

NOMINATION PACKAGE

**DIRECTOR
2019 – 2021**



Your opportunity to initiate new ideas,
to serve, inform and influence the
Qualicum Beach business community.



BOARD DIRECTOR ELECTION INFORMATION

The Nomination Committee of the Qualicum Beach Chamber of Commerce (QBCC), in accordance with the Constitution and Bylaws of the QBCC, is seeking candidates to join the QBCC's Board of Directors for a two year term of office commencing April 3, 2019.

- A. *The completed nomination forms must be received by the Chamber of Commerce office prior to **4:00 PM on Wednesday, March 27, 2019** to be considered by the Nomination Committee.*
- B. *Nominations will be presented to the membership for voting and the resulting Board will be installed at the **Annual General Meeting on Wednesday, April 3rd, 2019.***

A Director of the Qualicum Beach Chamber of Commerce must be committed to leadership and is expected to perform specific duties within the business community. In order to provide you with insight regarding the responsibilities and commitments of an individual member of the QBCC Board of Directors, please information on the duties of Directors in a not-for-profit organization included within this package.

WHAT IS EXPECTED OF DIRECTORS?

The bylaws mandate that any board director shall be a member in good standing and free of any conflict of interest and be willing and able to attend board meetings on a regular basis. In addition, it is highly desirable that candidates should be able to demonstrate a familiarity with the Chamber of Commerce's operations and activities and a level of involvement that demonstrates an ongoing commitment to the Chamber of Commerce's goals and objectives.

Current involvement in a Qualicum Beach Chamber of Commerce committee or a task group is an excellent way for a candidate to gain experience and demonstrate commitment. In addition the Board recognizes that it should represent as broad a range of industry as possible. This is important for the Qualicum Beach Chamber of Commerce to be effective, forward thinking and have the ability to provide worthwhile input to municipal, provincial and federal regulators on a variety of issues.

Please give these matters your serious consideration while you are completing the enclosed **nomination form and candidate profile**. Once completed please mail, e-mail or deliver to the Qualicum Beach Chamber of Commerce office:

Attention: The Nomination Committee
Qualicum Beach Chamber of Commerce
2711 Island Highway West
Qualicum Beach, BC V9K 2C4
Phone: 250.752.0960 email: chamber@qualicum.bc.ca



CRITERIA FOR A BOARD OF DIRECTOR IN A NOT-FOR-PROFIT ORGANIZATION

Board Member's Obligations

- Follow the QBCC Bylaws in all respects and diligently work to improve them as and when the opportunity occurs;
- Review your board package before board meetings in order to discuss issues responsibly;
- Attend the Strategic Planning meeting to be held annually in January / February;
- Attend as many Chamber of Commerce dinner events as possible;
- Attend and actively and positively participate in all 10 board meetings held monthly (except for July and August) from 7:30 am to 9:00 am at The Gardens, the second Thursday of every month;
- Allow a minimum of 8 hours a month to involve yourself in Chamber of Commerce work (this includes board and general meetings);
- Represent the member's views and interests at large, honestly and accurately, to advise and act in their interests;
- Be aware of local, provincial and federal decisions that affect the business climate in Qualicum Beach and be able to react to them in a fair and discreet manner;
- Know and understand the roles and responsibilities of Board, committees and staff;
- Play an active role in the fundraising process;
- Endorse the collective decision of the Board publicly;
- Accept promotion of special projects only if you can contribute the appropriate time needed to make it a success;
- Maintain Board business and client confidentiality.



THE DUTIES OF A BOARD DIRECTOR

Managerial Duty

The Board of Directors has the sole responsibility for the management of an incorporated non-profit organization. Generally, this includes the duty to provide guidance and policy development, and acquire an adequate knowledge of the business and functioning of the organization. In particular, the directors must comply with legal requirements such as properly maintaining the books, records, and minutes; enacting bylaws; ensuring the proper election of officers; and appointing an auditor.

Fiduciary Duty

A fiduciary is any person who maintains a position of trust. Common examples of fiduciaries are agents, lawyers, and doctors. The fiduciary duty of a director is an obligation to act honestly, in good faith and in the best interest of the organization, and to be loyal to the organization. This duty reduces the danger of a director exercising his or her authority in a self-serving manner.

Honesty

The first component of the fiduciary duty is honesty. This is an obligation placed on the director to disclose the entire truth to avoid fraudulent transactions in matters pertaining to his or her office. Examples of a director's breach of the duty of honesty would be misuse of the organization's funds, misappropriation of the organization's property, and improper loans to directors.

Good Faith

The director of an incorporated non-profit organization must pursue the best interests of the organization and good faith must be demonstrated in attaining this end. This means that a director may not pursue any "improper" purpose while acting on behalf of the corporation. The activities of a director are restricted by the objects of the corporation as set out in the bylaws. A prudent director will attempt to remain within the boundaries of his or her legitimate authority. A number of factors are relevant when determining whether a director is acting in the best interests of the corporation. First, something more than a mere assertion of good faith is required. Second, everyone involved in a specific transaction must believe that the

transaction is being made in good faith. And, finally, the director's allegations of good faith must be reasonable under the circumstances.

Loyalty and Conflict of Interest

A director must give undivided loyalty to the organization, which means that he or she agrees to subordinate all personal interests to those of the organization. Although directors are generally well-meaning, they may, at times, have difficulty separating their duties from their personal business interests. If this happens, the incorporated non-profit organization and its beneficiaries may suffer.

Conflict of interest may arise in many circumstances. It could occur if a director contracts with the organization and uses his or her office to negotiate terms that are unfair to the organization but personally advantageous. Or conflict could occur when a director acts on the Board of two or more non-profit corporations that contract with each other. The director owes a fiduciary duty to each corporation and must act in the best interests of each. It would be wise for a director to avoid this situation since conflicts may be inevitable.

If a director negotiates a contract between two non-profit corporations, it is possible that his or her performance will be influenced by conflicting loyalties. Since only one organization may benefit from the director's actions, the director should disclose all relevant facts to each organization in order to avoid any impropriety. Indeed, a director would be wise not to place himself or herself in this position.

This does not mean that a person cannot sit on more than one Board. However, such a position demands that the director act within the scope of authority and not favor any non-profit corporation to the detriment of another and not act in such a case.

Even when contracts do not exist, it is important to understand that the decisions of the board may affect the business or property of a director. Social and political gain may also violate the fiduciary duty. Direct or indirect benefits to relatives, friends, and associates may also be avoided.

Another example of conflict of interest is corporate opportunity, which happens when a director profits from his or her office. A director may not receive compensation for acting as such, but may receive compensation or reimbursement for services or goods

provided to the organization. The bylaws of the organization may set out rules governing the provisions of such services.

Duty of Care

The second category of duty imposed on directors is a minimum standard of care in the performance of their activities on behalf of the non-profit organization. The standard test of care is what a “would take under the same circumstances. The director must act honestly, exercise some degree of skill and diligence, and ensure that he or she has the authority to act in compliance with the provision of the organization’s constitutions and bylaws.

A professional as director faces a greater risk of liability than the other directors who lack specific expertise. A lawyer, for example, is required to provide competent legal advice to the Board. In other matters over which the director has no special expertise, however, the professional is not required to attain a higher level of performance.

A director who acts honestly and who has met the standards of conduct required by the fiduciary duty and standard of care is not responsible for errors of judgement that occur while performing his or her duties.

Duty of Diligence

The duty of diligence means that a director must become acquainted with all aspects of the organization including the transaction of business (usually be attending Board meeting), organizational policies and the delegation of tasks.

While an elected director is not legally bound to attend Board meetings, he or she does have the duty to stay informed of all events that transpire at meetings, which can be achieved, to a large extent, by reviewing the minutes and financial statements of the organization. When a director does attend a meeting, he or she must exercise the level of judgement and care that an “ordinary person” would take in the same circumstances.

It is prudent for a director to attend whatever Board meetings possible. Not attending may be interpreted as a failure to exercise the proper degree of diligence.

If a director attends a meeting where an illegal act is planned, that director is liable unless he or she immediately registers dissent. Liability can also occur if the director does not properly notify the members and other interested parties about all illegal acts. On the other hand, a director may not be liable for an illegal act if he or she has no knowledge about it and has fulfilled the other duties required. Illegal acts committed by the Board prior to a director’s election are not sources of liability.

If a director does not attend meetings because of a long-term illness, he or she should consider

relinquishing office if unable to fulfil his or her necessary duties. This will ensure that the director is not held liable for not attending. Because all Board members are obliged to ensure the effective management of the organization, a director who is not adequately fulfilling his or her role may be removed from office if the terms of the organization’s bylaws so provide.

While the directors do not have the expertise for certain aspects of management, they often rely on the services of experts (for example, accountants and lawyers) who are not officers and members of the organization. In this case it is the duty of the directors to ensure that the qualifications of the experts are appropriate.

Investment Powers

A director of an incorporated non-profit organization faces great potential liability for the investment and corporate funds. All non-profit organizations maintain the power of investment (except in Ontario, but there the power can be included in the bylaws). The director must consider whether the other directors possess sufficient expertise to invest funds without outside consultation. However, certain investment responsibilities should never be delegated. These include establishing corporate policy, appointing financial officers, enacting bylaws concerning corporate affairs, reviewing reports at frequent intervals, and establishing the details of employment for employees.

Duty of Skills

In most jurisdictions the law does not specify what levels of skills is required of a director of an incorporated non-profit organization. A director is under no obligation to exercise skills that are beyond his or her level of competence, and directors are not liable for errors of business judgement. (The exception is in British Columbia, where a director must conform to the higher standard that a “reasonably prudent person” would exercise in the same position.) The level of skill required of each director will vary, therefore, according to individual qualifications and experience as well as the range of organizational demands placed upon the director. However if a director does possess specific expertise, he or she is required to use it in the organization’s affairs.

Duty of Prudence

A prudent person exercises sound and practical judgement and is cautious and discreet in conduct. Therefore, a director must act in a manner that is both practical and cautious with a view to anticipating the probable consequences of any course of action that the organization might take.

The level of knowledge a director has is not relevant to his or her duty of prudence. Prudence must be exercised with practicality in mind, not expertise. The Canada Corporations Act does not include guidelines on the duty of prudence. British Columbia law provides the objective standard of a "reasonably prudent person," and the other Canadian jurisdictions require the directors to exercise organizational matters in a prudent manner.

Continuing Duty

A director cannot necessarily avoid liability through resigning his or her office.

A director is responsible for acts already done and neglected while he or she was still in the office. Further the director may remain bound by a continuing duty to the corporation which will vary in length of time according to the circumstances.

In some situations, resignation by a director with the intent to avoid liability could be a breach of duty itself. Resignation in such circumstances may violate the duties of care, diligence, prudence, loyalty and the best interests of the corporation. Even if the organization dissolves, liability continues during the winding up process.



**BOARD DIRECTOR
NOMINATION FORM**

NOMINEE

I have read and fully understand the preceding pages outlining my responsibilities and obligations as a Director of the Qualicum Beach Chamber of Commerce and I am a member in good standing of the Qualicum Beach Chamber of Commerce.

I, _____ am prepared to let my name be considered by the Nomination Committee for the 2019 Qualicum Beach Chamber of Commerce Director Election, for a term of 2 years, and will commit to carry out my responsibilities should I be nominated and elected.

ACTION:

I have attached a one-page summary of my background and my community involvement (candidate profile sheet-see next page).

ACTION:

Two nominators, both of whom **must be members in good standing** of the Qualicum Beach Chamber of Commerce, have signed below in support of my nomination.

1. _____	X _____
<i>Please print nominator's name</i>	<i>Nominator's signature</i>

<i>Please print nominator's Company Name</i>	
Reason for your nomination:	

2. _____	X _____
<i>Please print nominator's name</i>	<i>Nominator's signature</i>

<i>Please print nominator's Company Name</i>	
Reason for your nomination:	



**BOARD DIRECTOR
CANDIDATE PROFILE FORM**

Part of the election process is the development of a candidate profile to be included in the election package which is sent to the membership. Your assistance is required in completing the section below with the necessary information. It will be subject to editing.

Please complete BY TYPING CLEARLY BELOW or COMPLETE QUESTIONS ON A SEPARATE SHEET, and return to the Qualicum Beach Chamber of Commerce office ATTENTION: Anne Dodson President/CEO by Wednesday, March 27th 2019 at 4:00 PM at chamber@qualicum.bc.ca

Please attach your photo preferably in black and white format, electronically or hard copy.

Name: _____

Company _____

Position: _____

Phone: _____ E-mail: _____

List your Chamber of Commerce/Association involvement. Do you sit on another board or committee? What other community or business initiatives have you worked on?
How long have you lived in Qualicum Beach?

What do you think you can contribute as a Board Director?

Why do you wish to serve on the Board of Directors?

What would you like to see accomplished during your term in office?
