

Supervisory Committee **Qualifications and Responsibilities**

'Volunteerism' is a basic foundation of the credit union movement - and TelComm Credit Union graciously thanks you for considering to serve as a TelComm Volunteer Official.

Qualifications: The candidate shall be a high school graduate (or higher). It is recommended that Supervisory Committee members have some prior experience in business operations, accounting, lending, and financial management - or some combination thereof, though not required.

Additional qualifications are as follows:

- a.) Must be a TelComm Credit Union 'member' in good standing – and also maintain a TCU account for a minimum period of one year prior to being considered to serve as a member of the Supervisory Committee.
- b.) Must be of age of 'majority'.
- c.) Must hold in 'strict confidence' all member transaction discussion, Credit Union internal reports, and 'communications' with (or by) TelComm Credit Union.
- d.) May not have been a TelComm Credit Union employee within the previous five years.
- e.) May not be a member of the Board of Directors (or other Committee member) of another credit union, bank, savings and loan, or other similar type of financial business that could be considered as a 'competitor' of TelComm - or may otherwise be considered to be a 'conflict of interest'. This does not include your participation in a Credit Union Association such as Cornerstone, or MCCU.
- f.) Must be 'bondable', and may not have previously been convicted of a felony.
- g.) Must never have created a loss to TelComm Credit Union that was not otherwise reimbursed and/or must never have been a prior loan delinquency problem with the Credit Union.
- h.) Must have internet access, so as to facilitate effective communication and timely distribution of Credit Union reports and/or other Credit Union related correspondence.
- i.) Must complete the "Volunteer Information" & "Terms of Agreement" forms.
- k.) A Director/Supervisory Committee member is not eligible for re-election to a TelComm volunteer position after they reach the age of 70. This requirement does not apply to any of the existing volunteers as of 5-01-08, as their position is grandfathered until that individual opts to not seek re-election or otherwise voluntarily vacates their volunteer position. In addition, the Board of Directors can waive or override this age requirement on a case-by-case basis.

Responsibilities:

- A willingness to participate openly in the discussion at board meetings. Though current policy does not require that all of the Supervisory Committee members attend every monthly board meeting, although encouraged. A minimum of one Supervisory Committee member is required to be in attendance and represent the committee at each month-end board meeting and provide the committee's monthly report (if applicable).
- To consider all business of the Credit Union (and its membership) to be strictly 'confidential' in nature.

- Responsible for helping to ensure that our member's funds that are entrusted with the Credit Union are securely protected and/or are being managed properly. Assist the credit union in any way possible to maintain its financial safety and soundness.
- To coordinate periodic internal audits as needed - or as directed by the Board of Directors (i.e., loan underwriting compliance, teller and vault cash audits, internal control reviews, etc., of the Credit Union and its operations). All reports and/or findings are then logged, discussed with TelComm Credit Union management and then reported to the Board of Directors.
- Recommend internal safeguards to protect against fraudulent or careless operations by coordinating periodic, unannounced operational reviews or audits, and by attending Board meetings when available - so as to remain fully informed of various actions or policy revisions as taken by the Board of Directors.
- In so-much-as possible, try to become familiar with the overall Credit Union organization, so he/she feels comfortable with its operations, and as a result, are then encouraged to recommend enhancements to existing policies to the Board of Directors and Management.
- Supervisory Committee members are not allowed to 'vote' on Credit Union policies (or other issues) being considered for approval by the Board of Directors, however committee members are encouraged to participate in the discussion of Credit Union policy matters, or other issues under consideration by the Board or Management.
- When possible, try to enhance your overall knowledge about TelComm Credit Union, its' respective products/services, and the individual responsibilities of a Supervisory Committee member; and furthermore, be willing to openly share your individual knowledge, personal experience and other expertise in an effort to provide assistance to fellow Committee members and Board members (and Management of the Credit Union) in the discharge of their duties within their elected office.
- Disclose your obligations to other groups or organizations that may be considered to be in 'conflict' with TelComm Credit Union. You may not participate in any Credit Union matter, directly or indirectly, in the deliberation or determinations of any question which affect your personal financial interest - or the financial interest of any corporation, partnership, or association (other than TelComm Credit Union) in which you have direct interest - which may conflict with TelComm Credit Union. In other words, you must recuse yourself from the discussion of issues that could potentially be considered to be as a *conflict of interest* with TelComm.
- Consider any Credit Union (or other operational-related) educational course as provided by TelComm to include, but not limited to, online training courses (if applicable), thus allowing all volunteers the opportunity to enhance their financial expertise and credit union related educational background. These resources serve as tools to assist you in your ability to help achieve the long-term goals of TelComm Credit Union.
- As scheduling allows, consider attending workshops, conferences, and seminars (if applicable) that may provide valuable information which would hopefully enhance your

overall ability to effectively serve as a Credit Union volunteer.

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 - and to support growth of the Credit Unions' membership as encouraged through our members usage of the Credit Union's products/services, all of which should be pro-actively promoted by TelComm Credit Union's volunteers and Credit Union staff.

The information requested in the attached "Volunteer Information" form" will provide TelComm the necessary information for the purpose of determining qualifications of prospective candidates. Each interested individual is required to complete this application, and update the information contained therein if changes occur from which a 'conflict of interest' may arise or would otherwise cause the information previously recorded to be materially incorrect.

All Supervisory Committee members 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 a Board Member - or Supervisory Committee Member

I, the undersigned, fully understand and do hereby agree that to serve as a Board of Director or Supervisory Committee 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 make an effort to attend any special meetings of the board when notified, as well as the Credit Union's Annual Planning Session, unless prevented by circumstances beyond their control, thus resulting in an excused absence.**
- 2.) Attempt to learn more about TelComm Credit Union as an organization - as well as its products and services, and about my individual responsibilities as a TelComm Volunteer.**
- 3.) Consider the business of the Credit Union and its members to be 'strictly confidential'.**
- 4.) Disclose to the Board any obligations to any other group or organization that may be in conflict with the Credit Union, and refrain from discussing (and/or voting) on issues relating to such conflict.**
- 5.) Participate in the discussion and finalization of Credit Union policies - and other matters coming before the Board, and give full attention to problems of the Credit Union, and vote (if eligible), on all 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.) Consider taking advantage of any credit union related educational resources as provided by TelComm for volunteers (i.e., such as online training courses if applicable, etc.)**
- 8.) As your work schedule permits, consider attending various workshops, conferences, and seminars that provide pertinent information which could enhance your ability to more effectively serve as a credit union volunteer.**

Date: _____ Signature: _____