**ILLINOIS CREDIT UNION LEAGUE**

**CHAPTER STANDARDS RELATING TO**

**VENDOR SUPPORT OF AND PARTICIPATION**

**IN CHAPTER ACTIVITIES**

The Chapter Vendor Support and Participation Standards set forth herein compliment the Chapter Corporate Governance Performance Standards adopted and approved by the Board of Directors of the Illinois Credit Union League on March 26, 2004 (a copy of which is attached hereto and incorporated herein by reference).

As stated in the Chapter Corporate Governance Performance Standards, the Chapters are part of the League and they exist to support the League.[[1]](#footnote-1) While the League maintains a flexible approach in granting the Chapters latitude in running their own affairs, it is important that activities relating to vendor support and participation not run afoul of applicable legal standards or place the League and its affiliated companies at a competitive disadvantage.[[2]](#footnote-2)

For consistency in addressing vendor relationships, the following list establishes basic Illinois Credit Union System (“ICU System”) marketing, promotional and endorsement standards applicable to all Chapters:

1. The Chapters should proactively promote the League, its affiliated companies and all ICU System vendor relationships. In its role as the communication hub of the ICU System, the Regional Management Group is in the best position to provide that guidance to the Chapters on a continuing basis.
2. To the extent practicable, the Regional Directors should provide reports to the Chapters on behalf of ICU System endorsed vendors that are unable or unwilling to attend Chapter functions.
3. The Chapters should not promote or provide marketing opportunities to competitors of the ICU System or its endorsed vendors. This standard is satisfied so long as a competitor is merely attending a chapter event, as opposed to conducting it or presenting at it.
4. In no event may the Chapters violate the non-competition provisions in the LSC/CUNA Mutual Group (“CMG”) marketing agreement, as those provisions are amended from time to time.

(a) Current CMG non-competition provisions tie to a specific list of CMG competitors. Competitors on the list should not be invited to Chapter functions. In the event a competitor is invited to a chapter function, the Regional Director for the Chapter should consult with Chapter officials to confirm how the competitor will participate in the Chapter function.

(b) The restriction against promoting a competitor doesn’t apply to competitor participation in exhibit hall or other program events held or arranged by the League or the Chapter (as opposed to events held or conducted by the competitor). As stated above in paragraph 3, ICU System and Chapter responsibility to avoid promotional opportunities for competitors is satisfied so long as the competitor merely makes an appearance at or attends the Chapter event, as opposed to conducting it or making a presentation at it.

(c) Excluded from the CMG non-competition provisions are all compliance and advocacy services offered by the League

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1. Article X, Section 4 of the League Bylaws provides in pertinent part: “The purposes of the Chapters shall be … to promote League membership, the League mission statement and organizational strategies and the products, services and programs of the League …”. [↑](#footnote-ref-1)
2. Article X, Section 5 of the League Bylaws requires that: “Each Chapter shall operate within a set of bylaws adopted by its members. Such bylaws shall be consistent with the Bylaws of the Illinois Credit Union League.” Given that standard, the League has encouraged the Chapters to adopt the Model Chapter Bylaws developed by the League. [↑](#footnote-ref-2)