Canada for permanent residency who is ordinarily resident in Canada. 1994, c. 11, s. 91.

DIRECTOR DISQUALIFICATIONS AND OTHER REQUIREMENTS AS LEGISLATED IN SECTION 92 OF THE CREDIT UNIONS AND CAISSES POPULAIRES ACT, 1994

Disqualified Individuals

92. (1) The following individuals are disqualified from being Directors of a Credit Union:

1. One whose membership in any Credit Union has been terminated, other than voluntarily.
2. One who has been found under the *Substitute Decisions Act, 1992* or under the *Mental Health Act* to be incapable of managing property or who has been found to be incapable by a court in Canada or elsewhere.
3. One who is an undischarged bankrupt or who has been discharged as a bankrupt in the five years preceding the date on which he or she may be elected as Director.
4. One who is unable to obtain a bond of an insurer licensed under the *Insurance Act* to write surety and fidelity insurance.
5. One who is more than 90 days in arrears in the payment of a debt owed to the Credit Union unless the Credit Union has agreed to extend the time for repayment.
6. One who is a listed person within the meaning of the United Nations Suppression of Terrorism Regulations under the *United Nations Act (Canada)*.
7. One who has been convicted, in the five years preceding the date on which he or she may be elected as a Director, of an offence described in subsection (3) and who has not received a pardon for the offence.

8. One whose membership in a professional association has been terminated, in the five years preceding the date on which he or she may be elected as Director, for professional misconduct.
9. An employee of the Credit Union or a league in which the Credit Union is a member or his or her spouse, parent or child.
10. A professional advisor who provides services to the Credit Union in his or her professional capacity or who has provided such services in the three years preceding the date on which he or she may be elected as a Director.
11. An employee of the Corporation.
12. A public servant employed under Part III of the *Public Service of Ontario Act, 2006* whose employment duties include regulating Credit Unions.
13. One who has not met the training requirements or qualifications for Directors established by the Credit Union.
14. One who has not met any reasonable condition or qualification set out in the by-laws of the Credit Union. 2007, c. 7, Sched. 7, s. 58 : c. 33, Sched. 2, s. 21 (2).

Exception

- (2) An individual is not an employee for the purposes of paragraph 9 of subsection (1) solely because he or she provides, without remuneration, services to the Credit Union or league that are ordinarily provided by an employee. 2007, c. 7, Sched. 7, s. 58 (1).

Type of Offence

- (3) An offence referred to in paragraph 7 of subsection (1) is an offence that,
 - (a) is related to the qualifications, functions or duties of a Director of a body corporate;
 - (b) involves theft or fraud;
 - (c) involves a contravention or failure to comply with this Act, a predecessor of this Act or an Act governing a subsidiary of the Credit Union; or
 - (d) involves a contravention or failure to comply with the *Securities Act*. 2007, c. 7, Sched. 7, s. 58 (1).

HEALTHCARE AND MUNICIPAL EMPLOYEES' CREDIT UNION LIMITED

INTERN DIRECTOR APPLICANT STATEMENT

I, _____, **STATE AS FOLLOWS:**

1. I am a member of HEALTHCARE AND MUNICIPAL EMPLOYEES' CREDIT UNION LIMITED, (hereinafter called the "Credit Union") and, I wish to apply for an Intern Director position with the Credit Union.
2. I will have been a member of the Credit Union for at least one (1) continuous year by the upcoming Annual General Meeting, I am 18 years of age or older and I am a Canadian Citizen or a person lawfully admitted to Canada for permanent residency who is ordinarily a resident in Canada,
3. I have not been disqualified from becoming or acting as a Director pursuant to the Credit Unions and Caisses Populaires Act, 1994 (see section 92 on page 7), nor I am a Director of another credit union or other deposit taking financial institution.
4. I have not been convicted of a criminal offence for which I have not been pardoned.

A Credit Bureau file (at the Credit Union's expense) will be required and referred to by the Nominating Committee of the Board, relating to the qualifications of a Board Member nominee (and Intern Director applicant) as it relates to Section 92 of the Credit Unions and Caisses Populaires Act, 1994. The undersigned consents to the obtaining of such information.

A Police Criminal Record Check (at applicant's expense) will be required after acceptance as an Intern Director.

Signed before me in the City of _____, in the Province of Ontario.

This _____ day of _____ year _____.

Applicant's Signature

Print Applicant's Name

Print Applicant's Address

(_____)_____
Applicant's Telephone Number

Applicant's Email Address

In the presence of

Witness Signature

Print Name

Applicant's Account Number

INTERN DIRECTOR – EXPERIENCE AND SKILLS FORM

The following information will provide the Board’s Nominating Committee with a detailed summary of your relevant education, business and governance skills and experience. In addition, the information is used for Director development, recruiting and succession planning in order to address the short and long term needs of the Board.

1. Which Credit union employer group do you represent if any?

(check one) Healthcare _____ Government _____ Other _____

Actively Employed with: _____

Current Position is: _____

Or Retired From: _____

Last Employer and Position was:

2. List any post secondary education in progress or completed (college, university or other).

3. List previous board or committee experience (include brief summary of duties/responsibilities).

4. List any management, financial, human resource or other relevant skills and experience.

5. List relevant risk management or policy development skills and experience , if any.

6. Please provide a brief statement on your interest, telling us why you want to be an Intern Director of HMECU.

INTERN DIRECTOR APPLICANT'S EXPERTISE/EXPERIENCE ASSESSMENT

HMECU is committed to the principle of a high quality Board of Directors, and expects that each Director brings to the Board a certain level of knowledge and experience, demonstrates certain key attributes and adheres to certain principles. The following self-assessment will assist the *Nominating Committee* in determining the degree of expertise that you bring as an Intern Director candidate.

Please indicate your level of expertise/experience in the following table by indicating:

E - Expert
S - Strong
G - Good
B - Basic
N/A – no relevant experience

To assist you in answering, please refer to the following definitions:

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

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

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

Basic: You have some knowledge of the competency.

N/A: You have no familiarity with the topic or area.

Please Note: It is a Board policy requirement that if elected to the Board, you will be expected to complete a more comprehensive self-assessment of specific competencies within 3 months of election. This assessment is used to help determine your training and self-development needs in order to fulfill the Director training and qualifications requirements as established by the Credit Union.

Competency/Area	Rating
1. Audit and Compliance Performance and regulatory standards; examination & auditing procedures	
2. Board & President and CEO Performance Setting and evaluating criteria and standards of performance of the Board, Directors and the President and CEO	
3. Credit Union Operations Cooperative business model; key components of operations (people, physical and technical infrastructure), operational risks	
4. Financial Literacy / Expertise Reading and interpreting financial statements and financial performance indicators	
5. Governance and Ethics Board roles and responsibilities; structure; decision making powers; Board policies and processes; Committees (mandates; structure; process)	
6. Leadership Leadership traits; skills and effective professional and personal attributes	
7. Regulatory Environment with Respect to Financial Services & Credit Union Sectors Governing legislation and guidance; regulators	
8. Risk Management Oversight; Enterprise Risk Management Financial and operational risks; risk management and monitoring	
9. Strategic Planning Strategic planning concepts; process; importance of clear strategic direction; monitoring of strategic plan implementation	
10. Information Technology Hardware; software; networking; banking systems; databases; web-enabled services	
11. Partnering / Mergers and Acquisitions Merger strategies; issues, benefits and challenges	
12. Executive Recruiting & Human Resource Management Recruitment; hiring criteria and practices; performance evaluation, union negotiations, privacy legislation	
13. Other competencies; areas of expertise _____ _____	_____ _____

FURTHER INFORMATION FOR INTERN DIRECTOR APPLICANTS

A summary of the recent history, evolution and key facts about the Credit Union can be found on our web site at www.hmecu.com. Applicants are encouraged to review this information.

Intern Director Responsibilities

The Intern Director will participate in the following type of activities and/or training, to be determined at the sole and absolute discretion of the Board of Directors:

- Meet with assigned mentor monthly (in person or by phone)
- Attend, at a minimum, 4 Board and 2 Audit & Risk Committee meetings
- Thoroughly review meeting materials made available through a secure delivery method
- Attend HMECU Board educational planning sessions
- Participate in training that will expand existing knowledge of Credit Union business
- Maintain confidentiality of all matters, as required

Remuneration

Intern Directors will not receive any remuneration.

REMINDER: Please ensure you have followed all of the steps outlined under the **Checklist for the Intern Director Application** on page 5 and that the forms are properly signed and dated.

**PLEASE FULLY COMPLETE THE INTERN DIRECTOR APPLICATION AND RETURN IT to the
Attention of Jennifer Swing, Executive Assistant
on behalf of the Chair of the Nominating Committee,
209 Limeridge Road East, Hamilton, ON, L9A 2S6**

A listing of our branch hours can be found at www.hmecu.com or by calling
905-575-8888

More information regarding credit union Director roles and responsibilities as well as general information on how Ontario credit unions are regulated can be found on the Deposit Insurance Corporation of Ontario web site.

www.dico.com

Thank you once again for your interest in serving as an Intern Director of HMECU.