



Dear Member:

Thank you for your interest in joining the Board of Directors of PenFinancial Credit Union Limited. We have prepared this package to provide you with a brief summary of the role of the Board of Directors and of the duties and responsibilities expected of you as a director. You will find the position challenging and rewarding. Please be assured that our managers and current directors will be there to provide support and guidance as you progress in the role.

Enclosed in the package are the following documents:

- Nomination Form
- Board of Directors Terms of Reference
- Individual Director Roles and Responsibilities
- List of Individual Director Disqualifications as per the Credit Union Act

Role of the Board of Directors:

The Board of PenFinancial Credit Union Limited is elected by the members of the credit union prior to its Annual General Meeting. In 2019 the Board, will be composed of eleven (11) directors. Terms expire in different years so that at minimum, three directors are elected each year. There will be five (5) positions available for the upcoming 2019 election. Four of those vacancies shall be filled for three-year terms, and one of those vacancies shall be filled for a two-year term.

The Board is responsible for the leadership of the credit union and in setting the overall direction of our institution. The Board sets policy and provides oversight of the credit union by reviewing and monitoring results. Working closely with the CEO and management staff the Board also ensures compliance with the various Acts and Regulations that govern our operations.

Meetings of the Board of Directors are an essential part of the credit union's governance processes. The Board uses a policy governance model of leadership that is formed by, and committed to cooperative principles. Board committees are established to support and expedite the work of the Board of Directors; their responsibilities are articulated in approved terms of reference. To effectively fulfill their responsibilities, board and committee meetings are held bi-monthly alternating throughout the year. Meetings are usually held the last Wednesday of each month.

Directors receive an annual honorarium and reimbursement of certain expenses as outlined in company policy.

In the event of an election, voting will take place prior to the 2019 AGM. Your Candidate Position Statement will be published on PenFinancial's website and communicated to the members of the Credit Union. All members will be informed of the voting procedures prior to the voting period. Should you be successfully elected, we will assist you in completing a Fidelity Bond Application that

will include a Credit Bureau Report and a Criminal Record Check. Satisfactory results will support your appointment.

For more information regarding the duties and responsibilities of a credit union director please review the Director's Handbook prepared by the Deposit Insurance Corporation of Ontario located at www.dico.com.

We sincerely thank you for your interest and encourage you to speak with our Director of Governance, Rebecca Havill, should you have any questions or concerns.

Sincerely,

A handwritten signature in black ink that reads "Rebecca Havill". The signature is written in a cursive, flowing style.

Rebecca Havill
Corporate Secretary