



## **Qualifications and Selection Criteria for PSFCU Directors**

### GENERAL QUALIFICATIONS

Directors of the Polish & Slavic Federal Credit Union (“PSFCU”) will be expected to bring to the Board a broad range of knowledge and depth of experience from their chosen business or profession, as well as an understanding of the principles and values of PSFCU and the community it serves.

Directors should have a fundamental understanding of their role and responsibility to the Credit Union. Directorship on the Board of PSFCU not a public office, and although the Board will be representative of the community which it serves, the Director's primary responsibility is to act at all times in the best interests of the Credit Union. This fiduciary duty is both a legal obligation and is mandatory under the terms of the Credit Union's By-Laws.

A Director should possess integrity, be willing to articulate his or her views frankly, be able to work productively with others, and have the ability and willingness to commit the time and effort required. Directors should be fully informed regarding their responsibilities and liabilities as a Director prior to a commitment to serve.

### MINIMUM REQUIREMENTS

Director candidates must be a member in good standing and who have the ability to comply with the appropriate Board Process Policies and meet all of the following minimum qualifications:

- Credit Standing: Must have had no financial obligations with any institution, company or agency extending credit which are or have been delinquent more than two consecutive monthly payments at any time during the past four years, and
- Bondability: Must qualify for bonding with the credit union's Insurance carrier, and
- No Criminal Record: No felony convictions or pending felony charges, and
- Is free of any real or perceived conflict of interest that might reasonably be expected to prevent him or her from acting in the best interests of the credit union as a whole and independently of any particular interest arising as a result of any previous, existing or future relationship with the credit union, its members, regulators, competitors or suppliers.
- Must have been a member in good standing for the past one year.

### DESIRED EXPERTISE AND EXPERIENCE

Based on a determination of the overall expertise required by the Board as a whole, specific expertise in these categories will be considered positive attributes of potential candidates for Board appointment. It is recognized that not all candidates will have all attributes, and that the objective of the policy is to achieve an overall balance of required skills and expertise on the Board of Directors.

- Financial services sector experience;

- Credit or interest rate risk management;
- Governance, audit and/or operational risk assessment and management;
- Legal.

## ATTRIBUTES

The following attributes will be considered when selecting candidates for Board appointment:

### **Generally:**

- A core knowledge of the cooperative financial sector, and the concepts, principles and values of the cooperative environment;
- Ability to act without a real or perceived conflict of interest that could reasonably be perceived to conflict with the individual's responsibility to act in the best interests of the Credit Union within the opinion of the Board of Directors in consultation with legal counsel
- Stature in the individual's chosen business or profession, or community involvement;
- Willingness to ask probing questions and challenge management within the appropriate governance context;
- Ability to operate "as a team" at the Board level, and to be able to "speak with one voice" once a full discussion has been undertaken and a decision has been made by the Board in accordance with its governance policies;
- Ability to assess the implications of financial statements and auditor's reports;
- Ability to bring a perspective of external business, social and regional issues to the deliberations of the Board;
- High ethical standards;
- A strong, independent individual who also contributes effectively as a team member of the Board and its Committees;
- Ability to critically assess business strategies and operations;
- Forward thinking and with a knowledge of potential changes and trends facing the future of the industry;
- An understanding of corporate governance and the fiduciary duties and responsibilities of both a Board of Directors as well as of individual Directors (in particular - a comfort level with the principles of the Policy Governance Model under which the Board operates);
- Possess a commitment to continuous learning;
- Good interpersonal relations.

### **Polish & Slavic Federal Credit Union and Community Service:**

- Ability and willingness to make a real contribution to PSFCU, its Board and its Members;
- Commitment to PSFCU's strategic objectives, vision, mission, commitment and values;
- Ability to reflect the values and commitments of PSFCU, and to act in the Credit Union's best interests at all times;
- Ability to act in the best interests of the Credit Union as a whole, and independently of any particular interest arising as a result of any previous, existing or future relationship with the Credit Union, its Members, or suppliers.