

Appendix A

If the departure of the CEO is unplanned and without warning, the Board of Directors will immediately inform all employees and draft a letter to members to inform them of the situation.

The meeting of the full staff will be held to explain the situation and the Board's anticipated response. The employees will be reminded that the Board of Directors is responsible for any communication related to the situation. Explanations of how the staff should handle the situation with members, etc. will be provided. Considerations for discussion should include:

- Reason for departure.
- Response that employees are allowed to give members.
- Person in charge.
- Projected process for replacement of the CEO.

The Middle Management Team (MMT), which includes the Head Teller, Information Services Coordinator, and the Executive Assistant, under the direction of the COO and CLO, who will be responsible for the operations of the Credit Union until the Board of Directors appoints a new CEO. If a conflict arises, the problem will be brought to the Chairman of the Board for a final decision.

The Chairman and the MMT will determine the need to:

- Change combinations.
- Change or delete security codes.
- Change door locks.
- Change computer passwords.
- Notify vendors.

Appendix B

The purpose of this section is to outline a plan to ensure that staff is properly trained in the event of a planned or unplanned departure of the CEO. In order to effectively complete the primary job duties of the CEO, the Board of Directors has determined the following requirements will need to be fulfilled by any staff member expressing an interest in obtaining the position:

Formal Training Requirements

- CUNA Management School.
- Regulatory Training.
- Supervisory or HR Training.

All formal training requirements must be completed with a satisfactory score on each course of 80% or higher.

In-house Training Requirements

- Financial statements.
- Call Report.
- Budgeting.
- Policies and procedures.

All in-house training requirements must be documented by both the employee and the CEO.

The Credit Union agrees to pay 100% of all cost associated with training necessary to meet the requirements of this plan. The employee agrees to continue employment with the credit union for a term of two years following the completion of each formal training requirement. In the event that the employee terminates employment of his own free will he/she agrees to reimburse the credit union for the cost associated with the training based on the following schedule:

Departure within one year of completion	100%
Departure within two years of completion	50%
Departure after two years of completion	0%

Completion of the above requirements does not guarantee the exclusive right to the position to any employee, rather it provides the Board of Directors with qualified candidates in the event of the departure of the CEO.

If an employee is terminated by the Credit Union the above schedule shall be deemed null and void.

LFCU maintains that it is an "At Will" employer and the terms of this plan shall not be deemed an employment contract.