



December 14, 2018

Dear Credit Union Member:

Every year the members of the Healthcare Financial Federal Credit Union are called upon to elect individuals to serve on the Credit Union's Board of Directors. These elections take place at the Credit Union's Annual Meeting which will be held on April 16, 2019. Working as a Director affords a unique way to serve your credit union and its members. As a volunteer Director, you will be a vital part of major decision-making processes and will derive a great deal of satisfaction observing the results of your efforts.

If you are interested in serving as a Director of the Credit Union, apply using the Nominating Committee and/or Petition processes and forms described below. You must meet all deadlines to be eligible for consideration. If you have further questions or require more information, you can contact the nominating committee at nominations@hcffcu.org.

Nominating Committee Process: The deadline for submitting requests for nomination through this process is January 16, 2019. The Nominating Committee will review all submissions for completeness and accuracy. Applicants may also be required to undergo interviews at a time, date and location appointed by the Nominating Committee. Failure to appear may result in forfeiture of eligibility for candidacy. The Nominating Committee shall determine which applicant names to recommend for approval and inclusion on the ballot. All Board decisions are final. If you apply through this process, please complete the Application for Elective Office form, include a publishable quality statement of 250 words or less, and attach a current copy of your resume with the contact information of three references.

Petition Process: The deadline for submitting a petition for inclusion on the ballot for a Board position is March 7, 2019. You may opt to use the Petition process instead of or in addition to the Nomination Committee Process. Any applicants who submit valid petitions with the required number of signatures will appear on the ballot. If you pursue the Petition process, complete and submit the Application for Elective Office form, include a publishable quality statement of 250 words or less, and attach the Petition forms provided in this packet with no less than 89 valid signatures. Signatures for petitions may not be obtained on Credit Union premises and would result in the forfeiture of eligibility for candidacy if attempted.

The following additional information is provided in this packet:

- **Director Qualifications Information Sheet.** Traits, personal commitment, knowledge and skills generally required to become successful.
- **Board of Directors Duties and Responsibilities Information Sheet.** Describes typical duties expected of a Director or Supervisory Committee Member.
- **Conflict of Interest Policy.** Some ethical duties and obligations of elective office.
- **Application to Stand for Elective Office.** Complete, sign and date this form and send in with any other materials.
- **Volunteer/Official Agreement to Serve.** Complete, sign and date this form and send in with any other materials.
- **Petition to Nominate Candidate for Board of Directors.** Complete, if applicable.



Applications MUST be received before the designated deadlines to be considered. All submitted materials become the property of Healthcare Financial Federal Credit Union and will not be returned.

All materials can be obtained on the Credit Union's website, in person at the below address or requested by email. You may drop off, mail, email or fax the completed forms.

Healthcare Financial Federal Credit Union
ATTN: Nominating Committee
20 York St Room 80 CB
New Haven, CT 06510
Email address: nominations@hcffcu.org
Fax number: 203-680-8459

Any questions concerning the nomination process may be addressed by email to:
nominations@hcffcu.org

Members of the Nominating Committee are: Marisa Blood, Paul Gacek and Pamela Delerme.



DIRECTOR QUALIFICATIONS

Qualifications

Directors must be active members of the Credit Union, of sound mind, bondable and in good standing with no delinquent obligations to the Credit Union. They must be at least 18 years of age before the election, able to act independently and objectively regardless of external affiliations, and exhibit:

- Personal character and integrity;
- A demonstrated ability to communicate effectively and to think creatively;
- A willingness to serve the members and support the Credit Union's values and culture;
- The ability to comprehend and learn business concepts and procedures;
- The capacity to provide strategic direction and sound organizational leadership; and
- The desire to be a team player and a have proven record of successful teamwork.

Personal Commitment

In addition, experience has shown that successful Directors/Supervisory Committee Members share the following traits, among others:

- Actively use Credit Union products and services and participate in credit union events;
- Care about the welfare of members and the Credit Union's role in achieving that goal;
- Know the Credit Union's history and philosophy, and are loyal to those beliefs;
- Devote the time and effort necessary to perform Director duties, including preparation for, attendance at, and participation in all board meetings; and
- Collaborate well with other Directors and support majority decisions.

Knowledge & Skills

A good Director knows and understands, or is willing to learn:

- Business procedures and practices, including the ability to read and comprehend a financial statement and make strategic financial decisions;
- General management, personnel, planning, technology, marketing and budgeting skills;
- Local, national and international socioeconomic and sociopolitical trends, issues and environments, as well as how they may affect the Credit Union movement; and
- Additional subject areas such as security, legislative advocacy and regulatory issues.

Adapted from the Credit Union Board of Directors Handbook (CUNA, 1990).



BOARD OF DIRECTORS DUTIES AND RESPONSIBILITIES

PRIMARY RESPONSIBILITIES

To set policy, plan the Credit Union's course, make sure the Credit Union maintains its sound financial condition, keep communication open to educate members on services, review the chief executive officer's progress in achieving goals and objectives, and report to the members at the annual meeting. The best interests of the membership must guide all decisions. Understanding of the Credit Union philosophy, the desire to better the financial lives of members and the ability to think and plan strategically are essential.

GENERAL DUTIES OF DIRECTORS

1. The board of directors is responsible for the general direction and control of a federal credit union. The board may delegate operational functions to management, but not the responsibility for the credit union's direction.
2. A director must carry out his or her duties in good faith, in a manner reasonably believed to be in the best interests of the membership, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.
3. A director must administer the affairs of the credit union fairly and impartially and without discrimination in favor of or against any particular member.
4. A director must have at least a working familiarity with basic finance and accounting practices, including the ability to read and understand the credit union's balance sheet and income statement and the ability to ask, as appropriate, substantive questions of management and auditors.
5. A director must direct the operations of the federal credit union in conformity with the Federal Credit Union Act, NCUA's Rules and Regulations, other applicable laws, and sound business practices.
6. Ensure the Credit Union maintains a sound financial condition and that the Credit Union's assets are protected against unauthorized or illegal acts. Designate depositories, authorize borrowing and investing, and provide for bonding and other security factors, including internal control procedures. Approve interest rates, dividends and refunds. Approve loan limits and savings minimums.
7. A director may rely on information prepared or presented by employees or consultants the director reasonably believes to be reliable and competent and who merit confidence in the particular functions performed.
8. Exercise sound judgment in establishing policies (or assuring that they are established) and approve policies for all credit union programs and activities.
9. Ensure that all products/services are member-driven; to serve on committees; actively promote the Credit Union; and provide resources to achieve the Credit Union's mission.
10. Actively review, approve and monitor the Credit Union budget, as well as any significant transactions and/or business activities involving member assets.



KNOWLEDGE and FINANCIAL SKILLS

To be an effective director, an individual must have a certain base level of financial skills, consistent with the size and complexity of the credit union operation they serve. At a minimum, directors must have the ability to read and understand the credit union's balance sheet and income statement.

What a Director Should Know

At a minimum, a director should be able to examine the credit union's balance sheet, income statement and be able to answer the following questions:

- What does this line item mean?
- Why is it important to the credit union?
- Is the value of the line item changing over time? If so, what does that change (either positive or negative) mean?
- Is the change important to the credit union?

A director must understand the specific activities in which his or her credit union engages. In particular, a director must understand not only how these activities generate revenue for the credit union but also, and perhaps most importantly, the various risks associated with these activities that could lead to financial loss.

To do their job in a meaningful manner, it is essential that directors understand the risks found in depository institutions -- that is, credit, liquidity, interest rate, compliance, strategic, transaction, and reputation risk. Moreover, directors must understand the internal control structures at the credit union that limit and control these risks.



CONFLICT OF INTEREST POLICY

All Officers, Directors and Committee Members of Healthcare Financial Federal Credit Union have a fiduciary obligation of undivided loyalty to the Credit Union. If that duty of loyalty should come into conflict with self-interests of such officer or director, or with the duty of such person to another organization of which he or she is an officer or director, such person should not participate in any decision on the matter involved.

Conflicts of interest may arise from various activities, such as transactions or contracts between the Credit Union and another organization in which the person has an interest, whether directly or indirectly, or arising from business activities which compete with business activities of the Credit Union.

Whenever any matter comes before the Board of Directors which presents or which may present a conflict of interest, the Director involved shall disclose that he or she has a conflict, or potential conflict, of interest. Such Director may briefly state his or her view on the matter, but shall not vote on such matter. Nevertheless, such person may be counted in determining whether a quorum exists.

Any Officer or Executive Employee who has a conflict or potential conflict of interest with respect to any transaction, contract or other matter requiring a decision or action on such person's part, shall disclose the conflict to the President/CEO and the Board. No such Officer or Executive Employee shall make any decision to take any action with respect to such matter unless specifically authorized to do so by the Board.

Each Director, Officer, Committee Member and Executive Employee shall submit a completed Conflict of Interest statement to the President/CEO prior to taking office or employment (and in the case of existing personnel, as soon as practical after the adoption of this policy). The President/CEO shall promptly transmit such statements to the Chairman of the Board of Directors. Any changes in such statement shall be reported to the President/CEO who shall promptly transmit such supplemental statement to the Chairman of the Board of Directors. If a potential conflict is identified, it will be brought to the Board for review. The Officer, Director or Committee Member can be asked to resign or end the conflict, if requested.

NOTE: All elected officials are subject to additional ethical and moral duties and responsibilities, as outlined in the Credit Union's bylaws, applicable policies and statutory regulations.



In addition to the information provided above, please attach a detailed resume with any, and all, service dates, as well as the contact information of at least three (3) personal and/or professional references who can attest to your character, experience and/or skills.

My signature below: (1) authorizes Healthcare Financial Federal Credit Union to publish biographical information on the election ballot and other Credit Union publications as needed; (2) attests to my understanding of the all information provided herein; (3) indicates my acceptance of, and willingness to perform to the best of my ability, all duties and responsibilities of the position sought, if elected; (4) certifies that all information provided by me is accurate and complete; (5) affirms to the best of my knowledge that I am bondable and would not be refused bond for any reason; and (6) authorizes Healthcare Financial Federal Credit Union to conduct any background investigation, credit checks and/or verification of character necessary to ascertain my eligibility to stand for elective office. I acknowledge that inaccurate or inconsistent information provided may negatively impact my eligibility to be a candidate or serve as a volunteer/official if elected.

Signature

Date

You may drop off, mail, email or fax applications to:

Healthcare Financial Federal Credit Union

Attn: Nominating Committee

20 York Street Room 80 CB

New Haven, CT 06510

nominations@hcffcu.org

Fax: 203-680-8459



VOLUNTEER/OFFICIAL AGREEMENT TO SERVE

I, the undersigned, acknowledge that as an elected volunteer (no compensation) of Healthcare Financial Federal Credit Union I do hereby agree to serve in said office or position for the regular or remaining period of the office or position, effective from the 2018 Healthcare Financial Federal Credit Union Annual Meeting to be held on April 16, 2019.

I further pledge to carry out the duties and responsibilities commensurate with said office or position as promulgated by applicable law and regulation, and the Bylaws and Policies of Healthcare Financial Federal Credit Union, including without limitation the Conflict of Interest Policy set forth in the Nomination Packet, which I acknowledge that I have received, reviewed and understand.

PRINT FULL NAME: _____

SIGNATURE: _____

DATE: _____



Petition to Nominate Candidate for Board of Directors
 Annual Meeting: April 16, 2019

With my signature*, I hereby support the nomination of: _____

*Must be Credit Union Member in Good Standing

Name (Print)	Address City & State	Signature	HCFFCU (office use only)
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Petition to Nominate Candidate for Board of Directors (Continued)
 Annual Meeting: April 16, 2019

With my signature*, I hereby support the nomination of: _____

*Must be Credit Union Member in Good Standing

Name (Print)	Address City & State	Signature	HCFFCU (office use only)
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Petition to Nominate Candidate for Board of Directors (Continued)
 Annual Meeting: April 16, 2019

With my signature*, I hereby support the nomination of: _____

*Must be Credit Union Member in Good Standing

Name (Print)	Address City & State	Signature	HCFFCU (office use only)
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Petition to Nominate Candidate for Board of Directors (Continued)
 Annual Meeting: April 16, 2019

With my signature*, I hereby support the nomination of: _____

*Must be Credit Union Member in Good Standing

Name (Print)	Address City & State	Signature	HCFFCU (office use only)
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