



## **CREDIT UNION ONE COMPENSATION COMMITTEE CHARTER**

### **Purpose**

The purpose of the Compensation Committee ("Committee") is to assist the Board in discharging its responsibilities relating to the compensation and benefits of the credit union's President and Chief Executive Officer ("CEO"). The Committee also is responsible to make recommendations to the Board related benefits programs offered senior management level employees that are not made available to other employees. The Committee oversees and advises the Board on the adoption of policies that govern the credit union's compensation and benefits programs. The Committee is also charged with succession planning.

### **Membership**

The membership of the Committee shall consist of no fewer than three Directors, one of whom shall be the Board Chairperson.

### **Committee Structure and Operations**

The Board shall designate one member of the Committee as its Chairperson. The Committee shall meet in person or telephonically at least twice a year at a time and place determined by the Committee Chairperson, with further meetings to occur as determined appropriate and necessary to discharge the duties of the Committee.

The Committee may invite such members of management to its meetings, as it may deem desirable or appropriate. The CEO should not attend any portion of any meeting where his/her performance or compensation is discussed, unless specifically invited by the Committee.

### **Authority and Responsibilities**

Review and recommend to the Board corporate goals and objectives relevant to the compensation of the CEO, facilitate the performance review of the CEO in light of those goals and objectives, and the CEO's compensation level, and bonus structure (if any), based on this evaluation. The Board, at its discretion may provide input and/or participate in the performance evaluation of the CEO.

In consultation with the CEO, establish the Credit Union's general compensation philosophy, and oversee the development and implementation of senior management compensation and benefits programs.

Make recommendations to the Board with respect to the Credit Union's incentive compensation or bonus plans. Oversee the activities of the individuals and committees responsible for administering these plans, including the Vice President, Human

Resources, and discharge any responsibilities imposed on the Committee by any of these plans.

In consultation with senior management, oversee legal and regulatory compliance with respect to compensation and benefits matters.

May select and retain independent compensation and benefits consultants and other outside counsel, as needed, to provide independent advice to the Committee with respect to the credit union's current and prospective executive compensation and employee benefit programs.

Advise and consult with management on succession planning and other significant human resources matters, as appropriate.

Any other duties or responsibilities expressly delegated to the Committee by the Board from time to time relating to the credit union's compensation programs.

### **Reporting Activities**

The Committee Chairperson, or designee, shall make reports to the Board at the next regularly scheduled meeting of the Board after a Committee meeting is held. These reports may be made in Executive Session of the Board.

### **Limitation of Role**

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to set compensation for any employee other than the CEO. The CEO, in consultation with management sets compensation levels for all other employees. Further, the Committee is not charged with administration or operations related to providing employee benefits or benefit programs, unless there is a legal or regulatory requirement that such administration or approval be carried out by the Board or Committee. The responsibility for providing employee benefits and setting levels of benefits rests solely with the CEO, subject to budgetary approval of the Board.

**Adopted: September 27, 2007**