

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: _____

TELCOMM CREDIT UNION

Board of Directors - 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 (or higher) graduate with a reasonable degree of math and logical reasoning skills; experience in accounting, lending, business operations, planning, and financial management is recommended; prior experience on a credit union committee is recommended, though not required.

Additional qualifications are as follows:

- a.) Must be a TelComm Credit Union ‘member’ in good standing – and also maintain a TelComm Credit Union account for a minimum period of one year prior to being considered to serve as a Board of Director.
- b.) Must be of the 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 to TelComm Credit Union which could otherwise be considered as a ‘Conflict of Interest’. This does not include participation in a Credit Union Association such as Cornerstone, or MCCU.
- f.) Must be bondable, and must not have been convicted of a felony offense.
- g.) Must never have caused a ‘loss’ to TelComm Credit Union that was not otherwise reimbursed and must never have been a prior loan delinquency problem with TelComm 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 Form” & “Terms of Agreement” Form.
- 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 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, however this age requirement can be overridden by the Board on a case-by-case basis).

Responsibilities:

- ▶ To miss less than three meetings or two consecutive meetings during any calendar year and must make an effort to also attend any ‘Special Meetings’ of the Credit Union, such as the Credit Union’s ‘Annual Strategic Planning Session’, TelComm’s ‘Annual Membership Meeting’, ‘CEO Performance Review Meeting’, etc., unless prevented by circumstances beyond their control, thus resulting in an excused absence. If unable to attend in person, or moves out of the area, volunteers can consider participating via phone conferencing. If the board considers a fellow

Directors' absence to be excessive, the board has the authority to remove the Director from the board and appoint a qualified replacement to fill the vacated position. All changes in board positions must then be reported to the Missouri Division of Credit Unions and/or Cornerstone.

- ▶ To consider all business of the Credit Union (and its membership) as discussed - to be held strictly 'confidential' in nature at all times.
- ▶ To make an effort to enhance your overall knowledge about TelComm 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/or Management of TelComm Credit Union), in the discharge of their duties within their elected office.
- ▶ To participate to the best of his/her ability in formulating Credit Union policies as needed - and furthermore, to utilize your professional skills in order to prudently 'approve' finalized policies, and any other matters coming before the Board. Devote full attention to discussion as it relates to issues impacting the future and/or the best interest of the Credit Union, and then vote on all issues submitted for the Board's final action.
- ▶ You must also 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. In other words, the individual must recuse him/herself from discussion of, and refrain from voting on, issues related to any item that can potentially be construed to be a '*conflict of interest*' with the Credit Union (refer to the Credit Union's Conflict of Interest Policy).
- ▶ Consider completion of various volunteer or other 'operational-related' educational courses as offered by the Credit Union, thus allowing all volunteers the opportunity to enhance their financial expertise and Credit Union background, which better assists him/her in achieving the long-term goals of the Credit Union. This can be accomplished by:
 - Trying to take advantage of educational resources as provided by the Credit Union for volunteers to include, but not limited to, the online training courses as offered by the Credit Union to their employees and volunteers (if applicable).
 - If scheduling permits - consider attending workshops, conferences, or seminars (when/where applicable), that may provide pertinent information which could also enhance your 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. 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.

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 board member will be required to sign (or otherwise reaffirm) the Credit Union's 'Conflict of Interest' Policy and 'Confidentiality Agreement' on an annual basis.

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: _____