

# Board of Director Overview

FirstOntario Credit Union, like other Canadian credit unions, is a local financial institution, which is owned and directed by its' Members. FirstOntario Credit Union Members are both customers and shareholders, and each Member has an equal vote in the selection of the credit union's directors.

As a Member, your participation is extremely important to the success of our Credit Union. Consider being nominated for the board, participating in the fall elections by voting and attending the Annual General Meeting.

## Role of the Board

The role of the Board of Directors is to provide effective governance and stewardship, leaving management to run the day-to-day operations of the Credit Union. Directors provide direction on the affairs of the credit union to achieve the aims and purpose of the Credit Union on behalf of the entire Membership. They do this by establishing the overall aims and objectives of the credit union, analyzing the progress, establishing policy guidelines, planning for long-term development and much more.

## Responsibilities of the Board

The Board has five key responsibilities:

1. Establishing strategic direction and regularly reviewing that direction to ensure it responds to the changing business environment in which the Credit Union operates.
2. Hiring, delegating authority to and monitoring the performance of the President and Chief Executive Officer.
3. Monitoring performance of the credit union including management of risk.
4. Communicating with Members and other stakeholders.
5. Monitoring and ensuring appropriate and effective governance of the Credit Union.

## Board Committees

FirstOntario Credit Union has three standing committees it delegates tasks to, the Audit, Governance, and Members committees. The Board determines the authority and responsibilities of each committee and reviews their mandate annually.

## The Directors Overarching Duties

Directors are "fiduciaries" of the organization they serve. A fiduciary, in law, because of the position he/she occupies, has the responsibility to act primarily for another's benefit rather than for him/herself. They have an obligation to act honestly and in good faith with a view to the best interests of the Credit Union, and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

## Governance Philosophy

The Credit Union recognizes the important role that effective governance plays in protecting Member rights, maximizing Member value over time, and creating a successful Credit Union for its members. The Credit Union is committed to achieving high standards of effective governance. It challenges itself to move "beyond compliance" to govern with excellence. It recognizes that the Board is responsible for governance and that what the Board does, and how it does it, is fundamental to achieving good governance.

**If you have any questions or comments, please email: [chair@FirstOntarioCU.com](mailto:chair@FirstOntarioCU.com).**