

# KHALSA CREDIT UNION

## NOMINATION FORM ELECTION OF A DIRECTOR

**IMPORTANT NOTE:** This form must be completed by the candidate and his/her nominators and submitted to the Nominating Committee, c/o Head Office, Khalsa Credit Union, 8788 - 120<sup>th</sup> Street, Unit 305, 3<sup>rd</sup> floor, Surrey, BC, V3W 3N6 by no later than 5:00 pm Friday, March 1st, 2024 (Fax or email will not be accepted). Any submission received later than 5 p.m. will not be considered. Nomination application will not be accepted at any branch of Khalsa Credit Union. Before completing this form, it is recommended that you carefully read the attached Exhibits A, B, C, D and E and the Rules of Khalsa Credit Union.

Name of Candidate: \_\_\_\_\_

(Please print name in full)

Address: \_\_\_\_\_

Tel: Bus. \_\_\_\_\_

\_\_\_\_\_

Tel: Res. \_\_\_\_\_

\_\_\_\_\_

Postal Code: \_\_\_\_\_

Membership Number: \_\_\_\_\_

Branch: \_\_\_\_\_

How long have you been a member of Khalsa Credit Union? \_\_\_\_\_

Will you accept this nomination for Director? (*Yes* or *No*) \_\_\_\_\_

Do you understand the eligibility requirements for becoming a Director? (*Yes* or *No*) \_\_\_\_\_

\_\_\_\_\_  
Signature of Candidate

\_\_\_\_\_  
Date

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The following is to be completed by the nominators. Please note that the candidate must be nominated by two adult members in good standing.

### **Nominator No. 1**

I, \_\_\_\_\_ Membership No. \_\_\_\_\_ Branch \_\_\_\_\_,  
(Please print name in full)

wish to nominate \_\_\_\_\_ for the position of Director of Khalsa Credit Union.  
(Please print name in full)

\_\_\_\_\_  
Signature of Nominator

\_\_\_\_\_  
Date

\_\_\_\_\_  
Address

Tel: Bus. \_\_\_\_\_

\_\_\_\_\_

Tel: Res. \_\_\_\_\_

## **Nominator No. 2**

I, \_\_\_\_\_ Membership No. \_\_\_\_\_ Branch \_\_\_\_\_,  
(Please print name in full)  
wish to nominate \_\_\_\_\_ for the position of Director of Khalsa Credit Union.  
(Please print name in full)

\_\_\_\_\_  
Signature of Nominator

\_\_\_\_\_  
Date

\_\_\_\_\_  
Address

\_\_\_\_\_  
Tel: Bus.

\_\_\_\_\_  
Tel: Res.

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### **The following is to be completed by the Nominating Committee:**

Has the candidate been nominated by members in good standing of Khalsa Credit Union? (*Yes* or *No*) \_\_\_\_\_

If "*No*", the candidate must be notified immediately upon discovery that the nomination is invalid and that a new nomination form must be filed by the deadline.

If invalid, write in date of notification: \_\_\_\_\_

If the answer is "*Yes*", complete the next question.

Does the candidate qualify to stand for election as a Director of Khalsa Credit Union pursuant to:

1. The Financial Institutions Act? (*Yes* or *No*) \_\_\_\_\_
2. The Credit Union Incorporation Act? (*Yes* or *No*) \_\_\_\_\_
3. The Company Act? (*Yes* or *No*) \_\_\_\_\_
4. The Rules of Khalsa Credit Union? (*Yes* or *No*) \_\_\_\_\_

If an answer is "*No*" to any of the above questions, the candidate must be notified immediately upon discovery of the disqualification.

If disqualified, write in date of notification:  
\_\_\_\_\_

If all answers are "*Yes*", the candidate is to be placed before the membership as a candidate for election.

\_\_\_\_\_  
Signature of Chairman, Nominating Committee

\_\_\_\_\_  
Date

## **EXHIBIT A**

Prospective candidates for Directors' positions must comply fully with eligibility requirements and the nominating process which is highlighted below. Candidates are responsible for obtaining copies of the Credit Union's Rules from any of the Credit Union's branches or online at <https://www.khalsacreditunion.ca>.

1. A candidate must be a member in good standing of Khalsa Credit Union for at least twelve (12) consecutive months prior to the closing date for nominations, which is **Friday, March 1st, 2024.**
2. A candidate must be nominated, in writing, by at least two adult members who themselves must be members in good standing of the credit union.
3. A member may not nominate more than one candidate.
4. A candidate must qualify under Rule 4.26.1 of Khalsa Credit Union respecting the Sikh religion. Rule 4.26.1 has been reproduced in the attached Exhibit B.
5. A candidate must not be disqualified under Rule 4.26.2 of the credit union due to, among other things, legislation prohibition and conflicts of employment. Rule 4.26.2 has also been reproduced in the attached Exhibit B.
6. Each candidate will be required to state his/her eligibility in writing and will be further required to affirm eligibility before Sri Guru Granth Sahib Ji and the Nominating Committee.
7. **Candidates must supply a full resume, a photograph and a statement of no more than 200 words mentioning his/her qualifications, work experience and reason for seeking the position must be received in original by the Nominating Committee by Friday, March 1st, 2024. Election Returns Committee may edit the resumes. These 200 words statements will be included in the newsletter to members to be circulated by Tuesday, March 12<sup>th</sup>, 2024.**
8. **ALL NOMINATIONS, PROPERLY COMPLETED AND SIGNED, MUST BE RECEIVED IN ORIGINAL BY THE NOMINATING COMMITTEE, C/O HEAD OFFICE, KHALSA CREDIT UNION, 8788 120<sup>th</sup> STREET, UNIT 305, 3<sup>RD</sup> FLOOR, SURREY, B.C., V3W 3N6, BY NO LATER THAN 5:00 PM, FRIDAY, MARCH 1, 2024 (Fax or email will not be accepted). ANY SUBMISSION RECEIVED LATER THAN 5 P.M. WILL NOT BE CONSIDERED. NOMINATION APPLICATION WILL NOT BE ACCEPTED AT ANY BRANCH OF KHALSA CREDIT UNION.**
9. The Nominating Committee will ensure that all nominations comply with the Financial Institutions Act, the Credit Union Incorporation Act, the Company Act and the Rules of Khalsa Credit Union.
10. The Nominating Committee may require candidates to complete one or more surveys to aid in determining candidates' personal characteristics and attributes. Candidates will also be required to attend an interview with the Nominating Committee. Both of these requirements will enhance the Nominating Committee's decision regarding which candidates it will recommend to the membership.

11. The Nominating Committee members are:-

- |    |                          |              |
|----|--------------------------|--------------|
| 1. | Mr. Parvkar Singh Dulai  | 604-833-4550 |
| 2. | Mr. Jagpaul Singh Sandhu | 778-891-0428 |
| 3. | Ms. Harleen Kaur Minhas  | 604-787-3437 |
| 4. | Mr. Satwant Singh Sandhu | 604-716-1465 |
| 5. | Mr. Jarnail Singh Rai    | 604-761-9301 |

## **EXHIBIT B**

4.26.1 Directors and Nominating Committee members shall have the following qualifications and commitments:

- (a) must have taken Amrit as prescribed by Siri Guru Gobind Singh Ji, must accept Siri Guru Granth Sahib as a Living Guru and must have faith in the Ten Gurus and their Gurbani and must abide by all regulations of the Amrit;
- (b) must understand and live by the four Rehts and the-four Korehts as mentioned in the Reht Maryada of the Akal Takhat as he or she will be a role model for others;
- (c) must give priority to the Sikh education and thereby committed to the concept of Sikh Schools; and
- (d) must donate towards to the cause of Sikhism either one-tenth of his or her income or spend time for voluntary services;
- (e) must lead a life of simplicity, sincerity and integrity and must always abstain from all types of intoxicants;

4.26.2 No person who:

- (a) is a person disqualified from becoming or acting as a director pursuant to the COMPANY ACT, the FINANCIAL INSTITUTIONS ACT or the CREDIT UNION INCORPORATION ACT;
- (b) is or becomes a paid employee of the credit union or an affiliate of the credit union or the spouse, child, or step-child, of a paid employee of the credit union or an affiliate of the credit union;
- (c) was an employee of a credit union or an affiliate of a credit union during the one-year period prior to the date that nominations for the office of director under these Rules closed, or during the one-year period prior to the date of the annual general meeting at which he is nominated for the Nominating Committee as the case may be;
- (d) is an employee, officer or director of a bank, trust company, loan company, savings and loan association, deposit-taking institution, lending institution or another credit union (other than a director of a Central 1 Credit Union) or a subsidiary of any of them except where that person has been requested or authorized in writing by the directors to serve as a director of a bank, trust company, loan company, savings and loan association, deposit-taking institution, lending institution, other credit union or a subsidiary of any of them;
- (e) has not been a member in good standing of the credit union for 12 consecutive months prior to the date that nominations for the office of director under these Rules closed, or for 12 consecutive months prior to the date of the annual general meeting at which he is nominated for the Nominating Committee as the case may be;
- (f) being a director, has failed, without being excused, to attend regular meetings of the directors for three consecutive months in which meetings are held;

is eligible to hold office as a director or as a member of the Nominating Committee, and, if holding office as a director or member of the Nominating Committee, shall vacate office forthwith.

## **EXHIBIT C**

Exhibit C is a copy of the Personal Information Return that you will be required to complete prior to being considered eligible for candidacy in the election.

This document covers the information requirements of the Superintendent of Financial Institutions as specified in the *Financial Institutions Act* and the *Credit Union Incorporation Act* with respect to the capacity of persons to act as a director. This document will be submitted to the Superintendent who, if concerned about a person's qualifications, may deny the person the opportunity of becoming a director.

Please ensure that you fully complete the Return. If you have any questions or concerns about the required information, please consult either the Nominating Committee or the office of the Superintendent of Financial Institutions by telephone (604) 660-3555 or at the address noted on the form.

**PERSONAL INFORMATION RETURN form is attached.**

## EXHIBIT D

Rule 4.20 of the Rules of Khalsa Credit Union states that the Board of Directors may determine the method and manner of election campaigns. Rule 4.21 of the Rules expressly forbids candidates and the employees of the credit union from engaging in certain behaviour respecting the election. Copies of Rule 4.20 and Rule 4.21 are produced below.\*

The Board has determined “.... the method and manner in which candidates shall be permitted to campaign...” as follows:

- Candidates shall refrain from engaging in personal attacks. It should be noted that persons or the credit union aggrieved by such attacks are within their rights to initiate legal action.
- Candidates shall not campaign inside the branches of Khalsa Credit Union. Campaigning is limited to outside the branches provided you do not block easy access into and out of the credit union and any adjoining businesses nor disrupt the credit union’s operations and adjoining businesses through the use of sound systems or any other noise.
- Candidates shall not campaign either inside or outside the branches on election day.
- Candidates shall not assist members in their voting at the branches. Any assistance to members should be rendered by either a scrutineer or a staff member of the credit union.
- Candidates shall not use the credit union’s logo or any other credit union identification in their campaigns. Candidates campaign as individuals, not as representative of the credit union.

Candidates are reminded that under Rule 4.12 (d) and (e) a candidate who violates the above guidelines may be disqualified by the Election returns Committee as follows:

- “Rule 4.12 (d) The Election Returns Committee shall be deemed to be the returning officer and be responsible for the supervision of elections;
- (e) The rulings or decisions made by the majority of the Election Returns Committee shall be binding upon the credit union and all participants in an election..”

I have read and understood this Exhibit and agree to abide by the guidelines.

\_\_\_\_\_  
Signature of Candidate

\_\_\_\_\_  
Date

### \* **Khalsa Credit Union Rules**

- 4.20 The Board of Directors may from time to time determine the method and manner in which candidates shall be permitted to campaign for election and candidates shall campaign only in accordance with the permitted method and manner as determined by the Board of Directors.
- 4.21 In respect of elections,
- (a) no candidate shall interfere with the election process or seek assistance in connection with the election from any employee of the credit union, any member of the Election Returns Committee, the scrutineers or any person employed by the Election Returns Committee or scrutineers; and
  - (b) the employees shall not in any way promote the cause of or campaign for any candidate in an election of Directors of the Credit Union.

# EXHIBIT E

Exhibit E is a paper which outlines the role, responsibilities and general duties of a director of a credit union.

The paper emphasizes the need for training and education as well as understanding the standard of behaviour that is expected of a director of a credit union.

Candidates are encouraged to read the document carefully in order to help you make an informed decision as to whether you are willing and able to invest the time that is required of being a director.

## Khalsa Credit Union Director Job Description

### 1. DESCRIPTION

Directors are elected by the members of KCU and serve a term of six years. If desired, directors may seek a subsequent term. If elected to a second term, it is expected that directors will not then seek a third term.

Directors are governed by:

- *Credit Union Incorporation Act, [RSBC 1996] chapter 82*
- *Financial Institutions Act, [RSBC 1996] CHAPTER 141*
- Rule of KCU,
- Policies passed by the Board.<sup>2</sup>

### 2. MEETINGS

- The Board of Directors meets at least ten times per year. The meetings usually occur on the morning of the last Saturday of the month, except August and December. The Board endeavours to schedule meetings at least one year in advance.
- Directors are expected to serve on at least two Committees. Committees constituted due to requirements of the *Credit Union Incorporation Act* ("Statutory Committees") meet at least quarterly. These meetings are usually held on a weekday, commencing at 6 pm.
- There will be at least one annual planning session.
- Directors are expected to spend on average 10 hours per month on their directorship duties.
- Directors should participate in evaluations of the board performance as well as their own performance.
- Directors are expected to participate in director orientation and development programs and complete level a of the credit union Director Achievement course requirements within the timeframe required by law and compete. Level B or equivalent within the first three years of membership on the board; Level C or its equivalent is to be completed within a director's first term.
- During the restrictions due to the COVID 19 pandemic, most of the Board's meetings, including committee meetings, have been held with remote participation. It is expected that once restrictions have eased, that meetings will return to an in-person format with the meetings held at KCU head office.

### 3. QUALIFICATIONS AND REQUIREMENTS

The Board at KCU previously identified these as desired characteristics and attributes for directors:

- Amritdhari,
- Financially Literate,
- Leader,
- Geographic and gender diversity,
- At least one director should have an accounting background
- At least one director should have a legal background
- consensus builder, team player,
- Respectful, Committed, Self-Starter, Independent thinker, Creative, Visionary, Negotiator, Communicator, Ethical, Community Involvement
- managerial/leadership experience,
- entrepreneurs/business owners.

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<sup>1</sup> See, in particular, Rule 4

<sup>2</sup> Expense Policy, Directors Disclosure,

#### 4. RESPONSIBILITIES AND PERFORMANCE EXPECTATIONS

##### I DUTIES

- A. All Directors shall:
1. Act honestly, in good faith and in the best interests of the Credit Union;
  2. Exercise the care, diligence and skill of a reasonably prudent person under comparable circumstances;
  3. Take into account the interests of members, depositors and those to whom the directors owe a fiduciary duty;
  4. Keep informed of the policies, business and affairs of Khalsa Credit Union and of the statutes and rules to which Khalsa Credit Union is subject and by which it is governed;
  5. Deal with fellow directors, officers and employees of Khalsa Credit Union openly, honestly and in good faith;
  6. Make available to, and share with, fellow directors and officers of Khalsa Credit Union all information as may be relevant and properly disclosed to ensure the proper conduct and sound operation of the business and affairs of Khalsa Credit Union;
  7. Whether volunteering or advocating a particular charity, a director should declare his connection and should not involve in voting/decision making process for approval of donations;
  8. Treat in confidence all matters and information involving Khalsa Credit Union, its board of directors, its committees, its employees and its members, and not disclose the same where it is not in the public record or domain unless required by law or unless sanctioned by the board of directors to do so;
  9. Not enter into any transaction in which the director makes use of confidential information in order, directly or indirectly, to obtain a benefit or advantage for the director or anyone else, other than Khalsa Credit Union or a subsidiary thereof;
  10. Ensure that the policies of Khalsa Credit Union adopted by the Board of Directors are accurately and clearly communicated to the employees of Khalsa Credit Union, as necessary, to ensure that the actions and conduct of the business and affairs of Khalsa Credit Union are conducted and carried out in accordance with those policies;
  11. Comply with the Conflict-of-Interest Policy for directors in effect from time to time and with any other rule of law respecting the duties and responsibilities of directors, generally;
  12. Request such information through the board of directors from officers and employees of the Credit Union 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 Khalsa Credit Union.

##### II CONFIDENTIALITY

- A. All directors are expected to keep KCU proceedings strictly confidential will not communicate or allow to be communicated, to any person not legally entitled thereto, any information relating to the business of Khalsa Credit Union or any of its members or customers, nor will I, without due authority, allow any such person to inspect or have access to any books or documents belonging to or in the possession of the Credit Union and relating to the business of the Credit Union or any of its members or customers.

##### III ETHICS

- A. **Every Director, shall annually**, subscribe to the Code of Ethics and sign and return the Code of Ethics Statement as described to the Conduct Review Committee directly after the first board meeting after the AGM;
- B. **Every Director, shall annually**, complete and return to the Conduct Review Committee the Directors' Disclosure Statement as described in Exhibit #1 directly after the first board meeting after the AGM;

##### IV ATTENDANCE

- A. Regular attendance at Board and committee meetings is **essential** in order to maintain continuity and cohesion in the management and governance of Khalsa Credit Union. Directors are required to attend all board meetings, whether set up as virtually or in-person, as well as committee meetings of committees on which they are members except when prevented by unforeseeable events.
- B. Directors are **required to attend or participate** in other activities associated with the director's role. Such activities include planning sessions and participation in surveys. Directors are encouraged to become involved in activities of the credit union system, community activities or other events that encourage respect and acceptance of KCU.
- C. At least 48 hours before the meeting, Directors are expected to indicate on Aprio whether, or not, they intend to attend upcoming meetings.
- D. If a director is unable to attend a particular meeting, s/he shall inform the chair of the meeting as early as possible, seek excusal from the meeting and advise the chair of the reason for the absence. When attendance is

taken at the meeting, the chair shall advise the meeting of the reason for the absences and the meeting will consider whether to excuse the director from attendance.

- E. If a Director is absent without being excused for two consecutive meetings that Board member is in breach of their obligations. The Rules provide for consequences if the absence extends to three months.<sup>3</sup>
- F. The Board has an attendance Policy that is intended to encourage regular attendance at Khalsa Credit Union's Board and committee meetings and to provide procedures to deal with any failures in such attendance.
- G. It is the responsibility of the Board Chair to monitor the attendance of each Director and to issue warnings as appropriate. Committee Chairs shall advise the Board Chair when a Director has failed to attend a meeting and whether or not the absence has been excused.
- H. If a Director is in breach of their attendance obligations then the Chair shall consult them to discuss this matter. If the Director's difficulties are resolvable, then the Chair shall attempt to resolve them.<sup>4</sup>
- I. Directors are not entitled to extraordinary reminders of upcoming meetings nor are they entitled to be excused from a meeting unless they specifically request such relief.

## V. PREPARATION

- A. Each Director shall prepare for each Board and committee meeting by reading the reports and background materials provided for the meeting. Those items designated for the consent agenda shall be reviewed and the Director shall consider whether there are any issues that would lead to better consideration at the meeting such that they should be removed from the consent agenda.
- B. If during the preparation, the director discovers issues that require further explanation, s/he may consider direct contact with the chair or the responsible executive to determine whether the matter should be raised at the meeting itself.

## VI. PARTICIPATION

- A. While participating in board and committee meetings, directors will endeavour to adhere to that meeting's agenda and follow protocol and procedure. Directors shall be respectful of each other and management presenters. They should be curious and focus on strategic impacts of presentations.
- B. Directors should ensure that issues are tracked to avoid duplication and ensure all important issues receive attention. Directors should be aware of the difference between management and board oversight.

## VII. EDUCATION

- A. Directors are expected to complete required director training as time set out in the regulations promulgated under s. 84 of the Credit Union Incorporation Act.
- B. In addition to mandatory courses, each director shall have access to a maximum of \$5,000 for director education in a three-year period, measured from AGM to AGM.
- C. This training should be responsive to issues currently being encountered at KCU.

## VIII. COMMUNITY INVOLVEMENT

Directors are expected to be involved in the Community and while understanding that their involvement must enhance Khalsa Credit Union's reputation in the community.

## 5. SKILL REQUIREMENTS

While desired attributes are listed above, all directors are required to have these attributes or to acquire these skills in their first year:

- Financial Literacy
- Focus on strategic thinking
- Independence
- Respectful
- Curiosity, willingness to learn
- Goal-Oriented

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<sup>3</sup>

Article 4.26 of the Rules provides:

No person who: ....

(f) being a director, has failed, without being excused, to attend regular meetings of the directors for three consecutive months in which meetings are held;

Is eligible to hold office as a director or as a member of the Nominating Committee, and, if holding office as a director or member of the Nominating Committee, shall vacate office forthwith.

**4 If no mutually satisfactory resolution is possible, and if the Director wishes to continue on the Board, then the member's response will be put to the Board at its next meeting. The Director shall be entitled to speak to this item, and to vote on it. The Board will then decide what actions to take regarding that Director's future membership on the Board.**

## 6. **COMPENSATION AND BENEFITS**

Directors are entitled to be reimbursed \$100 per month for the cell phone charges plus these benefits as set by members in the 2018 AGM:

Board Meeting	\$250 .00 per meeting
Committee Meeting	\$150.00 per meeting
Conference Call meeting	\$150.00 for minuted meeting*
Credit Committee Meeting	\$75 per meeting
Committee Chairs receive	\$50 extra for each meeting

Victoria Directors travelling to meeting will be compensated for travel. Other director's mileage will be reimbursed for attending all meetings as per CRA automobile rates.