

# **TELCOMM CREDIT UNION**

## **ASSOCIATE BOARD MEMBER POLICY**

TelComm Credit Union acknowledges its place in the financial services industry. The competitive environment in which we operate is constantly changing and presenting new challenges. It is imperative that the Board of Directors and management of the Credit Union demonstrate leadership, implementing growth and succession planning with an Associate Board Member program. These policy statements and information contained within represent tangible expressions of that leadership.

Associate Board Members are appointed by the Nominating Committee and the President/CEO. They will serve a one-year term, and can be re-appointed annually with no term limits. Associate Board Members must attend the monthly board meetings and participate in all discussions but do not have voting authority. As an Associate Board Member, training and education opportunities are provided to enhance financial skills and leadership roles. Associate Board Members will be evaluated by the Nominating Committee and the President/CEO annually and they can terminate as needed.

The number of Board Associates will be limited to not more than three (3). The number of Supervisory Committee Associates will be limited to not more than three (3).

### **Qualification Criteria:**

- Must be Member of the credit union in good standing, account must have active for a minimum of 1 year prior to application consideration.
- Must be the age of ‘majority’(maximum age of 70), applicable for bonding, and carry no felony convictions.
- Must be of the highest moral and ethical character and exhibit independence and objectivity in representing the best interests of the membership.
- Must have never caused a “loss” to the Credit Union that was not otherwise reimbursed and must not have been a prior delinquency problem with the Credit Union.
- Must have access to the internet, to facilitate effective communication and timely distribution of Credit Union reports and/or other Credit Union related correspondence.
- May not be a Telcomm Credit Union employee (or prior employee with in the last five years) or related to the “significant other “of a TelComm Credit Union employee or volunteer.
- May not be a member of the Board of Directors (or other Committee member) of another credit union, bank, or similar financial institution that could be considered a competitor of TelComm Credit Union. This does not include participation in a Credit Union Association such as Cornerstone or MCCU.

## **Responsibilities and Expectations:**

- Must be able to attend monthly meetings as required, missing less than three meetings or two consecutive meetings during any calendar year, must try to attend any ‘Special Meetings’ of the Credit Union as requested by the Board of Directors. This includes but is not limited to Annual Strategic Planning Session, Annual Membership Meeting, and CEO Performance Review Meeting. Excused absences are accepted when the circumstance is beyond the Associate Board Member’s control. The Board reserves the right to remove an Associate Board Member in the event absences are considered excessive.
  - All business of the Credit Union is (and its membership) as discussed is always considered ‘confidential’ in nature.
  - Review meeting packets and all other meeting materials as requested.
  - Complete annual training as required by NCUA, and any other trainings assigned by the Credit Union.
  - Try to enhance your overall knowledge about the Credit Union, its respective products/services, and the individual responsibilities of a board member; and furthermore, be willing to openly share your knowledge, personal experience, and other expertise - in an effort to provide assistance to fellow Board or Supervisory Committee members, other appointed officers and Credit Union management.
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- Must disclose your ‘obligations’ to other groups/organizations that may be considered to be in ‘conflict’ with the credit union. You may not participate in any manner, directly or indirectly, in the deliberation or determination of any question affecting your personal financial interest or the financial interest of any corporation, partnership, or association (other than this credit union) in which you have direct interest. An individual must recuse him/herself from discussion of any issues related to any item that can potentially be construed to be a ‘*conflict of interest*’ with the Credit Union.
  - Adhere to a code of conduct and good governance policies. Unlike Board Members, Associate Board Members may not vote on any matters. There is one exception to this, if a quorum of the board has not been met an Associate Board Member may vote to meet quorum requirements.

## **TELCOMM CREDIT UNION**

### **ASSOCIATE BOARD MEMBER - Qualifications and Responsibilities**

*‘Volunteerism’ is a basic foundation of the credit union movement, and TelComm Credit Union (TCU) graciously thanks you for considering serving as a TelComm Volunteer Official.*

#### **Qualification Criteria:**

- Must be Member of the credit union in good standing, account must have active for a minimum of 1 year prior to application consideration.
- Must be the age of ‘majority’ (maximum age of 70), applicable for bonding, and carry no felony convictions.
- Must be of the highest moral and ethical character and exhibit independence and objectivity in representing the best interests of the membership.
- Must have never caused a “loss” to the Credit Union that was not otherwise reimbursed and must not have been a prior delinquency problem with the Credit Union.
- Must have access to the internet, to facilitate effective communication and timely distribution of Credit Union reports and/or other Credit Union related correspondence.
- May not be a Telcomm Credit Union employee (or prior employee with in the last five years) or related to the “significant other” of a TelComm Credit Union employee or volunteer.
- May not be a member of the Board of Directors (or other Committee member) of another credit union, bank, or similar financial institution that could be considered a competitor of TelComm Credit Union. This does not include participation in a Credit Union Association such as Cornerstone or MCCU.

#### **Responsibilities and Expectations:**

- Must be able to attend monthly meetings as required, missing less than three meetings or two consecutive meetings during any calendar year, must try to attend any ‘Special Meetings’ of the Credit Union as requested by the Board of Directors. This includes but is not limited to Annual Strategic Planning Session, Annual Membership Meeting, and CEO Performance Review Meeting. Excused absences are accepted when the circumstance is beyond the Associate Board Member’s control. The Board reserves the right to remove an Associate Board Member in the event absences are considered excessive.

- All business of the Credit Union is (and its membership) as discussed is always considered ‘confidential’ in nature.
  - Review meeting packets and all other meeting materials as requested.
  - Complete annual training as required by NCUA, and any other trainings assigned by the Credit Union.
  - Try to enhance your overall knowledge about the Credit Union, its respective products/services, and the individual responsibilities of a board member; and furthermore, be willing to openly share your knowledge, personal experience, and other expertise - in an effort to provide assistance to fellow Board or Supervisory Committee members, other appointed officers and Credit Union management.
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- Must disclose your ‘obligations’ to other groups/organizations that may be considered to be in ‘conflict’ with the credit union. You may not participate in any manner, directly or indirectly, in the deliberation or determination of any question affecting your personal financial interest or the financial interest of any corporation, partnership, or association (other than this credit union) in which you have direct interest. An individual must recuse him/herself from discussion of any issues related to any item that can potentially be construed to be a ‘*conflict of interest*’ with the Credit Union.
  - Adhere to a code of conduct and good governance policies. Unlike Board Members, Associate Board Members may not vote on any matters. There is one exception to this, if a quorum of the board has not been met an Associate Board Member may vote to meet quorum requirements.

**Acknowledgment:** As a volunteer, I understand the credit union philosophy is to promote thrift which, in essence, helps credit union member-owners achieve financial soundness through one’s own efforts. Support growth of credit union membership which is cultivated through members’ usage of the credit unions’ products/services, all of which should be pro-actively promoted by the Credit Union’s volunteers and credit union staff.

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

The information requested in the attached “Volunteer Information Form” will provide the necessary ‘qualifications and responsibility’ criteria to assist the Board in determining qualified candidates. Each interested individual is required to complete this form and update the information contained therein if changes occur at some point from which a ‘conflict of interest’ may arise, or would otherwise cause the information previously of record to be materially incorrect. Each associate board member will be required to sign (or otherwise reaffirm) TelComm’s ‘Conflict of Interest’ Policy and ‘Confidentiality Agreement’ on an annual basis.

## **TELCOMM CREDIT UNION**

### **Terms of Agreement for Serving as an Associate Board Member;**

**I, the undersigned, fully understand and do hereby agree that to serve as an Associate board member for TelComm Credit Union - I will abide by the following:**

- 1.) To miss less than three meetings or two consecutive meetings during any calendar year and must try to attend any ‘special meetings’ of the Credit Union as requested by the Board of Directors. This includes but is not limited to Annual Strategic Planning Session, Annual Membership Meeting, and CEO Performance Review Meeting. Excused absences are accepted when the circumstance is beyond the Associate Board Member’s control.**
- 2.) Try to enhance your overall knowledge about the Credit Union, its respective products/services, and the individual responsibilities of a board member; and furthermore, be willing to openly share your knowledge, personal experience, and other expertise - in an effort to provide assistance to fellow Board or Supervisory Committee members, other appointed officers and Credit Union management;**
- 3.) Understand all business of the Credit Union (and its membership) as discussed is always considered ‘confidential’ in nature.**
- 4.) Review meeting packets and all other meeting materials as requested**
- 5.) Participate in the discussion and finalization of Credit Union policies - and other matters coming before the Board, engage, and participate on eligible issues submitted or proposed to the Board for final action.**
- 6.) Give assistance to my fellow volunteers, other elected officers, and employees of the credit union in the discharge of the duties of their offices.**
- 7.) Try to enhance your overall knowledge about the Credit Union, its respective products/services, and the individual responsibilities of a board member; and furthermore, be willing to openly share your knowledge, personal experience, and other expertise - in an effort to provide assistance to fellow Board or Supervisory Committee members, other appointed officers and Credit Union management;**
- 8.) Complete annual training as required by NCUA, and any other training assigned by the Credit Union.**
- 9.) Must disclose your ‘obligations’ to other groups/organizations that may be considered to be in ‘conflict’ with the credit union. You may not participate in any manner, directly or indirectly, in the deliberation or determination of any question affecting your personal financial interest or the financial interest of any corporation, partnership, or association (other than this credit union) in which you have direct interest. An individual must recuse**

him/herself from discussion of any issues related to any item that can potentially be construed to be a *'conflict of interest'* with the Credit Union.

**10.) Adhere to a code of conduct and good governance policies. Unlike Board Members, Associate Board Members may not vote on any matters. There is one exception to this, if a quorum of the board has not been met an Associate Board Member may vote to meet quorum requirements.**

Date: \_\_\_\_\_

Signature: \_\_\_\_\_