



communitychoice
credit union

Directorship Policy
Last Updated: December 17, 2025

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1) Purpose and General Policy Statement

- a)** This Board of Directors Policy is intended to serve as an accurate guideline for members of the Board of Directors of Community Choice Credit Union (CCCU) as they carry out their responsibility as directors pursuant to the Michigan Credit Union Act and the bylaws of this Credit Union.
- b)** The Board of Directors believe that the quality of the CCCU leadership is one of the most important factors in its success. As a member of the Board, each Director must maintain an understanding of CCCU policies and conduct themselves within the Code of Ethics adopted by the Board of Directors.
- c)** The guiding framework of this Board of Directors Policy is organized as follows:

i) Principles – The Unwavering “WHY”

The fundamental BELIEFS, CORE VALUES and ETHICAL UNDERPINNINGS that guide all governance activities, decisions, and behaviors:

- We recognize the unique cooperative and member-focused nature of a credit union.
- We commit to ensuring ethical and effective governance.
- We are responsible for upholding members' rights.
- We will promote institutional integrity through ensuring transparency and defining board responsibilities.
- We commit to long-term viability.

ii) Responsibilities – The “HOW”

The Board of Directors views its role in guiding the Credit Union as:

- Oversee and guide CCCU in providing sound financial stewardship of the assets of the credit union.
- Oversee and guide CCCU in providing the membership with high quality financial services at competitive prices.
- Oversee and guide CCCU in providing opportunities for the membership to improve their economic and social wellbeing.
- Oversee and guide CCCU in developing a sound strategic roadmap that has member-focused impact.
- Oversee and guide CCCU in meeting all compliance and risk management practices.
- Institute robust and impactful leadership development and culture oversight of the Board.
- Oversee and evaluate the President/CEO's performance and representation of the Credit Union.
- Oversee and guide CCCU towards optimal operational resilience.

iii) Pillars / Clusters / Domains – The “WHAT”

The roadmap of what the Board is overseeing:

- Financial Stewardship Oversight
- Member-Centered Value Oversight (fiduciary duty)
- Strategic Planning & Impact Oversight
- Compliance & Risk Oversight
- Leadership, Development and Culture Oversight
- Operational Resilience Oversight

iv) Desired Outcomes – Intent into Action

The broad Principles and Pillars/Clusters/Domains will be translated into specific, actionable duties with tangible results that are expected when we are practicing effective governance. This clarifies the “WHAT” that must be consistently achieved by the Board and management to uphold the Principles within each Pillar/Cluster/Domain. Outcomes will be represented through the implementation of Key Performance Indicators (KPIs) in each Pillar/Cluster/Domain, strategically integrated and aligned to CCCU’s Vision and Mission.

d) The goal for the number of Board Directors is nine (9). This number will be achieved by natural attrition. This will be reviewed annually.

2) Board Packet and Meeting Style

- a)** CU Boardroom or another system designated by the Board will be used as a communication tool to distribute and archive board packets, conduct Q & A's, store documents, maintain calendar, contact lists, and hold on-line votes.
- b)** The Chairman is empowered to call for an electronic vote or phone conference meeting when necessary. If an electronic vote is selected it is preferred that a phone conference be part of the process.
- c)** The desired culture for our meetings places emphasis on preparation, including reading the board packet before the meeting to ensure an efficient and productive board meeting.

3) Term Limits and Assessments

- a)** The Chair through Secretary shall be referred to as the Board Officers or Executive Committee.
- b)** There shall be no term limits for officer positions or board positions.
- c)** There shall be a periodic board assessment conducted with results to be shared with all the directors. This process, at the discretion of the board, may be done with an external facilitator.

4) Regular Board Meeting Time

- a)** The 3rd Thursday of the month shall be the regular board meeting time unless advance notice of a change is given. Dinner will begin at 6:00pm and the meeting will start at 6:30pm. The meetings will last two (2) hours.

- b)** Board members may call in to a regular board meeting if they are unable to attend in person. However, board members are encouraged to attend in person whenever possible.
 - c)** Conference Call Meetings shall be conducted as needed using toll free numbers with passcodes. In person board meetings are preferred over conference call meetings.

5) Responsibilities – Board

- a)** Define the scope of the Chief Executive Officer's job; establish goals and objectives annually facilitated through the Compensation Committee.
 - b)** Hire the Chief Executive Officer.
 - c)** Delegate authority to the Chief Executive Officer to manage the operations of the Credit Union as defined by Board approved policies.
 - d)** Review and evaluate the Chief Executive Officer's performance annually.
 - e)** Develop a succession plan for the Chief Executive Officer position annually.
 - f)** Review pertinent Credit Union policies annually.
 - g)** Assure policies comply with applicable laws and regulations annually.
 - h)** Assure the Credit Union adheres to pertinent laws and regulations annually.
 - i)** Assure the Credit Union maintains a sound financial position annually.
 - j)** Assure the assets of the Credit Union are protected against loss.
 - k)** Develop a strategic plan and review the plan annually.
 - l)** Approve the Credit Union budget annually.
 - m)** Review all regulatory examination and audit reports; oversee implementation of corrective actions or recommendations.
 - n)** Report to members at the Annual Meeting.
 - i) Official Reports from the Chairman, Treasurer, and President
 - ii) Any new business
 - iii) Any announcements

6) Responsibilities – Directors

- a)** Directors are required to understand credit union philosophy and the overall credit union movement.

- b)** Complete educational responsibilities that are/will be determined by the Board Education Committee, as approved by the Board.
- c)** Attend all regular and special Board meetings and be prepared to participate and discuss information provided.
- d)** Contact the Executive Assistant or Chief Executive Officer 24 hours prior to the meeting if unable to attend.
- e)** Maintain confidentiality of any discussions or written communications regarding the financial records of individual Credit Union members.
- f)** Support all decisions made by the Board of Directors.
- g)** Participate actively on any committee to which the Board Chair may appoint you.
- h)** Attend the Annual Meeting.
- i)** Participate in strategic planning meetings.

7) Officers

a) Chair

- i)** Responsibilities:
 - Acts as the chief elected officer of the Credit Union. Presides at all meetings of the Board and the membership and is an ex-officio member of all committees of the Board.
 - Leads all meetings of the Board and of the membership. Works with management to establish the agenda.
 - Assures the participation of all members in discussions and decision making.
 - Assigns directors and others to the Board committees. Initiates the formation of an executive committee as provided in the bylaws, if desired or required by law.
 - Acts on behalf of the Board in emergency situations when action is required and there is insufficient time to call a special meeting.
 - Assures that management carries out the actions of the Board.
 - Performs such other duties as are customary for the Chair or which he/she may be directed to perform by resolution of the Board. Such other duties must be consistent with credit union laws and regulations or with the Credit Union's bylaws.
- ii)** Knowledge, Skills, and Abilities
 - Knowledge of leadership process
 - Ability to build consensus among Board members.

- Strong leadership skills.
- Meeting management skills.
- Ability to assure that the Board acts in a timely manner.

b) Vice Chair

i) Responsibilities:

- Exercises all duties of the elected Chair when the Chair is absent or unable to perform them.
- Monitors each director's compliance with educational requirements established by the Board Education Committee.
- Performs other duties as assigned.

ii) Knowledge, Skills, and Abilities

- Knowledge of leadership process
- Ability to build consensus among Board members.
- Strong leadership skills.
- Meeting management skills.
- Ability to mediate.

c) Treasurer

i) Responsibilities

- Acts to protect the assets of the Credit Union and provides fiscal oversight. Specific responsibilities may be delegated to the Chief Executive Officer and Staff.
- Protects assets of the Credit Union.
- Review proposed annual budget prior to Board Review.
 - Provides input to Staff.
 - Reviews prior to Board review.
 - Provides recommendations to Board.
- Review annual audits prior to Board Review (independent audits and state regulators review).
- Participates in the planning process to determine the scope of the audit.
- Reviews audit responses prior to Board review.
- Provides recommendations to Board.
- Chairs the Audit Committee.
- Monitors expenses.
 - Approves CEO expenses.
 - Reviews monthly financial reports.
- Reports to membership.
 - Approve annual report and distributes at Annual Meeting.

ii) Knowledge, Skills, and Abilities

- Ability to provide oversight in the preparation and keeping of records.
- Ability to understand financial concepts.

Ability to understand audits

d) Secretary

i) Responsibilities

- Oversees the preparation, completion, and safekeeping of records of all meetings of the membership and of the Board. Record, or supervise recording, of necessary legal documents.
- Prepares and maintains full and complete records of all meetings of the membership and of the Board. Records are to be available for inspections by FIB auditors and members.
- Oversees the preparation of full and complete copies of all Board minutes to all Board members.
- Prepares and sends out notices of meetings to be held in conjunction with staff.
- Performs other duties as assigned by the Board Chair.

ii) Knowledge, Skills, and Ability

- Knowledge of board procedures; skilled in records and agenda; able to ensure confidentiality.
- Familiar with governance; strong communication skills; able to support effective meetings.
- Organized and detail-oriented; able to maintain accurate minutes.

8) Qualifications

a) Each individual elected or appointed to serve as a Director shall meet all the following criteria as established by the Michigan Credit Union Act:

- i) He or she is a member of the Credit Union, in good standing. "Member in Good Standing" shall mean maintenance of at least one share and no delinquencies reported on any loans to the Director, or loans for which he or she is a cosigner, for the previous 24 months.**
- ii) He or she is acceptable as a bonding risk by the bonding company licensed to do business in Michigan that is used to bond Credit Union team members.**
- iii) He or she has not been removed as a director, officer, or employee of a financial institution by a federal regulator, a state regulator other than the OFIR Commissioner, or a court of competent jurisdiction.**

- iv) The OFIR Commissioner has not removed him or her as a director, officer, or employee of a credit union, financial institution, or other legal entity pursuant to the Commissioner's enforcement powers under any law of this state.
- v) He or she has not been convicted within the preceding 20 years of a crime involving dishonesty or breach of trust.
- vi) He or she is not habitually negligent in paying his or her financial obligations to the Credit Union or other creditors. "Habitually negligent" shall mean that there are no reported delinquencies in the previous 24 months, the person has not filed bankruptcy in the previous seven years and has not missed more than two payments on any obligations due to any creditor in any twelve-month period.
- vii) He or she has not been convicted by a court of competent jurisdiction of a violation or found in violation by a court of competent jurisdiction or the OFIR Commissioner, of any law of this state enforced or administered by the OFIR Commissioner.
- viii) He or she shall successfully earn Financial Literacy Certification within 12 months of being elected or provide other documentation of experience or knowledge.

b) If a Director ceases to meet the requirements outlined in this policy while in office, their position shall be deemed vacant immediately, without further action by the members or the board. The vacancy will be filled in accordance with the procedures set forth in the bylaws.

9) Officer Elections

- a) Directors who wish to hold an officer position may express interest in the position as early as February, but no later than the March meeting (assuming an April Organizational Meeting).
- b) While early declaration of interest is desired and encouraged, nominations and self-nominations will be allowed from the floor at the Organizational Meeting. A second nomination is not required.
- c) A Director must be a Board member for a minimum of 12 months and attend a minimum of 9 meetings before he/she may run for an officer position.
- d) Interested candidates will be given the opportunity to provide a written position statement to the other Directors prior to the Organizational Meeting (this written statement is not required).
- e) Directors will be allowed to ask questions of officer candidates at the meeting prior to the vote.

10) Annual Meeting: Nominating Committee and Election Process

- a)** A 3-person nominating committee will be appointed in January every year comprised of directors not up for reelection.
- b)** Elections to be open and publicized.
- c)** The nominating committee will meet with CEO prior to the screening process for non-incumbents.
- d)** The nominating committee shall implement their screening process (see screening process posted on Board Exchange in Nominating Committee folder), that includes a face-to-face interview of non-incumbents candidates and recommend individuals with strong business judgement, strategic thinking, and board experience. The Board should reflect diversity in background, gender, age, and race. Directors will be selected for their business and governance strengths, not technical expertise, and the Board's composition should represent diverse professional backgrounds and demographics.
- e)** Nominations from the floor of the annual meeting will not be allowed.
- f)** The nominating committee shall put forth all qualified candidates without a specific endorsement.

11) Committees

- a)** There shall be no supervisory committee.
- b)** The Executive Committee will be comprised of the Board Officers consisting of the Chairman, Vice Chairman, Treasurer and Secretary.
- c)** There shall be an audit committee appointed by the board. The board shall define scope of work and authority for this committee. Generally, this committee will be the primary Board contact with the CU's external auditors and shall attend the auditor's presentation of their final report. This committee shall consist primarily of sitting directors and chaired by treasurer.
- d)** The CEO Compensation - Performance Review/Director Loan Approval Committee shall have generally 3 members who are currently sitting on the board of directors. This committee will facilitate the CEO's performance review and shall approve director's loan requests. Director Loans shall require the signature of two directors. The members of this committee shall be looked to first to approve director's loan requests. However, any two directors may approve a director's loan request.

- e) Ad Hoc committees shall be formed as needed. CCCU will have the following Committees such as but not limited to:
 - i) CEO Comp-Performance Review/Director Loan Approval
 - ii) Audit Committee
 - iii) Asset Liability Management Committee
 - iv) Board Governance & Education
 - v) Enterprise Risk Management
 - f) All committees are required to prepare minutes of each meeting. These minutes should satisfy regulatory requirements where applicable and should provide insight into their thoughts and decision-making process for their fellow board members.

12) Compensation

Board members shall not receive compensation for their services as Directors. Board members may be compensated by the Credit Union for services they provide as contractors, vendors, or professionals but not as Directors. Any matter upon which the Board of Directors acts that involves the compensation or services to be rendered by a Director shall be acted upon in strict compliance with the Conflict of Interest section of this Policy as set forth below and the Board of Director Code of Conduct.

13) Integrity

- a) Directors are to discharge their duties in good faith and with a degree of diligence, care, and skill that an ordinarily prudent person would exercise under similar circumstances in a like position.
 - b) Directors of the Credit Union are expected to maintain the highest standards of personal and professional conduct. Directors are guided by the Code of Conduct, which is incorporated by reference into this policy. The Code of Conduct is maintained on Board Exchange, and all directors are required to review and sign the necessary forms. Any violations of the Code of Conduct constitutes a violation of this policy.

14) Leadership

It is the mission of the Board of Directors to provide adequate direction and control for the management of Community Choice Credit Union without interfering with the day-to-day operation of the Credit Union.

15) Conflict of Interest

Unless the matter involves setting dividends, loan rates, or fees for services, or other general policies applicable to all Members generally, a Director shall not in any manner directly or indirectly participate in the deliberation or Board action on any matter that affects his or her pecuniary interest or the pecuniary interest of any family member of the Directors, or any pecuniary interest of an entity in which he or she holds an interest. See the Community Choice Credit Union Board of Directors Conflict of Interest Policy, in the Code of Conduct for full expectations.

16) Confidentiality

- a)** All business brought before the board, including information and discussion, is confidential.
- b)** A Director shall not disclose any confidential information related to the conduct of business of the Credit Union including but not limited to:
 - i)** Personnel matters.
 - ii)** Matters involving actual or potential litigation.
 - iii)** Real estate transactions.
 - iv)** Other matters related to the strategic business endeavors of the Credit Union, or Disclosure of information concerning transactions between the Credit Union and its members or other persons.
- c)** This section does not apply to any disclosure of information authorized or required by law, court order, or is necessary to conduct the business of the Credit Union.

17) Promotion

All directors are expected to demonstrate their commitment to understanding and meeting the needs of the membership by actively promoting the Credit Union and Credit Union issues whenever possible.

18) Meeting Efficiency

Board meetings should be an efficient use of time, with a clear agenda developed and followed for each meeting. Directors are expected to focus on business that requires attention and on relevant issues. Personal matters should not be discussed during board meetings; however, board members have access to a dedicated Concierge Service for one-call resolution of financial service requests or issues for themselves, their spouse, or joint account holder.

19) Policies

It is the Board of Directors' ultimate responsibility to ensure that all Credit Union policies clearly and concisely state intentions, limitations, and controls that will

dictate a specific course of action. Policies will be comprehensive, reduced to writing, approved by the Board and reviewed and revised when needed, but not less than annually or as required in the by-laws.

20) Compliance & Risk

It is the Board of Directors' ultimate responsibility to ensure that the integrity of the Credit Union remains intact and to reduce reputation, legal and financial risks by ensuring compliance with applicable laws and regulations. It is critical that Management provide Directors with information necessary for understanding legal and regulatory requirements imposed upon the Credit Union and the Board. Management is authorized to hire professional counsel, subject to Board approval, as necessary to ensure that Management and the directors have an appropriate understanding of legal and regulatory requirements for credit unions.

21) Continuity

a) It is the Board of Directors' ultimate responsibility to ensure that the Credit Union remains in sound financial and operational condition and is strategically positioned for future operations. As such, the Directors are required to retain oversight in crucial areas such as:

i) Strategic Planning

- Directors will participate and work with Management to develop 3-5-year strategic plan. This strategic plan shall provide clear annual goals and objectives and be the written statement of the Board of Director's vision of the Credit Union.

ii) Asset Liability Management

- The Board has adopted and maintains an Asset Liability Management (ALM) Policy which sets financial goals and limits to guide the decision making of the Credit Union in the day-to-day management of assets and liabilities.

iii) Succession Planning

- The Board of Directors shall maintain and annually review a written Succession Plan for the CEO position.

iv) President/CEO Development and Accountability

- Hiring and retaining a competent President/CEO is one of the most important duties of the Board. Clear, objective, and measurable short-term and long-term performance goals and standards shall be developed and communicated to the CEO annually. These goals and standards shall be formally reviewed and incorporated into the CEO's annual performance appraisal.

v) Board of Directors Development and Accountability

The board is responsible for overseeing leadership development and fostering a strong organizational culture. This includes ensuring that leadership succession planning, professional development programs, and performance management processes align with the Credit Union's mission, values, and strategic objectives. Directors monitor the effectiveness of initiatives that promote employee engagement, ethical behavior, and a positive workplace culture.

22) Attendance

- a)** Directors are expected to attend all regular and special meetings of the Board. Article VI, Section 8 of the Community Choice Credit Union Bylaws, requires that every Director attend meetings of the Board. Teleconferencing, videoconferencing, or electronic communications are acceptable forms of attendance, particularly when achieving a quorum is difficult due to unusual circumstances. However, attendance in person is strongly preferred.
- b)** The minutes will reflect an absence as "excused" if notice of absence is given in advance of the meeting. Providing advance notice supports team unity and meeting efficiency.
- c)** If a Director is absent from 25% or two (2) consecutive regularly scheduled Board meetings in a rolling 12-month timeframe, the Board Chairman will initiate a discussion on ability to meet their responsibilities and commitments.
- d)**

23) Education

Education is a necessary element of maintaining Director Competence and the confidence of the Membership. As stewards of the assets of the membership of the Credit Union, all Directors shall follow the requirements recommended by the Board Education Committee and approved by the Board. Spouses or significant others/companions are encouraged to attend also. Directors are encouraged to participate as requested in these educational conferences.

24) Expense Reimbursement

- a)** Although no director shall be compensated for his or her service as a director, the Credit Union will reimburse directors for expenses incurred in the performance of their duties.
- b)** Refer to the Community Choice Credit Union Board of Directors Travel, Entertainment and Meeting Policy for travel expense reimbursement matters.
- c)** Refer to Appendix A for BOD mileage reimbursement for meeting attendance policy

d) No reimbursement for expenses will be received unless the Director submits a completed expense report, which can be obtained from management. All expense reports from Community Choice Credit Union Board members are subject to the review of the Treasurer.

25) Removal

a) A Director may be removed from his or her position for good cause as set forth in the Michigan Credit Union Act, the bylaws or Directorship Policies of this Credit Union. "Good Cause" shall include, but is not limited to:

- i)** Fraud or other illegal conduct.
- ii)** Breach of confidentiality.
- iii)** Conflict of interest that is not disclosed.
- iv)** Loss of bond ability.
- v)** Violation of the Michigan Credit Union Act, the bylaws of this Credit Union or any order or rule.

26) Executive Dispute Resolution

a) In the event a complaint, (hereinafter referred to as a "Complaint") is made against the President/CEO, a director of the Credit Union, or a member of any Committee that reports to the Board of Directors, alleging a violation of the President/CEO's, director's, or committee member's duties ,a violation of Credit Union policy, or any other conduct that may expose the Credit Union to a liability for such conduct, the following procedure shall be used. In the event a verbal Complaint is made, the party making the Complaint shall be asked to submit the Complaint in writing, but failure to provide the Complaint in writing, shall not be grounds for dismissal of the Complaint.

b) All Complaints shall first be submitted to the Executive Committee. The Executive Committee shall initially review the Complaint to ensure there is no allegation against a member of the Executive Committee that would create a potential conflict. If there is such a conflict, either the member of the Executive Committee who is the subject of the Complaint shall recuse himself or herself from further action, or the Executive Committee must seek to hire outside legal counsel or other appropriate, disinterested individual, to conduct the investigation identified below.

It shall be the duty of the Executive Committee to investigate the Complaint and determine if the subject matter of the Complaint is serious enough and substantiated to be brought to the entire Board of Directors for further review

and final determination. Prior to determining whether the Complaint is serious enough and substantiated to be brought to the entire Board of Directors.

- c) The Executive Committee may investigate the Complaint by requesting additional information from the person submitting the Complaint, performing interviews of employees, directors, or committee members, and reviewing documents and information relating to the Complaint. In the event the Executive Committee determines that the Complaint cannot be substantiated, is not serious enough to warrant review by the full Board of Directors or that conduct or other allegations are not otherwise sufficient information to warrant review by the full Board of Directors, the Executive Committee shall state its reasons in writing and request that the Board of Directors dismiss the Complaint or take other action without further review or investigation. The Board of Directors shall always retain the right to conduct any further review or make any final determination it deems reasonable and necessary under the circumstances.
- d) In performing the obligations required under this Policy, the Executive Committee shall have the power to employ attorneys, accountants/auditors, investigators, consultants or any other third parties deemed reasonably necessary to investigate the validity of the allegations raised within the Complaint. If the Executive Committee determines that the Complaint is valid, the Executive Committee must obtain legal counsel for guidance in the matter. If necessary, upon the recommendation of the Executive Committee, the Board of Directors shall authorize and approve the expenditure of Credit Union funds for this purpose.
- e) In the event the Executive Committee determines that the Complaint should be brought to the attention of the entire Board of Directors, the Executive Committee shall set forth its reasons, in writing, and submit the Complaint and all information obtained during its investigation to the entire Board of Directors for review and final determination. In making its determination, the Board of Directors may request additional information or conduct a formal hearing. In the event the Board of Directors conducts a formal hearing, all persons who are the subject of a Complaint may be invited to appear at the formal hearing and may be invited to submit information they deem reasonable and necessary in order for the Board of Directors to make a final determination of the Complaint. The Board of Directors must also obtain the advice of legal counsel prior to taking adverse action against an individual upon the recommendation of the Executive Committee or after further review by the Board of Directors. Failure of the Executive Committee or Board of Directors to consult legal counsel as provided in this policy shall not be grounds to overturn the decision of the Board of Directors.
- f) Any person who shall be the subject of a Complaint described hereunder shall not participate in the investigation or deliberation of any issue involving the Complaint except as may be necessary to answer questions or provide information as requested by the Executive Committee, the Board of Directors, or

a representative of either the Executive Committee or Board of Directors tasked with investigating the Complaint. Such person may be informed of the allegations of the Complaint in the sole discretion of the Board of Directors, or as is necessary to perform an investigation of the Complaint. In the event the Complaint warrants further review by the entire Board of Directors, any person who is the subject of a Complaint described hereunder may be given an opportunity to respond to the Complaint in writing and may be given the opportunity to submit any information they deem relevant to the Executive Committee and/or Board of Directors, as determined in the sole discretion of the Board of Directors.

- g)** Either upon review of the findings of the Executive Committee or upon the completion of any further review or formal hearing by the Board of Directors, the Board of Directors shall issue a finding of whether the Complaint is justified and substantiated. If so, the Board of Directors shall take whatever action it deems necessary to resolve the Complaint. The actions of the Board of Directors may include, but not be limited to, censure, suspension or removal of those persons who are the subject of the Complaint. The decision of the Board of Directors shall be by majority vote of those Directors present at the meeting called upon to make this determination, provided that a quorum exists, and shall be conclusive and binding upon the Credit Union and all parties subject to the Complaint. There shall not be any further right of internal review or internal appeal of the Board's decision.

27) Review and Revision

This policy shall be reviewed and revised as needed, but in no case shall it be reviewed less frequently than annually.

Appendix A

COMMUNITY CHOICE CREDIT UNION BOARD OF DIRECTORS MILEAGE REIMBURSEMENT FOR MEETING ATTENDENCE POLICY

Purpose Statement

The Credit Union Board of Directors are volunteers and do not receive compensation for their work and time spent supporting Community Choice. However, due to the expectations for board members to attend meetings and Credit Union business events, the board of directors, in accordance with National Credit Union Administration and the State of Michigan Department of Financial and Insurance Services are allowed reimbursement for mileage driven to these business meetings in non-Credit Union vehicles. The Credit Union CPA and Legal counsel were contacted for input and review. The following are the guidelines for receiving reimbursement.

Rate of Reimbursement

The mileage reimbursement rate is the maximum allowed by the Internal Revenue Service. For the current mileage rate, contact the Chief Efficiency Officer of the Credit Union. Tolls and parking fees are also fully reimbursable. Mileage and other auto related expenses will be reimbursed only to the driver/owner of the specific automobile used for Credit Union business travel.

Meeting and Events Allowable for Reimbursement

The following meetings and events are included for reimbursement if desired by a board member. It is not a requirement for board members to request reimbursement:

- Monthly Board Meetings
- Board Committee Meetings
- Special Board Meetings such as Emerging Technologies Board Training Meetings
- New Member Center groundbreaking and grand opening events
- Other events not listed that require board member attendance

Events not included for mileage reimbursement include:

- Other Credit Union non-business family events

Mileage Expense Reports

Board members are required to submit their mileage to the Senior Executive Administrator (SEA) within a reasonable timeframe for reimbursement. The

SEA is responsible for processing and submitting all board expense reimbursements.

Appendix B

COMMUNITY CHOICE CREDIT UNION BOARD OF DIRECTORS TEAM OPERATING AGREEMENTS

How will we Conduct our Meetings?

We agree the Board will meet at 6:00 p.m. for dinner. The formal board meeting will commence at 6:30pm or once there is a quorum. Late comers are expected to join the group with minimal disruption. Time will not be taken to bring the latecomers up to speed.

The Board believes that strong relationships among the Directors are important and contribute to the success of the Credit Union. To promote these relationships, we will take the following actions in our meetings and social activities:

- We will be aware of seating arrangements to ensure the Directors have opportunities to interact with each other and with the Executive Team.
- We will plan social events to build our team formally. These events will occasionally include spouses or significant others.
- The Board Chairperson will take time at the beginning of each regular board meeting to facilitate a check-in for the Directors to share significant personal and professional events.
- The above actions will be supported by structured team building, sometimes with a facilitator, along with a regular robust self and group assessment led by the Governance Committee.

If an urgent or emergency call comes in during the board meeting – the Board member involved will retreat to the hallway to take the call. If the Board Chairperson needs to take a call, the meeting will be handed over to the Vice Chairperson.

The projector will be used as needed to facilitate discussions.

We encourage the use of technology for all Board Member communications.

We agree to recognize the importance of staying on topic during discussion and recognize the Board Chairperson as the facilitator in charge of monitoring this.

We agree to allow the Board Chairperson to determine the length of time we spend on a topic and expect him/her to be open to our feedback related to this.

We agree to use the “hand-raising” method to determine who will speak. We will use a “check-in” process to ensure that all Board Members are given an opportunity to speak.

How will we Discuss Topics?

We agree that the Board Chairperson will facilitate board discussions. In the case of the Board Chairperson being unavailable to carry out this duty we agree that the Vice Chairperson, Secretary and Treasurer in that order will take on this responsibility.

We agree that in the case of committee reports the Committee Chairperson will facilitate the discussion following the meeting operating agreements.

We agree that the discussion facilitator will be responsible for stating and restating the topic of discussion so that the Board stays on track.

We agree to the “hand-raising” method to determine who will speak during discussion. We give each other permission to point out when the following occurs during discussion:

- When somebody “cuts-off” someone who is speaking.
- When someone goes “on-and-on.”
- When someone “echoes on-and-on” about what somebody else has already said.
- When someone is off topic.
- When someone is using stories from the past that are not concise or pertinent to the topic.

We agree to use the “check-in” method to ensure that everyone who chooses has had a chance to speak.

We agree that it is acceptable to “call-out” someone we notice is “checking out,” becoming agitated, or appearing highly emotional.

How will we Make Decisions?

We define *decisions* (as opposed to *problems*) as having no urgency and no “unrest” related to it. We agree to make decisions with this sequence of behaviors:

1. Present the issue or question.
2. Ensure clarification on issue or question.
3. Discuss ideas, options, suggestions (see agreements on “discussions”).
4. Make comments brief, concise.
5. Hear from all Board Members.
6. A final decision is made using consensus or majority vote if necessary.

How will we Solve Problems or Issues as they Arise?

We define problems as having a sense of urgency or unrest. We agree to solve problems using this sequence of behaviors:

1. Follow the Operating Agreement for discussion, acknowledging the elevation of emotion and/or polarization.
2. The discussion leader will facilitate discussion on the problem or issue as well as manage the “tense” dynamics.
3. Use a “check-in” to ensure everyone has contributed.
4. If consensus is close to 50/50 split – continue the discussion.
5. Formally vote on the final decision.

Communication Inside/Outside the Team

When meetings-before-the-meetings occur, or meeting-after-the-meeting occur we will encourage the Director to bring the thoughts, ideas, and questions to the full Board for open discussion.

We agree that all aspects of the meeting are confidential to all non-board members including family, friends, and relatives.

With regards to Member access to board meeting records we will follow our legal opinion obtained from Chuck Holzman – dated January 14, 2009. In summary – Under the Credit Union Act:

- Members do not have a right to review board minutes, agenda, or other Credit Union records.
- It is a violation of the Act to disclose any information related to the conduct of business of the Credit Union, personal matters, matters involving actual or potential litigation, real estate transactions, strategic business endeavors, and transactions of the Credit Union and/or its Members, except as otherwise required by law, and there are no other legal requirements.

Under the Bylaws:

- Credit Union Members have a right to receive financial reports and a report on the annual audit.
- Credit Union Members have a right to see a monthly financial report. This report is required to be posted in a conspicuous place in the principal place of business of the Credit Union.

Under Common Law:

- Credit Union Members may have the right to review specific, limited, books and

records of the Credit Union that relate to a legitimate issue that the Members would have the right to have a voice or an interest in. A legal opinion would be sought if such a situation arises.

How will we Deal with Conflict?

We agree that our definition of *conflict* is when two or more individuals have escalated emotion due to personalizing interactions or polarizing viewpoints.

We agree that the Board Chairperson must attempt to facilitate this delicate situation as soon as possible to prevent the situation from becoming toxic and affecting other Board Members.

We agree that if for any reason the Board Chairperson cannot address a conflict – another Board Member has permission to address the issue.

We agree that at times a “cooling-off” period is necessary when individuals are engaged in “heated” conflict.

We agree that at times a one-to-one coaching session with the Board Chairperson may be the most appropriate approach to resolution on the conflict.

How will we deal with the violation of our guiding principles? Any violation of the Credit Union’s guiding principles by a board member, officer, or employee will be taken seriously. Such violations will be reviewed promptly by the appropriate committee or leadership, and corrective action will be determined based on the nature and severity of the breach. Actions may include counseling, retraining, or, in serious cases, removal from position in accordance with board policies and applicable regulations. The goal is to ensure accountability, uphold ethical standards, and protect the integrity of the organization.

How will we make Ethical Decisions?

We agree to consider any ethical situation addressing the following questions:

1. Is the behavior or action illegal?
2. Does the behavior or action violate compliance/regulatory rules?
3. Might the behavior or action lead to harm of others?
4. How high is the potential for harm?
5. How does society/culture view the behavior or action?
6. What safeguards are in place to prevent behavior or actions from becoming unethical?

How will we provide Team Leadership?

We agree that the Board Chairperson will be responsible for facilitating board meetings.

We agree that the Board Chairperson can ask others to facilitate and that if unavailable, the Vice Chairperson, Secretary and Treasurer in that order will resume the role of facilitating the meeting.

We agree that the Board Chairperson has the authority to end discussion, extend time on a discussion or table a discussion for a future date.

We agree that the Board has permission to give the Board Chairperson or whoever is facilitating the discussion “real time” feedback on their facilitation skill and style.

Appendix C

COMMUNITY CHOICE CREDIT UNION BOARD OF DIRECTORS RULES OF ORDER

1. A quorum is a majority of the Directors. Once a meeting is under way, actions require a quorum to be present.
2. The CEO will prepare an agenda containing the issues and action items management needs resolved to facilitate operations. Directors desiring to have an issue or action item will get it on the agenda by providing the written documentation or proposal at least one week prior to the meeting to accompany the agenda.
3. At the start of the meeting, the board will act on the agenda, so all attendees know what business will be addressed, can set an appropriate time to adjourn, and govern themselves accordingly. Credit Union management and persons other than Directors may participate fully in discussion unless the Chairperson specifies otherwise.
4. Participants at the meeting will use the “raise hand” technique to signal to the Chairperson they would like to speak. They should wait for acknowledgement from the Chairperson before speaking. In cases where there are many opinions, the Chairperson may limit debate by any means that does not prevent any attendee from speaking at least once.
5. When the Chairperson believes there is agreement by a majority (consensus) or unanimity, for an action that is clearly laid out in a proposal, the proposal has a clear call for an action, the Chairperson may simply ask if there is any objection to adopting the proposal. The Chairperson will ask that the record show any Director’s objection and call for the record to show the proposal is adopted. This does not apply to any regulatory proposal that requires a documented vote.
6. For issues on which the Chairperson or other Directors feel the Board ought to vote, the Chairperson may ask for a Director to make a motion and request a second, with discussion following. The Chairperson can put the action to a vote following discussion.
7. Should a Director desire to change a motion, the Chairperson will allow it and if friendly, accept the change which then becomes a part of the motion. The Chairperson may entertain discussion that the changed motion may stimulate.

I _____ have read the revised CCCU Board of Directors revised Team Operating Agreements and Rules of Order and commit to personally complying with them as well as supporting other CCCU Board Members in complying with them.

Signature

Date

Appendix D

COMMUNITY CHOICE CREDIT UNION VOLUNTEER BOARD MEMBER TIME COMMITMENTS

Monthly Board Meetings

Usually held at 6 p.m. on the third or fourth Thursday of the month at the Community Choice main office in Farmington Hills, with the duration lasting between one and three hours. Attendance in person is expected. Occasionally, the chairperson will call for the meeting to be held online or via phone conference.

Committees

Directors typically serve on two, sometimes three committees, which meet at least once per quarter. Meetings generally last 90 minutes and are scheduled by the committee chair to accommodate members' schedules. Committees may meet more often when actively working on a task.

Educational and Planning Sessions

Attendance is expected at the following:

- 1) Once or twice throughout the year, attendance at an educational or planning session is expected.
- 2) Every other year, an out-of-state educational session takes place.
- 3) Attendance at Emerging Trends sessions.
- 4) Industry conferences.

Communication

All Credit Union emails are expected to be reviewed within 24 hours.

Events

Directors are encouraged to attend various Credit Union events, such as:

- Ribbon cuttings
- Grand openings
- Award ceremonies
- Credit Union sponsored events
- Team member appreciation events

Orientation

Directors are required to go through an orientation program in the first 90 days that requires reading Credit Union documentation listed below, as well as meetings with directors and management.

- Strategic Plan
- Business Plan
- Directorship Policy
- Code of Conduct Packet
- Annual Report
- Current Year Organizational Meeting Minutes
- Board of Director Travel Policy

- Current Year Board Meeting Schedule
- Current Year Board Discussion Calendar
- Board Budget
- Committee Charters
- Director Bio's

Online educational courses are required to be passed. There are courses required to be taken as part of the orientation process and then others that come up from time to time as approved by the board's education committee.

Revision History

Date	Author	Summary of Changes
August 2019	Director Governance Committee	Revised
December 17, 2025		Revised