

MEMORANDUM

From: Bill Sheffield on behalf of Governance and Nominating Committee
To: FEX Board Members
Date: May 19, 2020
Approved on: May 25, 2020
Subject: FEX Board Nomination Policy & Procedure

Purpose

The purpose of this document is to set out nomination policy and procedure for selecting candidates for election as Directors of the Family Enterprise Xchange (FEX) Board.

General Guidelines

- A majority of FEX Board of Directors will be family business members.
- Members of the Board should be a current FEX business family member, FBN Canada member or a FEA member in good standing.
- Members of the Board are expected to have a strong personal commitment to, or engagement in the business family community in Canada.
- Members of the Board are expected to sit on the Board for a three (3) year term and may be eligible to serve a second term.
- Members of the Board are expected to participate in Board meetings, where FEX's in-person Board meetings occur 4 - 6 times per year with Board and Committee conference calls occurring based on workload.
- Members of the Board are expected to work and to sit on at least one of the Board Committees.



- The FEX Board follows the best practice of regular Board evaluations to ensure Board effectiveness.
- Members of the Board who are not a family business and are not FEA designates must become a member and be willing to take, in part or in full, the FEA Program.
- Members of the Board receive no remuneration but may request travel cost reimbursement or donate their expenses.

Board Director Nomination Procedure

1. The Chief Executive Officer (CEO) will send a notice to all voting members on behalf of the Governance and Nominating Committee for nominations of candidates for election to the Board of Directors at least sixty (60) days before the Annual General Meeting (AGM). Nominations will be open for at least thirty (30) days, and applications must be submitted to FEX Governance and Nominating Committee care of the FEX Oakville Office.
2. Eligible Board candidates must provide the following information to the Governance and Nominating Committee:
 - Nomination Form
 - Candidate Written Statement

All candidates must provide a brief one-page statement of why she/he would like to serve on the FEX Board of Directors, and how they will contribute.
 - Curriculum vitae or resumé
 - Reference letters are acceptable but not a requirement
3. The Governance and Nominating Committee will review all nominations, and select candidates based on a skills and experience matrix while considering diversity of skill sets, gender, ethnicity, age, geography, business size, and advisory specialty.



4. The Governance and Nominating Committee will recommend a short list of candidates for election to the Board of Directors. Subject to the direction of the Board, the list of candidates may contain a number of candidates equal to the number of all vacancies of Directors on the Board, or a greater number of candidates than vacancies.
5. The Board will approve the short list of candidates to be interviewed by the Governance and Nominating Committee, where the latter will conduct and complete the interviews at least thirty (30) days before the Meeting at which the election of Directors will take place.
6. The Board will approve the final candidates. The Board Chair and CEO will have a final interview with the candidate after which the Board Chair will provide an official notice to the successful candidates to have their names included in the proxy election slate at the next AGM.
7. As per section 2.16 of FEX bylaws 2016, *Proposals Nominating Directors at Annual Members' Meetings*, Board candidates are elected if they receive no less than 5% of the votes of members entitled to vote at the AGM.
8. The Board Chair will officially invite the successful candidates to their first Board meeting.

Withdrawal of a Nomination

Any nominee may request the withdrawal of his or her nomination no later than ten (10) days before the AGM.



Nominations Process Timeline 2020

Step #	Action	Dates
Step 1	Board Approval <ul style="list-style-type: none"> - Nominations Policy & Procedure Document - Nominations Form - AGM Date 	Mon, May 25
Step 2	FEX CEO Announcing Call for Nominations <ul style="list-style-type: none"> a. Open Board Nominations & Instructions b. AGM Save the Date 	Mon, June 1
Step 3	Acceptance of Member Nominations <ul style="list-style-type: none"> a. Governance and Nominating Committee reviews nominations as they come through. b. All nominations will be acknowledged and evaluated. 	Mon, June 1 - Wed, July 15 (6 weeks)
Step 4	Board Approval of Short List Short list provided by the Governance and Nominating Committee for Board candidates interviews.	Thu, July 23
Step 5	Board Candidates Interview (Short List) Governance and Nominating Committee conducts in-person (or videoconference) interviews with short listed Board Candidates.	Fri, July 24 to Mon, August 10 (2.5 Weeks)
Step 6	Board Approval of Final Candidates <ul style="list-style-type: none"> a. Final Board Candidates presented to the Board. b. Final interview of preferred candidates by Chair and CEO c. AGM Notice d. List of members in good standing who will be notified of the AGM. 	Mid-August
Step 7	AGM official notice sent to members	Mid-August
Step 8	AGM	September 15